HER MAJESTY’S GOVERNMENT

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27 March 2017
House of Commons

Monday 27 March 2017

The House met at half-past Two o’clock

PRA YERS

[M R S P E A K E R  i n  t h e  C h i a r]

Oral Answers to Questions

WORK AND PENSIONS

The Secretary of State was asked—

Pension Investments

1. Seema Kennedy (South Ribble) (Con): What steps the Government are taking to ensure that people have accurate and clear information to inform decisions on the use of their pension investments.

Richard Harrington: The Government are committed to providing free and impartial guidance through Pension Wise to help people make informed and confident decisions about how they use their defined contribution pension savings in retirement.

Seema Kennedy: I am grateful for that answer. Will my hon. Friend reassure me that the Government are taking steps to protect people from being scammed out of their savings as well as ensuring that people have access to information to help them to decide how to draw down their pension savings?

Richard Harrington: My hon. Friend is absolutely right to ask that question. The Government take the threat posed by scams very seriously indeed. We run campaigns to highlight the risk posed by scams to savers, and we have established a cross-government taskforce to gather and share intelligence, and to co-ordinate enforcement action. We have also consulted on further measures to tackle scammers, including a proposal to ban cold calling in relation to pensions. Our next step will be announced very soon.

Chris Leslie (Nottingham East) (Lab/Co-op): Well, that is the point I was going to ask the Minister about. Will he tell us when he will crack down on cold calling? These people are trying to scam others out of their hard-earned life savings, taking advantage of the notion that there are these freedoms, but potentially putting pensioners at great risk. When will the legislation be brought forward?

Richard Harrington: As is to be expected, the hon. Gentleman asks a pertinent question; very soon, is the answer.

Mr Philip Hollobone (Kettering) (Con): Preying on elderly people in order to take advantage of their pension pots by giving them bad advice is a despicable crime. Is the Minister satisfied that the number of prosecutions of those who do this frankly evil activity is nearly enough?

Richard Harrington: I would like to be able say that it is enough, but I do not think it is. The steps we intend to take should make prosecutions for scam cold calling much easier. If I am asked the question again in the future, I hope to be able to answer in the affirmative.

Ian Blackford (Ross, Skye and Lochaber) (SNP): On the issue of accurate and clear information, the Cridland report, published last week, stated:

“An increase of the State Pension age every ten years—and by only one year per decade—represents an appropriate pace of change”.

Does the Minister agree with that statement? If so, will he revisit the issue of the WASPI women, who face an increase in the state pensionable age of more than five years this decade?
Richard Harrington: I know that the hon. Gentleman has read the Cridland report in detail, and I thank him for doing so. It will suffice to say that the Government’s response will be published at the end of May and will be comprehensive. As far as the WASPI women are concerned, he knows—I have said this many times at this Dispatch Box and elsewhere—that the Government have made the concession that they are going to make in terms of transitional arrangements from the Pensions Act 1995. I have no further news. That is it.

Mr Alan Mak (Havant) (Con): Reducing fees and charges levied by pension companies is important to helping customers to get the most from their investments. Will the Minister update the House on what progress has been made in that area?

Richard Harrington: My hon. Friend and I have discussed the matter, and I am pleased that he has highlighted it. There has been consultation on the subject, and the Government will make an announcement ourselves and through the regulator very soon.

Alex Cunningham (Stockton North) (Lab): The Government missed an opportunity this year to tackle a wide range of issues in the pensions industry, but they chose to ignore most of them, instead bringing forward the narrow Pension Schemes Bill. The Secretary of State then failed to further his own agenda by instructing his Ministers to resist any attempt to introduce transparency, member engagement and greater clarity on costs. Why does he choose to protect the industry instead of savers? What will the Government do to correct this failure and help us all to build trust in our pensions industry?

Richard Harrington: I thank the shadow Minister for voting for the Bill on Second Reading, and for his generally constructive approach to it. As the hon. Gentleman well knows, the transparency agenda is part of a much broader agenda, and the Government will make a proposal very soon.

Martin Vickers (Cleethorpes) (Con): I am currently dealing with two constituency cases in which old people have been robbed of their life savings. In both cases, they have been disappointed with the police response. Will the Minister’s cross-departmental work include contact with the Home Office and individual police forces to ensure that more work is done to address this?

Richard Harrington: I can confirm that the police and anti-fraud authorities are involved in this cross-governmental body.

Self-employment Trends

2. Justin Madders (Ellesmere Port and Neston) (Lab): What assessment he has made of recent trends in the level of self-employment.

The Secretary of State for Work and Pensions (Damian Green): This Government support those who aspire to be their own boss. Self-employment grew by 148,000—3.2%—in the last year to reach a record level of 4.8 million. Self-employment has contributed 30% of the rise in employment since 2010 to the current record levels.

Justin Madders: It seems that not a week goes by without another story emerging of the outrageous treatment of the self-employed. This is exploitation. The Deane review of self-employment reported back to the Government over a year ago, and one recommendation it made was that there should be equal treatment for the self-employed, but all we have is yet another review from the Government. When will they actually take some action?

Damian Green: As the hon. Gentleman knows, the Government have commissioned Matthew Taylor to review the rights and protections available to self-employed workers. He asked what we have already done. The self-employed now have access to the new state pension, worth an extra £1,800 a year in retirement. We have doubled the amount of free childcare, which is particularly useful for the self-employed and worth up to £5,000 per child per year. We have also increased the personal allowance; worth £1,000, to the typical basic rate taxpayer.

Mr Peter Bone (Wellingborough) (Con): The Secretary of State is right: we have definitely helped the self-employed. However, it was put to me at my listening campaign this weekend by self-employed people that they actually want the Government out of their business. They do not want to pay higher taxes, and they do not want more benefits; they just want to get on with their business. Is that something the Secretary of State could support?

Damian Green: I do, and the Government, of course, support that more widely. We are looking all the time at regulations that might hinder the growth of entrepreneurship and self-employment. The actions taken by my Department—for instance, the new enterprise allowance—actively encourage people into self-employment. Some 96,000 new businesses have been set up as a result of the NEA.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): The Government’s proposed increase to national insurance contributions for self-employed workers in this month’s Budget showed a scandalous detachment from the reality of the majority of self-employed workers’ lives, a failure to understand the boom in self-employment and a lack of the will to address the issues self-employed workers face, including the fact that one in three is concerned about becoming sick or being injured during their work. What discussions did the Secretary of State have with the Chancellor on this before the Budget, and is he concerned about the reliability of the minimum income floor calculation, given the Office for Budget Responsibility’s comment?

Damian Green: I am confident in the minimum income floor calculation. As the hon. Lady would expect, we have discussions all the time with the Treasury on a wide range of matters. My right hon. Friend the Chancellor said in his letter subsequent to the Budget:

“It is very important…that we are compliant not just with the letter, but also the spirit, of the commitments that were made.”

That is why he decided not to proceed with the class 4 NIC measures set out in the Budget. Also—this is important—all the spending measures set out in the Budget, including on social care, technical education and new schools, will be delivered in full.
Mr David Nuttall (Bury North) (Con): My right hon. Friend is right to note that 96,000 new businesses have been started by jobseekers, but many jobseekers still do not know what help is provided under the universal credit system and the new enterprise allowance. Will he say what his Department is doing to increase awareness of these measures?

Damian Green: My hon. Friend makes a good point. Obviously, universal credit is still a relatively new benefit, and many of the self-employed may not be fully aware of the many benefits that arise from it for them specifically. Under UC, self-employed claimants will, for the first time, be offered help to increase their earnings. We will be testing the offer of work coach support to self-employed tax credit claimants. Also, there is an assured level of earnings, but new self-employed claimants will be exempt from this for up to 12 months following their application, which people thinking of setting up their own business will find extremely helpful.

Personal Independence Payments

3. Lilian Greenwood (Nottingham South) (Lab): What steps his Department is taking to ensure that personal independence payment assessments are undertaken fairly and efficiently.

17. Mr Stephen Hepburn (Jarrow) (Lab): What steps his Department is taking to ensure that personal independence payment assessments are undertaken fairly and efficiently.

The Minister for Disabled People, Health and Work (Penny Mordaunt): The Department robustly monitors provider performance and independently audits assessments. Assessment reports deemed unacceptable are returned for rework. A range of measures, including contractual remedies, are used to address performance falling below those standards.

Lilian Greenwood: A constituent contacted me after she submitted a claim for personal independence payment and then had to wait 12 weeks for the home assessment appointment she needed. Capita finally telephoned, giving less than 48 hours’ notice of the visit, only to cancel 10 minutes before the appointed time. After three and a half months, she is still no nearer receiving the support she needs. I know from my discussions with the Meadows Advice Group that she is just one of dozens of disabled people being let down by the Minister’s Department. When will the Minister address this catalogue of failure?

Penny Mordaunt: If the hon. Lady would let me have the right to benefits? What level of cuts has the Minister promised the Chancellor in order to get this policy through?

Penny Mordaunt: I am afraid that the hon. Gentleman is being very irresponsible in saying that. He knows that there is no change to policy, to budget or to award amounts. I remind him that people with mental health conditions are receiving higher levels of benefit than they did under DLA. This benefit is not about people’s conditions; it is about the impact that those conditions have on the individual’s ability to thrive and live their life as they would wish. It is quite wrong and irresponsible to suggest anything otherwise.

Justin Tomlinson (North Swindon) (Con): The vast majority of successful appeals are due to late additional submitted evidence. Therefore, to avoid unnecessary appeals, what steps is the Minister taking to automatically access medical reports with the consent of the claimant?

Penny Mordaunt: This is one of the key reasons why not only is 3% of the PIP caseload being overturned at appeal, but we are not getting the right decision at mandatory reconsideration stage. We have been doing a number of trials to improve that, including telephoning claimants to ensure that all the healthcare information that is required for a good assessment and a good decision is in place. There are other measures as well. I hope that this will improve the situation.

Caroline Ansell (Eastbourne) (Con): Any delay in making the PIP award is stressful for the person in need of that support and creates inefficiencies in a very pressed system. A number of cases successful at first tier tribunal are challenged by the Department and then ultimately upheld. Can the Minister assure me that this number is monitored, statistically insignificant, and, in light of improvements in assessment, falling?

Penny Mordaunt: I can give my hon. Friend those assurances. In addition to the measure that I have mentioned, there are a number of other trials going on and a number of changes that our providers are making—for example, sitting down with someone and talking about the effects of their condition on their ability to live their lives prior to a medical history being gathered.

Ronnie Cowan (Inverclyde) (SNP): One thousand and ninety-nine people currently use the Motability scheme in Inverclyde. It can be over eight weeks before a successful appeal, and during that time claimants are without their car. What is being done to address this specific issue?

Penny Mordaunt: As I have reported to this House before, we have been working ever closer with Motability—a great scheme in its 40th year. We are looking at a number of issues, such as appeals; people who may wish to leave the country, whether for study, work experience, or any other reason; and potentially extending the scheme to other groups. We will report on that review as soon as we can.

Andrew Bridgen (North West Leicestershire) (Con): Can the Minister confirm that far from cutting support for disabled people, disability spending will increase every year to 2020 relative both to 2010 and today?
Penny Mordaunt: My hon. Friend is absolutely right that spend will increase, but it is also vital that this Government look at other issues, as we are doing—for example, on the consumer agenda. It is no good our spending money and getting the employment support right if buildings are not accessible and people cannot make use of these opportunities.

Ms Marie Rimmer (St Helens South and Whiston) (Lab): Last Thursday, at business questions, the Leader of the House stated that there would be a debate on the Government’s emergency PIP regulations, which will affect the eligibility for PIP of more than 160,000 people, mainly those with mental health conditions. However, he failed to give a date, and the praying against period comes to an end on 3 April. If there is no debate and vote before the House rises for Easter, even if the House votes against the regulations next month they will not automatically be revoked. That represents a huge democratic deficit. Will the Minister now commit to scheduling a debate and vote this week?

Penny Mordaunt: The hon. Lady will know that is not within my gift; it is for the usual channels. It is no good policy change. There is no change to the budget, and there is no change to the guidance that we have issued to our assessment providers. It is quite wrong to raise fear by saying to people that they will be affected. No awards will be affected, and we are operating exactly the same policy and guidance in our assessment practices as we have done before.

4. Dr Philippa Whitford (Central Ayrshire) (SNP): What assessment has he made of the effect of recent personal independence payment changes on the income of people with mental illnesses.

Penny Mordaunt: The Committee is within its rights to look at the decision. It did so, and it concluded that it would not formally review that decision. We have used the urgency procedure, as it was within our rights to do, to establish certainty. We do not want there to be a long period of uncertainty around this, and we do not want to be in the position of having to take money off people. What we have done is to restore that certainty. Everyone knows where they are, and people know that there is no change and their awards will not be changing.

Mr David Hanson (Delyn) (Lab): What estimate has he made of the number of disabled people who will be affected by the changes introduced by the Social Security (Personal Independence Payment) (Amendment) Regulations 2017.

Penny Mordaunt: I would be very happy to meet the hon. Gentleman to do so. PIP is a better benefit than DLA—it better serves a wider range of people with a wider range of conditions better—but we can always make improvements to the system, and I would be very happy to meet him.

Kevin Foster (Torbay) (Con): In relation to PIP, will the Minister assure me that the DWP is engaging with those with experience of mental health conditions to ensure that our programmes and our frontline staff have a proper understanding of how a mental health condition can have an impact on someone’s life?

Penny Mordaunt: I can give my hon. Lady such an assurance. In addition to the user rep panels that we are introducing in April, we have been conducting a trial since mid-March—it will take about six weeks—looking at audio recording, which should involve about 400 claimants. That is a tool not just to guarantee quality, but to provide reassurance to the claimant.
Mr David Burrows (Enfield, Southgate) (Con): Some of those who are eligible for PIP may well lose entitlement to the work-related activity group element come 1 April. Will the Minister reassure me that whether through the flexible support fund, the hardship fund or indeed third-party deals, there will be full mitigation for the losses they incur from 1 April?

Penny Mordaunt: I can give my hon. Friend such an assurance. People are open to apply to the financial channels he mentions if they need further support. We have been doing some work in the Department on social tariffs and budgeting, which will be rolled out across our Jobcentre Plus network, and all the elements of the support offer for that group are already in place.

Mr Alistair Carmichael (Orkney and Shetland) (LD): Last week I had to deal with a constituent whose benefits had been stopped because she missed an appointment to be assessed for PIP. She missed that appointment because she was an in-patient in hospital in Aberdeen. Even after evidence of that had been exhibited to the Minister’s Department, it twice refused to reinstate her benefits because it said that it had done nothing procedurally wrong. Is the Minister content that that is how the system is supposed to work?

Penny Mordaunt: The right hon. Gentleman will know that that is not how the system is supposed to work. If there is a reasonable reason why someone has not attended an appointment, missing it should not count against them. I am quite happy to look at the case at the case that he cites, but that should not be happening.

Young People in Work

5. James Berry (Kingston and Surbiton) (Con): What recent assessment he has made of trends in the number of young people in work. [909477]

The Minister for Employment (Damian Hinds): The number of 16 to 24-year-olds in work is 3.94 million, which is up 28,000 on the quarter and 225,000 on 2010.

James Berry: At the last count, there were 145 jobseeker’s allowance claimants aged 18 to 24 in Kingston, yet when I go to businesses such as New England Seafood, Genuine Solutions and Meeting Point, they tell me that they have vacancies, particularly for young people. What can my hon. Friend do to ensure that young people are matched up with the many opportunities that businesses in my constituency and others have for them?

Damian Hinds: The number of young people in my hon. Friend’s constituency claiming out-of-work benefits has fallen by more than half in the past four years, and he is right to highlight the large number of vacancies—over three quarters of a million nationwide. Alongside promoting work experience and apprenticeships, the Government will soon be rolling out the youth obligation, providing additional intensive support for young people from day one.

Jenny Chapman (Darlington) (Lab): The Minister can highlight what he likes, but long-term youth unemployment in Darlington and the Tees valley is completely stagnant: the situation has not improved at all. What is he going to do to make sure that in six months’ time the picture has improved?

Damian Hinds: Long-term youth unemployment is down 111,000 overall since 2010, and it is down 30,000 on the year. We put particular resource into and focus on the individual areas around the country that need additional support. I encourage more firms to come forward and join the work experience programme, because we know that the experience of actual work is one of the most fundamental things to help young people to move into a regular job.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): Young autistic people have a great contribution to make to our economy and society, yet a recent survey by the National Autistic Society reckons that only 16% are in full-time work, and that trend has not changed during the past 10 years. In World Autism Awareness Week, will the Minister tell us how the Government could help? Not only are our employers missing out on the skills and potential of this group of people, but we are wasting an awful lot of talent. How can the Minister help to highlight their plight?

Damian Hinds: May I first acknowledge and recognise my right hon. Friend’s particular expertise in this area? I met the National Autistic Society at the party conference, as a number of colleagues did, and some of the statistics she mentions are indeed very striking. The Minister for Disabled People, Health and Work is bringing forward, through the Green Paper process, a particular focus on the talents, abilities and potential of people with autism, which will be key.

Greg Mulholland (Leeds North West) (LD): Research just published shows that the forthcoming apprenticeship levy will make the north-south divide worse, because investment will be focused on the south-east, not where it is needed in the north. What will the Minister do to address that?

Damian Hinds: This is a generational shift in investment in the skills base. The levy is an important part of ensuring that all firms of a particular size are incentivised to take part, and the new Institute for Apprenticeships will guarantee the quality of apprenticeships. I think that that will benefit the entire country.

Employment: Mental Health

6. Helen Whately (Faversham and Mid Kent) (Con): What steps the Government are taking to ensure that employers are encouraged to recruit and retain people with mental health conditions. [909478]

The Secretary of State for Work and Pensions (Damian Green): We are making progress on the independent mental health and employers review, which is led by Lord Stevenson and Paul Farmer. We are also taking forward an internal review of discrimination law in relation to mental health and work. We continue to look at how we can improve employment support for people with mental health conditions, and this approach is reflected in the work and health Green Paper.

Helen Whately: I recently trained as a mental health first-aider. Such training helps people to support others with mental health problems, as well as to look after their own mental health. Will my right hon. Friend
encourage more employers to take part in initiatives such as mental health first aid to create a culture in which everyone feels able to seek mental health support in the workplace?

Damian Green: I congratulate my hon. Friend on taking that training, which is very important. She is right that more employers should act. We are now providing a range of support to help employers to recruit and retain people with mental health conditions, including the Disability Confident campaign and the mental health support service in the Access to Work scheme, which many firms and those who suffer from mental health conditions find useful.

Helen Goodman (Bishop Auckland) (Lab): The Secretary of State should beware of being so enthusiastic that he ignores the real needs of people who cannot go to work. I had an email this morning from one of my constituents saying that her husband had taken his life on Friday. He first came to us in 2016 when his award of employment and support allowance was under review. Despite his doctor’s protest, he was made to have a face-to-face assessment. We sought an extension of the six-month award; that was refused. At that point, he was so stressed that he attempted suicide. The PIP award was reviewed again in January. Will the Secretary of State please ensure that when doctors say that people with mental health conditions should not have face-to-face assessments, they do not have face-to-face assessments?

Damian Green: The case that the hon. Lady raises is clearly dreadful. I am sure that the whole House will want to send condolences to the family and friends of her constituent, particularly his widow. We are, of course, not just investing more in mental health than ever before—£11 billion this year—but succeeding specifically in improving clinical assessments. More clinical expertise is now available to the assessors who look at individual cases. As she will know, we have now ended reassessment for those who have conditions that can only stay the same or get worse. We are taking steps to try to minimise those effects.

22. [90945] John Howell (Henley) (Con): Ensuring that people with mental health conditions are able to start businesses and also remain in business is very important. What is the Minister doing to encourage employers to make that a possibility?

Damian Green: My hon. Friend is right. We are taking action through Access to Work and Disability Confident, which I mentioned in response to my hon. Friend the Member for Faversham and Mid Kent (Helen Whately), but this needs to be part of a much wider programme of education specifically for employers. We have set up a Disability Confident business leaders group because I suspect that employers will listen more to other business people than they necessarily will to politicians.

Dame Rosie Winterton (Doncaster Central) (Lab): Is not the main issue to make sure that people have good access to occupational health services—particularly so that preventive action can be taken if an individual feels that they are suffering from a mental health problem—meaning that they can get to an occupational health service quickly and easily to get proper advice?

Damian Green: I completely agree with the right hon. Lady. She will have seen that the work and health Green Paper lays great stress on occupational health services. We have more than doubled the number of employment advisers in talking therapies to make sure that we can help people with the necessary support that will enable them to stay in work. We will need to do more of this important job in the future.

Universal Credit

7. Lucy Powell (Manchester Central) (Lab/Co-op): What progress the Government have made on the roll-out of universal credit.

The Minister for Employment (Damian Hinds): The roll-out of universal credit continues to roll out to plan—[Laughter] About a million claims have now been taken, and the full universal credit service for all claimant types is available in 53 jobcentres.

Lucy Powell: I shall not mention hon. Members’ ridicule of the Minister’s answer, but I want to raise another point about universal credit: the interaction between passported benefits and universal credit, and the progress on this that the Government are making. My constituents tell me that as they get into work and move through universal credit, they lose free school meals, bus passes for their children and entitlement to a free uniform, so they are much worse off in work than they would be if they were not in work.

Damian Hinds: We continue to work closely with partners and stakeholders to ensure that this service is a success. There are some questions about passported benefits and we continue to work through them.

Sir Julian Brazier (Canterbury) (Con): I thank my right hon. Friend the Secretary of State for coming down to see the successful roll-out of universal credit in Canterbury, where nearly a third of the unemployed now enjoy universal credit. That has not only pushed down the level of unemployment, but resulted in remarkably few cases coming to my surgeries.

Damian Hinds: Universal credit is a transformational benefit. It converts six benefits into one, which means working with one organisation and not three. It supports people into work and makes sure not only that work pays, but that it is visible to the individual that work pays. It is indeed transformational in our system.

Dr Eilidh Whiteford (Banff and Buchan) (SNP): In just a few days’ time, austerity cuts to universal credit come into effect that will further cut the incomes of millions of working families, including families with disabled children, who could lose about £1,600 a year, while single parents in full-time, low-paid work could lose almost £200 a month. Was the intention of universal credit to drive up poverty among disadvantaged children? If not, why will Ministers not accept that the system is failing those whom it was designed to help?

Damian Hinds: No such cuts are about to happen in universal credit. The taper change from 65% to 63% will eventually benefit 3 million households.
Dr Whiteford: Mounting evidence from the full service roll-out areas exposes the fact that the universal credit system is beset with failure. It is simply not working. Rent arrears are soaring, claimants are waiting up to three months to have their claims processed and some people have even lost their homes. The Government need to get their head out of the sand, so will Ministers call a halt to the full service roll-out while they conduct an immediate review?

Damian Hinds: We will not call a halt to the roll-out, because it would be unfair and wrong to deprive people in Scotland or elsewhere of the advantages that the universal credit system brings. We continue to work on improving processes and accelerating delivery, including with respect to housing, and a number of improvements have already been made, with more in train.

Margaret Greenwood (Wirral West) (Lab): Last week’s report by the Equality Trust illustrates just how extreme inequality is in the UK, with the average pay of chief executive officers of FTSE 100 companies standing at £5 million a year. From this April, families on low incomes who are claiming tax credits or universal credit will not receive support for the third and subsequent children in a family, except when the child is disabled. In that instance, however, the money will be withdrawn from one of the other children. Will the Government address this injustice and scrap the two-child limit?

Damian Hinds: The purpose of the limit on support through universal credit or tax credits to the first two children, in the case of new claims and new births, is to reduce our welfare spending and to target it in a particular way—[Interruption.] In some 85% of families that include children, there are one or two children. When it came to determining where necessary reductions must be made, this was the correct way of doing that.

The hon. Lady talks about rising inequality. I simply mention to her that inequality is down, and that household incomes are at a record level.

Jobcentre Plus Closures

Mr Clive Betts (Sheffield South East) (Lab): What assessment his Department has made of the potential effect of the proposed closure of Jobcentre Plus offices on claimants’ travel times and costs.

The Minister for Employment (Damian Hinds): The Department has sought to maintain the services that it offers claimants while minimising the impact on claimants as far as possible. These proposals may mean slightly longer and slightly shorter journeys for some individual claimants, and that has been taken into account in the setting of the criteria.

Mr Betts: I congratulate my hon. Friend the Member for Sheffield, Heeley (Louise Haigh) on the campaign that she has run with the Public and Commercial Services Union and local residents to keep open the Eastern Avenue jobcentre, which serves both our constituencies. Will the Minister confirm that the only reason for closing Eastern Avenue is to save money, and that if it closes, extra capacity will be needed at Cavendish Court and Woodhouse jobcentres? In the light of that need for extra capacity, will he produce figures showing whether there will actually be any net saving as a result of the closure of Eastern Avenue?

Mr Speaker: It is very cheeky to ask three questions even when asked with the skill and confidence of the Chair of the Select Committee.

Damian Hinds: I hope that I can provide the hon. Gentleman with some comfort. First, let me say that saving money is not a bad thing in itself; it is a good thing, and this overall programme will save some £180 million nationwide. That means that we can reinvest in frontline staff, which will have the biggest effect on helping people to return to work. As for the specific case of Sheffield, the changes will increase the utilisation of the entire estate from 51% to 69% when some of the business moves, as the hon. Gentleman rightly said, to the other two sites.

Michael Tomlinson (Mid Dorset and North Poole) (Con): I congratulate the Minister on surviving a recent grilling from young ambassadors at a meeting of the all-party group on youth employment. I welcome the news that fewer young people are unemployed to start with, but, at 554,000, the figure is still too high. Will the Minister read the all-party group’s report with a view to ensuring that there are fewer young claimants in the first place?

Damian Hinds: I look forward very much to reading the report. We know that any day spent unemployed can have a lasting effect on people, especially at the start of their careers when they are young, and it is therefore particularly important for us to redouble our efforts.

Louise Haigh (Sheffield, Heeley) (Lab): It is clear from the Minister’s answer to the question asked by my hon. Friend the Member for Sheffield South East (Mr Betts) that he does not know how much the closure of East Avenue jobcentre will save. We do not know how much rent is being spent there, and we do not know how much needs to be spent on Woodhouse or Cavendish Court to increase capacity for the additional claimants whom they will have to serve. Will the Minister commit himself to giving the House those figures before he makes his final decision and final statement to the House?

Damian Hinds: All the staff and services from Eastern Avenue will move to Bailey Court in West Street and Cavendish Court in Bank Street. I can reassure the hon. Lady that we have, of course, taken account in our projections and modelling of the exact space that will be required for those people and that level of workload.

Mike Freer (Finchley and Golders Green) (Con): The proposed closure of the Jobcentre Plus at Finchley Central, which is a major transport hub, will mean moving the jobcentre to High Barnet, which is on the periphery of London. That will mean a 40-minute journey and a £3 bus ride for my constituents. Will the Minister agree to revisit these proposals?

Damian Hinds: We have embarked on a programme of change which comes at the end of a 20-year private finance initiative contract. There is both an opportunity and a requirement to review what is needed on the
fest. Rents are particularly high in London, and are therefore particularly challenging in the commercial market. We have sought to minimise the effect on claimants, to ensure that there is a good coverage of services within reach, and to run a consultation when a new jobcentre is more than 3 miles away and a journey on public transport takes more than 20 minutes.

10. Heidi Alexander (Lewisham East) (Lab): When his Department plans to publish its equality impact assessment on the proposed closure of Jobcentre Plus offices. [909482]

The Minister for Employment (Damian Hinds): Throughout the development of these proposals, we have been mindful at every turn of the impact on staff and customers. Both statistical analysis and local knowledge have informed the proposals, which are still subject to consultation with staff and, when appropriate, with the public.

Heidi Alexander: Nearly a quarter of the jobcentres earmarked for closure are in London, and, as the Minister will know, both the disability and the black and minority ethnic unemployment rates are higher in the capital than elsewhere. Is the reason for the delay in the equality impact assessment the fact that it will show a disproportionate impact on the groups that typically need the most support to gain access to employment?

Damian Hinds: No, we have been mindful throughout of our duties under section 149 of the Equality Act 2010. Equality analysis will help to inform the final decision-making process, and it is an integral part of the thinking and process throughout.

Ben Howlett (Bath) (Con): Following the publication of the Women and Equalities Committee report on Muslim women in the workplace, what work is the Minister doing to ensure that minority groups in which unemployment remains stubbornly high are prioritised at jobcentres across the UK?

Damian Hinds: There are a number of very good local projects working with local organisations. I do not have the list in front of me, but there is some good work going on, and we seek to find where best practice exists and see how far it can be replicated.

State Pension Age: Women

11. Rosie Cooper (West Lancashire) (Lab): What recent discussions he has had with the Chancellor of the Exchequer on improving pension transition arrangements for women born in the 1950s. [909483]

20. Diana Johnson (Kingston upon Hull North) (Lab): What recent discussions he has had with the Chancellor of the Exchequer on improving pension transition arrangements for women born in the 1950s. [909493]

The Parliamentary Under-Secretary of State for Pensions (Richard Harrington): I give the same answer I gave to the hon. Member for Ross, Skye and Lochaber (Ian Blackford): the Government have been clear that the introduction of further transitional arrangements cannot be justified, given the imperative to focus public resources on helping those who are most in need. There are no plans to go beyond the £1.1 billion concession introduced when Parliament considered the changes.

Rosie Cooper: In response to the Minister’s answer, I ask him whether he will respond to the comments of his Government’s former Pensions Minister Baroness Altmann, who said she regretted the Government’s failure to properly communicate state pension age equalisation, an approach she described as “a massive failure of public policy”. And the comments of Steve Webb, another of their former Pensions Ministers, who said that the last Government made a bad decision on changing the state pension age? Will the Minister look at rectifying that?

Richard Harrington: In the latter case, Steve Webb was Pensions Minister at the time, so I do not think there is much further I can say about that.

There were very extensive communications on the 1995 changes. Millions of people checked their state pension requirements; it was publicised and leaflets were produced. This has been said many times on the Floor of the House, and I simply reiterate it.

Diana Johnson: It is not good enough for the Minister to say, as he did earlier, that that is it for the WASPI women and that everything has been done that is going to be done. Has he given any consideration to the recommendation from the Work and Pensions Committee talking about allowing the WASPI women the chance to claim their pensions early at a reduced rate, which I believe is cost-neutral and fits with other areas where the Government have allowed pensioners to take their pensions earlier at a reduced rate?

Richard Harrington: The proposal is not cost-neutral; I must make that clear. It is very impractical and it is impossible to do in the time concerned. I have made it very clear that the transitional arrangements that were made when the Pensions Bill went through Parliament are all that will be provided.

Sir Desmond Swayne (New Forest West) (Con): What was the minimum notice received by those facing the maximum increase in age?

Richard Harrington: These changes took place under two Acts of Parliament: the Pensions Act 1995, which brought in the main change, and the Pensions Act after that. I want to make it clear that after the 1995 Act, 18 months was the maximum increase.

Graham Evans (Weaver Vale) (Con): Last week, the John Cridland report indicated that there may well be an increase in the pension age. As life expectancy rises, it is right and proper for any Government to consider increasing the state pension age. However, will my hon. Friend reassure the House that if there are indeed any changes to the state pension age, they will be communicated in a timely and appropriate manner, so that those affected know about them?

Richard Harrington: The Government will be making a full response to the Cridland report. The review is forward-looking and, I must make it clear, will not
make recommendations for any changes to happen before 2028. That was a commitment in the 2013 autumn statement.

19. [090492] Rob Marris (Wolverhampton South West) (Lab): The Minister said in terms that the Government cannot afford to fund transitional arrangements or any of the proposals in the report referred to by my hon. Friend the Member for Kingston upon Hull North (Diana Johnson). May I suggest that he look again, with the Chancellor of the Exchequer, at spending over £30 billion on tax relief for pension contributions, for which there is no evidence that it encourages pension savings?

Richard Harrington: There is a lot happening in pensions at the moment. The point the hon. Gentleman mentions in relation to the Chancellor of the Exchequer is something completely different, but there will be no change to the transitional arrangements at £1.1 billion.

Alex Cunningham (Stockton North) (Lab): Labour will oppose the earlier increase in the state pension age and the end of the triple lock, recommended in last week’s Cridland report, but we welcome the statement from John Cridland that at least 10 years’ notice should be given of any age increase, so there is yet another chance for the Minister. Do the Government agree with Cridland? If they do, will the Minister now admit that they got it badly wrong with the WASPI women and at least back Labour’s proposals to extend pension tax credit?

Richard Harrington: As I said before, the Government will respond to the Cridland review by the end of May.

Leaving the EU: Departmental Policy Implications

12. Steven Paterson (Stirling) (SNP): What assessment he has made of the policy implications for his Department of the UK leaving the EU.

18. Gavin Newlands (Paisley and Renfrewshire North) (SNP): What assessment he has made of the policy implications for his Department of the UK leaving the EU.

23. Kirsten Oswald (East Renfrewshire) (SNP): What assessment he has made of the policy implications for his Department of the UK leaving the EU.

The Secretary of State for Work and Pensions (Damian Green): Every Government Department is preparing for a smooth and orderly exit from the European Union. We are confident that we will be able to secure a deal that works in the mutual interests of both the UK and the rest of the EU. We are considering various policy options.

Steven Paterson: Some 472,000 people who have retired to the EU currently get automatic increases in the state pension, but it is unclear whether this Government will strike a deal on that after departure from the EU. If they are to do so. Can the Minister guarantee today that elderly EU expats will not join the 550,000 retirees whose payments no longer increase in line with the state pension triple lock?

Damian Green: The Prime Minister has been clear that she wants to protect the rights of British citizens currently living in European member states, in the way that we want to protect the status of EU nationals already living here. That will clearly be an important matter for negotiation in the months ahead.

Gavin Newlands: Does the Secretary of State agree that his Government have form on failing to protect workers’ rights? Any illusion about ability to deliver social justice for workers went up in smoke with the Dickensian Trade Union Act 2016. How can we trust his Department to guarantee workers’ rights after article 50 is triggered?

Damian Green: I am glad that the hon. Gentleman has drawn the House’s attention to the fact that the Government have pledged to maintain workers’ rights in the course of the negotiations. I am happy also that he gives me the chance to remind the House that the greatest workers’ right is the right to a job, and that employment is at its highest ever level in this country.

Kirsten Oswald: Reports at the weekend suggest that the UK Government intend that EU migrants currently living here will retain access to benefits, but those who arrive after the triggering of article 50 will be denied access. Does the Secretary of State agree that that is actually dependent on the will of the EU member states, and his Government cannot guarantee any of those rights as they press ahead, dragging us into the unknown without any credible plan?

Damian Green: I am sure the hon. Lady knows that no one standing at this Dispatch Box would ever comment on speculative leaks. She will know as well that we are about to enter a negotiation. We are confident that we will get a good result for the people of Britain, and that is what we will be doing.

Benefit Cap

13. David Mackintosh (Northampton South) (Con): What assessment he has made of whether the benefit cap encourages people into work.

The Parliamentary Under-Secretary of State for Welfare Delivery (Caroline Nokes): The evaluation of the previous cap speaks for itself: capped households were 41% more likely to move into work than similar uncapped households, contributing to the record levels of employment we see today. Since 2013, over 26,000 previously capped households have moved into work.

David Mackintosh: Can my hon. Friend give me some examples of how the benefit cap is working in my constituency?

Caroline Nokes: In Northampton South, of 110 households capped since April 2013, 90 are no longer capped. Of those, about 48%—40 households—have moved into work, demonstrating that my hon. Friend’s constituency is outperforming the national average.
Topical Questions

T1. [909463] Chi Onwurah (Newcastle upon Tyne Central) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Work and Pensions (Damian Green): I would like to draw the attention of the House to the more generous universal credit taper rate coming into effect over the Easter recess, on 10 April. It demonstrates our commitment to helping people to gain independence in their own lives by getting on and progressing in work. The new taper rate of 63% will boost the incomes of about 3 million families by £700 million a year; a couple with two children could benefit by as much as £425 a year. When combined with the introduction of the national living wage and increases in the personal tax allowance, those changes equate to the biggest pay rise for the lowest earners in a generation.

Chi Onwurah: Newcastle has paid a high price for being the first city to go full service with universal credit, with claims routinely lost, delayed or repeatedly deleted. However, the six-week wait period is doing the most to drive so many into destitution and cause people to lose their home. With 80% of Newcastle council house tenants on universal credit now in rent arrears, will the Minister end the wait period, or will he explain how they are supposed to keep a roof over their head with no money?

Damian Green: I have two points for the hon. Lady. First, the National Federation of ALMOs—social housing providers—calculates that some 75% of tenants are in arrears under the legacy benefits, so she is not right in her suggestion.

Alex Cunningham (Stockton North) (Lab): Just 75%!

Damian Green: Yes, quite; this has been happening for a long time. The idea that universal credit causes housing arrears is just nonsense. Secondly, the hon. Member for Stockton North (Alex Cunningham), who is cheering from a sedentary position, agrees with me that we need to change the system. That is why we are proposing a huge number of different types of help across the board, including financial help and advice, which will help them into work.

T2. [909464] Mrs Sheryll Murray (South East Cornwall) (Con): I warmly welcome the latest fall in unemployment, particularly the 52% reduction since 2010 in my constituency. Will the Minister please endorse the work of Motiv-8 South West, which supports young people into employment and training, and continue to do all that he can to help those who are still struggling to find employment?

The Minister for Employment (Damian Hinds): I welcome the news from my hon. Friend’s constituency, which has seen such a strong fall in unemployment. I certainly acknowledge the key role played by third sector organisations. We continue to work with outside organisations and on programmes such as work experience, sector-based work academies, the new youth obligation and, of course, the roll-out of universal credit.

T3. [909465] Owen Thompson (Midlothian) (SNP): Last week, the Scottish Government wrote to the UK Government to express concern over how universal credit is pushing people into more hardship and debt. I also understand that the SNP-led Midlothian Council has written to the Minister to ask for a complete and immediate halt to the full service roll-out of universal credit, which is having an appalling impact on people across my constituency and a further knock-on impact on council resources. Will the Minister realise that the changes being pushed through are punishing some of the most vulnerable people in society? Will he heed warnings from the Scottish Government and others across Scotland that the process should be stopped now?

Damian Hinds: Universal credit is a massive reform. I know of no other country with a comparable system that stays with people from being out of work to supporting them in work. Are there challenges in implementing that? Yes, of course there are, but the transformational benefits in sight are immense.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): We heard earlier about the cuts to PIP support for people with mental health conditions that were brought in 10 days ago. The Government estimate that they will affect 160,000 people. This time next week, half a million sick or disabled people who have been found not fit for work and have been placed in the employment and support allowance work-related activity group will start to see a cut in support of £1,500 a year. Given that disabled people are twice as likely to live in poverty as non-disabled people and the recent analysis showing that that has increased significantly, how does the Secretary of State justify the cumulative cuts to disabled people?

Damian Green: First, when the hon. Lady talks about cuts to 160,000 people, she is of course wrong. Nobody’s original DWP award will receive a cut. She also asked me how I justify the changes to ESA, but disabled people and people with health conditions deserve better than the current system, under which only one in 100 ESA WRAG claimants leave benefit each month. I hope that the hon. Member for Stockton North (Alex Cunningham), who is cheering from a sedentary position, agrees with me that we need to change the system. That is why we are proposing a huge number of different types of help across the board, including financial help and advice, which will help them into work.

Lucy Allan (Telford) (Con): Some of my constituents have also raised concerns about changes to their personal independence payments. Will the Minister assure me that claimants will not see any reduction in their PIPs and that the changes are to ensure that help is targeted to those most in need?

The Minister for Disabled People, Health and Work (Penny Mordaunt): I can give my hon. Friend that assurance. There will be no change to award amounts, the budget or the policy. The benefit does not relate to a particular condition, but to how a condition has an impact on someone’s life. It is about the social definition of disability. I assure her constituents that that will continue to be the case.
Sir Henry Bellingham (North West Norfolk) (Con): I put it to my hon. Friend the Minister that, although no MP wants a DWP office closure, there may nevertheless be significant advantages if the King’s Lynn DWP office were to co-locate with the borough council, as there would be synergies, for example, on housing benefit. We could then create a public service centre of excellence for the borough council, the clinical commissioning group and the DWP.

Damian Hinds: I take that point on board, and we are embarking on a number of co-locations as part of the current programme. Co-location can be good both for claimants and for the taxpayer: for claimants because more of the services they need to access are in one place, and, of course, for the taxpayer by making better use of the public estate.

T4. [909466] Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): My constituent obtained a court order granting him custody of his two sons, and they were handed over to his care. He informed the DWP but was denied tax credits because, although a letter had been sent to his former wife, she had not responded. During that time, the tax credits were still being paid to her; and it took four months and my intervention to ensure that my constituent received the tax credits to which both he and his young sons are entitled. Will the Minister review the process to ensure that that does not happen any longer so that people do not have to depend on food banks and the kindness of relatives?

Damian Green rose—

The Parliamentary Under-Secretary of State for Welfare Delivery (Caroline Nokes): The hon. Lady will of course be aware that tax credits fall within the remit of Her Majesty’s Treasury, and I will be happy to ensure that that is raised with the relevant Minister.

Mr Speaker: Forgive me, I could not hear the Secretary of State and did not lip read effectively, but I now realise at what he was hinting. No doubt an answer will be furnished in due course.

T7. [909469] Mr David Hanson (Delyn) (Lab): Has any of the team seen today’s news about the one-hour-a-month contract offered by Santander bank? Will the Minister guarantee that under no circumstances will any job like that ever be advertised in a jobcentre in this country?

Damian Hinds: I cannot comment on an individual case, but I can say that, in general, we know that less than 3% of people report that they rely on a zero-hours contract. We know that, on average, those people get 25 hours a week and actually have above-average levels of job satisfaction. Zero-hours contracts are certainly not for everybody, but they do work for some people.

T9. [909471] Huw Merriman (Bexhill and Battle) (Con): Some 17% of the working-age population suffer from a disability. With labour shortage an issue in my constituency, I have committed to signing up 30 employers to be Disability Confident organisations. Given that I am meeting my chamber of commerce this week, does the Minister have a recruitment message for its members?

Penny Mordaunt: I thank my hon. Friend not only for signing up to be a Disability Confident employer himself but for accepting that challenge, as many Members on both sides of the House have. If every Member of this House accepted the challenge, we would sign up enough employers to reach a quarter of the working population of the UK. I thank him for his leadership in that and wish him well on his visit to his chamber of commerce.

T8. [909470] Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The Secretary of State spoke earlier about workers’ rights. Surely workers’ rights should also include the right to some certainty. Will he talk to his fellow Ministers in the Home Office about the fact that many European nationals have lived here for years, have British spouses and British children but are now told that they will have to have comprehensive health insurance in order to stay here?

Damian Green: The hon. Gentleman has made his point very forcefully. I am, of course, in constant discussion with ministerial colleagues in the Home Office about a wide range of issues involving the labour market.

Mr Speaker: I say to Mrs Sheerman that I cannot hear the Secretary of State either.

Thangam Debbonaire (Bristol West) (Lab): The Fawcett Society found last year that 25% of women over 30 are saving nothing for retirement, compared with 15% of men. What does the Secretary of State think is responsible for that, and what is he doing to change it?

The Parliamentary Under-Secretary of State for Pensions (Richard Harrington): Automatic enrolment was designed specifically to help those who were under-represented in pension savings, including women. With the current rate of £10,000 a year, 70% of the new people coming into the system in 2017-18 will be women.

Kate Green (Stretford and Urmston) (Lab): Six out of 10 people with epilepsy who were migrating from DLA to PIP and were surveyed by Epilepsy Action saw their benefit removed or reduced. That compares with two out of 10 people who are migrating overall. Are Ministers confident that assessors and decision makers properly understand the fluctuating, sporadic and life-limiting condition of epilepsy, so that they can make the right decisions?

Penny Mordaunt: We are aware of that. That is one reason why we have increased the clinical support that is available to assessors. They are all healthcare professionals,
so they will have that expert advice on hand in the assessment centres. That is something that we brought in recently.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): Has the Secretary of State watched or listened to an appeal hearing for PIP applicants? I have received information and representations from a number of constituents who feel intimidated and misrepresented by the process. What steps is he taking to ensure that the people involved in the process are treated with the respect, dignity and compassion that they deserve?

Penny Mordaunt: I thank the hon. Lady for her comments. We think about every stage of this process. Clearly, if people appeal and those appeals are upheld, we have not got it right earlier in the process. I have mentioned some things that we are doing to build trust, confidence and support. We are also introducing a video relay service in April, which will be of particular help to those who are deaf or hard of hearing. There are a number of small changes like that that we can make to ensure that we get a good result earlier in the process.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): I have a 28-year-old constituent who was injured in the line of duty in 2010. He was awarded a tier 3 military pension, which is reserved only for the most severely injured, but he is due to lose his Motability vehicle and that decision was upheld on mandatory reconsideration. Is that seriously the type of person the Government wish to leave housebound?

Penny Mordaunt: I would say two things in response to that question. First, we have been considering particular issues around our armed forces in the Green Paper, which gives opportunities not just for ESA but for PIP. We are also looking at being able to passport information that may be in someone’s war pension record or medical history into our benefits system. I am quite happy to look at the case the hon. Lady raises with regard to Motability.

Melanie Onn (Great Grimsby) (Lab): What does the Minister say to the private landlord who came to see me with his tenant with concerns about future eviction to reduce their household outgoings and giving them budgeting support.

Neil Gray (Airdrie and Shotts) (SNP): In November last year, my motion calling on the Government to at least pause employment and support allowance cuts until mitigation or Green Paper proposals were brought in was carried unanimously by the House. Given that this is the last parliamentary week before the cuts take place on 3 April, will the Minister confirm whether the mitigations she promised will be laid before the House for scrutiny?

Penny Mordaunt: They are already in place. I think this is a misunderstanding that the hon. Gentleman had. The elements that were outlined in the Green Paper were not speculative or things that we would be consulting on; they were things we were going to do. All the elements, including all the recruitment for all the community partners around the country, are in place now.

Chris Stephens (Glasgow South West) (SNP): Let me return to the issue of the DWP estate and travel times. Given that this information has been gathered via Google Maps, which has been shown to be inaccurate as some bus services are no longer operational, will the Minister tell me what tests have been carried out to check the accuracy of the information? If there is a possibility of the ministerial guidance being breached, will any further proposed closures go to public consultation?

Damian Hinds: The hon. Gentleman and I, and many of his colleagues and others from across the House, have had a number of opportunities to debate these matters and to go through individual cases, on individual locations, one by one. We used a variety of sources to determine travel times and “reasonableness” of travel. The ministerial criteria say that if somewhere is within 3 miles or 20 minutes by public transport, it is reasonable to ask somebody to make that journey; otherwise, we have a public consultation.

Several hon. Members rose—

Mr Speaker: Order. Time is against us and we must hear the voice of Batley and Spen.

Tracy Brabin (Batley and Spen) (Lab): Thank you, Mr Speaker.

A constituent of mine, whom I have spoken of before, lost her job on Christmas eve. She is denied universal credit because she is over 60 and she is denied jobseeker’s allowance because her husband has a small private pension. This couple’s lives have been thrown into financial turmoil. Does the Minister agree that it is time the Government paid some compensation to this constituent, as she has paid in all her life?

Damian Hinds: Jobseeker’s allowance or universal credit should be available to people of working age. I will have to look at the details of the case the hon. Lady mentioned, if she would like to get in contact.
**Magnox: Early Contract Terminations**

3.41 pm

**Rebecca Long Bailey** (Salford and Eccles) (Lab) (Urgent Question): To ask the Secretary of State for Business, Energy and Industrial Strategy if he will make a statement on the Nuclear Decommissioning Authority’s early contract terminations at the Magnox estate?

The Secretary of State for Business, Energy and Industrial Strategy (Greg Clark): This morning, I informed the House that the NDA has terminated its contract with the Cavendish Fluor Partnership for the decommissioning of 12 redundant Magnox sites. The NDA ran a £6.1 billion tender process from April 2012, which resulted in a 14-year contract being awarded in September 2014 to the partnership, which is a joint venture between the British firm, Cavendish Nuclear, and Fluor Inc.

CFP started work on the estate on 1 September 2014 and then started a consolidation process to ensure that the NDA of £76.5 million, plus £8.5 million of costs, and with Bechtel of $14.8 million, plus costs of about £462,000—approximately £12.5 million in total.

Those are very substantial costs, which could have risen further if the case had proceeded. Taxpayers must be able to be confident that public bodies are operating effectively and securing value for money. Where that has not been achieved, such bodies should be subject to rigorous scrutiny. I have therefore established an independent inquiry into the original procurement process and why the 2014 contract proved unsustainable. Those are separate issues, but they need to be examined thoroughly. I have asked Mr Steve Holliday, the former chief executive of National Grid plc, to lead this inquiry. It will take a cradle-to-grave approach, beginning with the NDA’s procurement and ending with the contract termination. The inquiry will set out the lessons learned and recommend any further actions it sees fit, including any disciplinary investigations or proceedings that may be appropriate. The inquiry will report jointly to me and to the Cabinet Secretary, and his report will be available to this House and to the Select Committee.

This was a defective procurement with significant financial consequences, and I am determined that the lessons to be learned should be exposed and understood; that those responsible should be properly held to account; and that this should never happen again.

Rebecca Long Bailey: The NDA has withdrawn its appeal against the judgment that was handed down in late July last year, so will the Secretary of State explain why this decision has been taken now, why the matter was brought to appeal in the first instance, and whether both actions were sanctioned by him or his predecessor?

The judgment confirmed that the NDA had not acted properly in the tender process, and that it was “acutely aware that an unsuccessful bidder might challenge the outcome of the competition.”

The court stated that the NDA had fudged the evaluation to achieve a particular outcome. More worryingly, the judge also confirmed that the NDA attempted to get rid of information that might have been detrimental to its case, and there was reference to the shredding of notes. Given the serious nature of the judgment, will the Secretary of State assure the House that there will be full public disclosure of the investigations, and a public hearing? Does he agree that this case has called into question the future operation of the NDA? Will he explain what structural changes are necessary, and when? Can he offer any assurances to Magnox workers?

Finally, the Secretary of State’s written statement confirms:

“It has become clear to the NDA...that there is a significant mismatch between the work that was specified in the contract as tendered in 2012.”

Will he tell the House when he or his predecessor was first aware of that mismatch and whether it would have been apparent from the work that had already been carried out by previous contractors?

Greg Clark: The hon. Lady is quite right to ask her questions, and I hope she will agree that the written ministerial statement I have made today is thorough and comprehensive. I am very happy to have conversations with her and the Select Committee over the weeks and months ahead.

The hon. Lady asked some specific questions about the termination of the contract and the litigation. On the latter, there was indeed a Court hearing and judgment in July last year, and there was another one in December on which the NDA has reflected. On 1 March this year—a few weeks ago—a new chief executive and chair of the NDA took office. It seemed to me appropriate that a new set of eyes should consider these matters and who was responsible for and involved in the procurement exercise looking into it. In answer to the hon. Lady’s question, it was a decision for the NDA board—that is how it is constitutionally established—but its decision required ratification by me, the Chief Secretary to the Treasury and the accounting officer in my Department.

The hon. Lady asked some very important questions about the conduct of the original procurement process and its management. That is exactly why we need to have an independent figure—indeed an independent of Government and of the NDA—to make a report available to the House, to me and to the Cabinet Secretary, not only so that we can learn the lessons and ensure that things cannot happen again, but so that, if there is fault and an error has been made, the recommendation of disciplinary action can follow.

The hon. Lady rightly asked about the Magnox workforce, for whom this will be a difficult day. I am happy to confirm to the House that there is no question...
about the operational good performance of the contract; it was a question of the terms of the letting of the contract. Good progress has been made, and the workforce employed on the decommissioning contract will continue as planned. When the report is made available, lessons will be learned about the NDA’s structure, as well as any particular procedural aspects.

**Mr John Whittingdale** (Maldon) (Con): Will my right hon. Friend join me in paying tribute to the workforce at Bradwell-on-Sea in my constituency? They are doing a magnificent job in decommissioning the power station there. Will he confirm that nothing in his statement will prevent that work from continuing? Will he also listen to their concerns about the effect on their pension entitlements of certain changes that have been made regarding the cap on exit payments?

**Greg Clark**: I join my right hon. Friend in paying tribute to the workforce. As he will be aware, good progress has been made in decommissioning the site in Bradwell, with the underground waste vaults containing intermediate level waste having been cleared and decontaminated. That is a reflection of the hard work. There is a separate set of discussions and consultations going on with regard to the pension arrangements, which is not related to today’s announcement.

**Margaret Ferrier** (Rutherglen and Hamilton West) (SNP): I thank the Secretary of State for his response and the shadow Secretary of State for securing this urgent question. This debacle shows that the UK Government cannot even manage their current nuclear project, which comes at great cost to the taxpayer, leaving their case for a nuclear energy future more threadbare than ever. Given the bizarre and illogical decision to leave Euratom, the trade union Prospect is right to be concerned and to seek reassurances that uncertainty over the future of decommissioning will not lead to a deterioration in standards. What assurance can the Secretary of State give today?

This should be a wake-up call. The UK Government’s nuclear obsession will do nothing to lower energy bills and will only burden the next generation with unprecedented economic, environmental and security instability and risk. The Tories should do the responsible thing and scrap their nuclear obsession in favour of investment and renewable energy in carbon-capture technology. Scottish Renewables recently reported that one in six renewable energy jobs in Scotland will be under threat in the next year. Will the Government acknowledge that their energy policies need to be reviewed to allow the Scottish Government to continue with their competent and ambitious vision of a prosperous green future? Finally, when can we expect full details of the timetable of the investigation into this matter?

**Greg Clark**: A little humility might be appropriate here, because the Scottish Government provided oversight of this procurement as part of the NDA competition programme board. I am sure that the lessons to be learned from 2012 to 2014 also apply to the Government in Scotland. I am sure that, whatever the view on future new nuclear power, the people of Scotland, as well as those of the whole of the United Kingdom, would want the existing nuclear power stations to be decommissioned safely and to have arrangements in place to ensure that that can be done reliably. On the independent review, which this morning I was asked to give some interim findings by October, so that they can inform the further decisions about the re-letting of the contract.

**Sir Oliver Letwin** (West Dorset) (Con): I am sure that my right hon. Friend will pay no attention whatsoever to the bizarre asseverations of the Scottish National party spokesman. In asking Steve Holliday, in whom we have considerable confidence, to do this review, I hope that my right hon. Friend will seek to bring the review to a final conclusion reasonably soon after the interim report in October so that we can get to the bottom of this matter and ensure that it does not repeat itself in future years.

**Greg Clark**: I agree with my right hon. Friend; it is important quickly to learn the lessons and to apply them. This is very important work. The work is being carried out to a high standard, but those lessons must be learned and applied.

**Mr Iain Wright** (Hartlepool) (Lab): May I thank the Secretary of State for his courtesy call on this matter this morning and for his subsequent letter? The Business, Energy and Industrial Strategy Committee will challenge hard, but will work constructively with him and with Steve Holliday on this important issue. Will he clarify whether the inquiry will be confined to the procurement process, which led to this specific contract? Will it consider other contracts such as the one to decommission Dounreay, which was awarded to essentially the same consortium that won the Magnox contract? I think that he has already confirmed this, but will he say whether the inquiry will be broad enough to consider whether the governance and management arrangements of the NDA have always been, and will continue to be, fit for purpose?

**Greg Clark**: I am grateful to the Chairman of the Select Committee for what he said. I can confirm that the governance and the management arrangements of the NDA are very much in scope. I put the terms of reference in the Library of both Houses of Parliament this morning. It is open to Mr Holliday to go where the evidence takes him—to use that phrase on this. The particular concern is over this contract, but if he feels that he needs to look at other aspects of the NDA’s management, he is absolutely free to do so.

**Edward Argar** (Charnwood) (Con): I welcome the characteristic candour and openness with which the Secretary of State has approached the issue. Will he reassure me and the House that the scope of the inquiry will look not only at the NDA, but—as I think he just alluded to—at the role, if any, of UK Government Departments and the Scottish Government in the process?

**Greg Clark**: I will, indeed. The terms of reference that were published with my written statement this morning make it very clear that, as is absolutely right and proper, the inquiry applies to the NDA and Government Departments, from the beginning of the procurement in 2012 to the conclusion of the litigation and the termination of the contract.
Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Under current plans, Trawsfynydd power station will lose most of its jobs in less than 10 years. The Government are now in a position to commit to a programme of continuous decommissioning, as recommended by the Select Committee on Welsh Affairs. When will the Secretary of State publish revised plans following today’s announcement, and will he agree to meet me to discuss the future of the Trawsfynydd site?

Greg Clark: I will certainly meet the hon. Lady. I am glad that she has given me the opportunity to emphasise that the work will continue as planned at all the sites. As she will know, work is ahead of schedule in the plant she mentioned. In the light of that, I will meet her to update her on the latest timings.

Antoinette Sandbach (Eddisbury) (Con): This was clearly a defective procurement with quite serious financial consequences. I welcome the Secretary of State’s determination that the reasons will be exposed, but will he assure the House that people found to be responsible or at fault will be brought to account?

Greg Clark: I can confirm that the terms of reference make it very clear that the inquiry can make any recommendations that it sees fit, including as to any disciplinary investigations or proceedings that may, in its view, be appropriate as a result of its findings.

Catherine West (Hornsey and Wood Green) (Lab): Will the Secretary of State please confirm that the thousands of people waiting for an outcome on their pensions will not be ripped off?

Greg Clark: Yes. There have been constructive discussions with the representatives of the workforce. Those discussions and consultations continue. Of course, we want to bring them to a satisfactory conclusion.

Mike Freer (Finchley and Golders Green) (Con): The NDA settlement payments are very substantial. Will my right hon. Friend confirm that although the payments were made without accepting liability, the cost had the potential to rise much further were the matter taken to court?

Greg Clark: My hon. Friend is absolutely right. We have a duty to consider the further risks to public money, which is why my accounting officer, the Chief Secretary to the Treasury and I accepted on advice that, however painful it is—these are significant sums of money, as my hon. Friend the Member for Finchley and Golders Green (Mike Freer) said—we should prevent the sums of money from being even greater.

Rob Marris (Wolverhampton South West) (Lab): Given the cost problems with the NDA’s Magnox decommissioning contract, how can the Secretary of State have any confidence whatever in the cost figures for Hinkley Point C, which will itself need decommissioning, especially given the farce of the massive cost overruns and huge time delays in building the EDF sister reactors in Finland and Normandy, neither of which has yet opened and each of which is years late?

Greg Clark: This is about a procurement process that was mis-specified around decommissioning; it is not against the build costs of a future reactor. If Steve Holliday’s report includes wider lessons for the industry, we will be sure to take them.

Huw Merriman (Bexhill and Battle) (Con): All public sector organisations can learn much from procurement processes and public-private initiatives, as the £3,700 a minute spent by the NHS on private finance initiatives would attest. Will the Secretary of State assure me that all public sector organisations will be given the opportunity to learn best practice from the Holliday review?

Greg Clark: I will. It is important when there is such a serious set of consequences for public money that the conclusions should be publicly available, and available to this House and to other Government Departments that may want to reflect on them.

Mr David Nuttall (Bury North) (Con): Will the Secretary of State confirm that the Holliday inquiry will have reached its final conclusions and issued its final report in time for any lessons learned to be taken into account before the new contract process begins?

Greg Clark: One reason I have asked Mr Holliday to make a report by October is so that that can happen. I will meet him in the coming days, as he sets out the scope and timetable, but that is one of the key reasons for the report, and I am sure he will want to make his recommendations available for the new process.

Mr Dennis Skinner (Bolsover) (Lab): What were the terms of the pay-off? The Secretary of State has not mentioned it.

Greg Clark: I have mentioned the settlement—it is nearly £100 million for the settlement of the litigation. The chief executive of the NDA has come to the end of his contract.
Declarations of Interest

4 pm

Andrew Bridgen (North West Leicestershire) (Con): On a point of order, Mr Speaker. Following a report made on 14 February by the Parliamentary Commissioner for Standards, I would like to apologise to the House for the failure to disclose a financial interest in a Westminster Hall debate on High Speed 2 on 25 March 2015. I should have declared that, owing to a court order caused by my divorce, I was in the final act of selling my house to HS2 under the extreme hardship scheme. I point out to the House that I did declare an interest in the previous HS2 debates on 28 January 2013, 26 June 2013 and 28 April 2014.

In addition, I should, on reflection, have declared an interest when I submitted a written question to the Transport Secretary on 9 October 2013 and when I spoke in the High Speed Rail (Preparation) Bill debate on 31 October 2013. I also attended meetings with HS2 and responded to the consultation, when, with hindsight, for purposes of clarity, I should have declared an interest.

I have sought to co-operate with the Commissioner for Standards throughout this inquiry. I have never made any secret of how close HS2 was running to my then property in North West Leicestershire. That in no way clouded my view of the HS2 project, which I opposed before the route was announced, during my interest and afterwards. I thank you for the opportunity to put this all on the record, and I apologise to the House profusely for any omissions I may have made.

Mr Speaker: I thank the hon. Gentleman for what he has said.

Points of Order

4.2 pm

Ian Blackford (Ross, Skye and Lochaber) (SNP): On a point of order, Mr Speaker. I would like to raise the issue of correspondence between me and the offices of the Minister of State responsible for universities and the Minister responsible for energy, who is in his place. I first wrote to the Minister of State to request a meeting for a business in my constituency—the Underwater Centre—on 14 November. It took some time to get a reply from the Department. I finally received one on 22 December, with an apology for the lack of a response. There was an unwillingness to meet and a suggestion that I take the issue up with the Minister responsible for energy and industrial supply. I did so on 22 December last year. I have chased his office on several occasions, by email and by phone, and we have yet to receive an email. We indicated to the Minister’s office by email last Friday at 12.33 pm that, given the unsatisfactory nature of the situation, I would be raising it as a point of order. I would like advice on what a Member can do when a Minister’s office wilfully seeks to ignore a request from a Member for a meeting with a company in his constituency.

Mr Speaker: Persist, persist, persist, I say to the hon. Gentleman. That is the advice I give him. His attempted point of order has opened an interesting window into his life, the administrative support he enjoys and the diary commitments—not least around lunchtime last Friday—to which he was subject, for which I am sure the House is immensely grateful, but I do not think we can take the matter any further. He knows that my advice will always be to persist—he himself is nothing if not a dogged terrier.

Mrs Maria Miller (Basingstoke) (Con): On a point of order, Mr Speaker. In the past few days, almost 1,000 people have been arrested, beaten or imprisoned in Belarus—a country still under an effective dictatorship here in Europe. How can we show our solidarity with those in Belarus who are fighting for democracy, for freedom of speech, and for the rule of law?

Mr Speaker: I struggle immediately to see how the right hon. Lady’s observations constitute a point of order. That said, I recognise and respect the seriousness of her concern, and I acknowledge on the Floor of the House her long-standing track record of support for the Belarus Free Theatre. My initial answer is that I think that, by persistence and the good fortune of the ballot, she has probably secured her own salvation, and possibly an opportunity to press for the salvation of those who need it more intensely and immediately, because she has Question 9, if memory serves, at Foreign Office and Commonwealth questions tomorrow. I cannot anticipate the sequence of events, but it would be a very unfortunate and unsatisfactory Foreign Office questions if we did not get to Question 9. I think I can say with some confidence that we will, and that the right hon. Lady, speaking on behalf of those people who need her help and will value it, will have her chance. What is more, if she expresses herself with her usual force, clarity and eloquence, she might motivate other right hon. and hon. Members to spring to their feet with supplementary questions following her own. If so, I will be all eyes and all ears.
Chris Bryant (Rhondda) (Lab): On a point of order, Mr Speaker. As you know, at 4 o’clock the deadline passed in Northern Ireland. I do not want to make any accusations against the Government, but the Secretary of State for Northern Ireland is making a statement elsewhere about what he expects now to happen in Northern Ireland, and I wonder whether you have had any notification of a statement to the House so that the House can express a view.

Mr Speaker: I am very grateful to the hon. Gentleman. The short answer is that I have not received any indication that the Secretary of State is minded to come here. From the record of dealing with this Secretary of State—this particular right hon. Gentleman—I can say that he has always been fastidious in wanting to come to the House, often telephoning me and trying to make contact. Indeed, I am advised that he has sought to make contact with me by telephone. I have, however, received no written communication from him at all and no indication of an early statement. I think that one would have been forthcoming anyway, and in the light of my exchange with the hon. Gentleman I feel even more confident that it will be.

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Jesse Norman): Further to the point of order raised by the hon. Member for Ross, Skye and Lochaber (Ian Blackford), Mr Speaker. I am afraid that I did not have notice of it, and I was not clear from what he said whether it was me to whom he referred. If it was, I would of course be delighted to meet him to discuss the issue he raised.

Ian Blackford: I am grateful for that clarification, but just to be absolutely clear—

Mr Speaker: No, no, no—no additional clarity is required. The hon. Member for Ross, Skye and Lochaber (Ian Blackford) is a very cheeky fellow. A simple nod of the head would suffice, which he has provided. In my experience, the Under-Secretary for Business, Industry and Industrial Strategy is as courteous as Members in this place come, so I think we will leave it that the hon. Member for Ross, Skye and Lochaber and the Minister will get together, possibly over a cup of tea, and discuss these important matters.

Bus Services Bill [Lords]

Consideration of Bill, as amended in the Public Bill Committee

New Clause 1

NATIONAL STRATEGY

“(1) The Secretary of State must, within 12 months of the day on which this Act is passed, publish a national strategy for local bus services setting out the objectives, targets and funding provisions for rural, urban and inter-urban local bus services in the ten years after Royal Assent is given to this Act.

(2) The national strategy must include a consideration of a reduced fare concessionary scheme for young people aged 16 to 19.”

—(Andy McDonald.)

This new clause would require the Secretary of State to publish a national strategy for buses.

Brought up, and read the First time.

4.8 pm

Daniel Zeichner (Cambridge) (Lab): I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss the following:

New clause 2—Report on the provision of concessionary bus travel to apprentices aged 16 to 18—

“(1) The Secretary of State must, within 12 months of the day on which this Act is passed, lay a report before each House of Parliament setting out possible steps to support local transport authorities in providing concessionary bus travel to persons aged 16 to 18 who are participating in statutory apprenticeships.

(2) Any report under subsection (1) shall include, but will not be limited to, an evaluation of whether section 93(7) of the Transport Act 1985 should be amended to enable local transport authorities to provide concessionary bus travel to persons aged 16 to 18 who are participating in statutory apprenticeships on the same terms as that which may be provided to persons aged 16 to 18 receiving full-time education.

(3) In this section—

(a) “local transport authorities” has the meaning given in section 108(4) of the Transport Act 2000; and

(b) “statutory apprenticeships” has the meaning given in section A11 of the Apprenticeships, Skills, Children and Learning Act 2009.

This new clause would require the Secretary of State to publish a report setting out possible steps to support local transport authorities to provide concessionary bus travel to apprentices aged 16 to 18.

New clause 3—Assessment of possible concessionary travel schemes: impact on use of bus services—

“(1) A local transport authority that does not provide travel concessions under a scheme established under section 93 of the Transport Act 1985 to persons specified in subsection (7)(c) of that section shall be required to prepare an assessment of the impact of establishing such a scheme on the use of bus services by persons specified in that subsection.

(2) Any assessment under subsection (1) shall consider, but will not be limited to, the impact of establishing such a scheme on—

(a) the ability of persons aged 16 to 18 to attend schools and further education institutions by means of bus travel,

(b) the cost of bus travel to persons aged 16 to 18 receiving full-time education, and

(c) traffic congestion and emissions at peak times in the local transport authority’s area.”

Chris Bryant (Rhondda) (Lab): On a point of order, Mr Speaker. As you know, at 4 o’clock the deadline passed in Northern Ireland. I do not want to make any accusations against the Government, but the Secretary of State for Northern Ireland is making a statement elsewhere about what he expects now to happen in Northern Ireland, and I wonder whether you have had any notification of a statement to the House so that the House can express a view.

Mr Speaker: I am very grateful to the hon. Gentleman. The short answer is that I have not received any indication that the Secretary of State is minded to come here. From the record of dealing with this Secretary of State—this particular right hon. Gentleman—I can say that he has always been fastidious in wanting to come to the House, often telephoning me and trying to make contact. Indeed, I am advised that he has sought to make contact with me by telephone. I have, however, received no written communication from him at all and no indication of an early statement. I think that one would have been forthcoming anyway, and in the light of my exchange with the hon. Gentleman I feel even more confident that it will be.

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NATIONAL STRATEGY

“(1) The Secretary of State must, within 12 months of the day on which this Act is passed, publish a national strategy for local bus services setting out the objectives, targets and funding provisions for rural, urban and inter-urban local bus services in the ten years after Royal Assent is given to this Act.

(2) The national strategy must include a consideration of a reduced fare concessionary scheme for young people aged 16 to 19.”

—(Andy McDonald.)

This new clause would require the Secretary of State to publish a national strategy for buses.

Brought up, and read the First time.

4.8 pm

Daniel Zeichner (Cambridge) (Lab): I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss the following:

New clause 2—Report on the provision of concessionary bus travel to apprentices aged 16 to 18—

“(1) The Secretary of State must, within 12 months of the day on which this Act is passed, lay a report before each House of Parliament setting out possible steps to support local transport authorities in providing concessionary bus travel to persons aged 16 to 18 who are participating in statutory apprenticeships.

(2) Any report under subsection (1) shall include, but will not be limited to, an evaluation of whether section 93(7) of the Transport Act 1985 should be amended to enable local transport authorities to provide concessionary bus travel to persons aged 16 to 18 who are participating in statutory apprenticeships on the same terms as that which may be provided to persons aged 16 to 18 receiving full-time education.

(3) In this section—

(a) “local transport authorities” has the meaning given in section 108(4) of the Transport Act 2000; and

(b) “statutory apprenticeships” has the meaning given in section A11 of the Apprenticeships, Skills, Children and Learning Act 2009.

This new clause would require the Secretary of State to publish a report setting out possible steps to support local transport authorities to provide concessionary bus travel to apprentices aged 16 to 18.

New clause 3—Assessment of possible concessionary travel schemes: impact on use of bus services—

“(1) A local transport authority that does not provide travel concessions under a scheme established under section 93 of the Transport Act 1985 to persons specified in subsection (7)(c) of that section shall be required to prepare an assessment of the impact of establishing such a scheme on the use of bus services by persons specified in that subsection.

(2) Any assessment under subsection (1) shall consider, but will not be limited to, the impact of establishing such a scheme on—

(a) the ability of persons aged 16 to 18 to attend schools and further education institutions by means of bus travel,

(b) the cost of bus travel to persons aged 16 to 18 receiving full-time education, and

(c) traffic congestion and emissions at peak times in the local transport authority’s area.”
Daniel Zeichner: Once again, I agree with my hon. Friend. In too many parts of the country, it has become very difficult for people to get to and from work. Throughout the 30 years since deregulation, fares have shot up even at times when fuel prices have been falling. For 30 years, while patronage in the still-regulated capital increased, passenger numbers declined in the rest of England.

This month, the Campaign for Better Transport published its latest “Buses in Crisis” report. The organisation made more than 100 freedom of information requests to local councils to get a full picture of recent bus cuts, and it found that funding for buses across England and Wales has been cut by 33% since 2010, and by nearly £30 million in just the last year. Last week I was in Somerset, where support from the county council will fall by another 19% next year. Across the country, more than 300 routes were reduced or completely withdrawn in 2016-17.

Despite the seemingly endless rounds of bus cuts, the Government seem reluctant to look at whether anything can be done in the round to improve the current system of bus funding. The Government’s argument is well rehearsed: the bus industry is a private industry and thus has nothing to do with central Government or central Government’s money. But that is just not the case. Around half of bus industry funding comes from the public purse. In 2014-15, total public support for buses accounted for 41% of overall industry funding. In the past, the figure has been higher; in 2010-11 it was more than 46%.

I do not think that asking the Government to publish their strategy regarding such funding for buses in a single document is really asking that much. We just want a little clarity in a system that has become convoluted and confusing. The strategy would set out the plan and objectives for the public money that goes towards local authority-supported bus services, the reimbursement of bus operators for trips made by concessionary pass-holders and the payment of the bus service operators grant to bus operators. Public money is being spent on buses, but the Government lack a strategy regarding how that money is spent. We believe that that needs to change.

I have previously raised the fact that operators are being reimbursed by public money for trips made by concessionary pass-holders, but those operators can cut services and routes; the public have no say. That leads to the bizarre situation in which someone may have a concessionary bus pass, but no bus on which to use it. That is not a good deal for anybody.

We already have national strategies for roads and rail, and we are told that the cycling and walking investment strategy is imminent. Buses are being single out within the transport family. Our new clause 1 would redress that imbalance and bring buses into line with other modes of transport.

We believe the Government need to do far more to help young people to afford the cost of bus travel. That is why we are asking the Government to include consideration of a young person’s concessionary fare scheme in the national bus strategy. Young people rightly have to stay in school, further education or training until they are 18, and many of them use the bus to get there. It is quite right that the Government should look
at how they can reduce the financial burden on young people who are only trying to get to their school, job or apprenticeship.

4.15 pm

Although some local authorities still provide concessionary fares for young people, many do not. Local government is already under huge financial pressure—hence the cuts to supported bus routes and services that the Campaign for Better Transport has identified. Unfortunately, the number of local authorities able to provide a discretionary young person’s pass has dropped from 29 to just 16 since 2010. That is why we want the Government to publish a national strategy for buses, and to include proper consideration of a concessionary scheme for young people.

Ultimately, there is not a word about funding in the Bill as it stands, yet cuts to local authority budgets mean that thousands of routes and services have been withdrawn since 2010, and young person’s concessionary fare schemes have been cut, while large operators have experienced generous profit margins.

Andy Burnham (Leigh) (Lab): Young people in Greater Manchester have told me that it is sometimes cheaper for four of them to get a Uber than to travel on buses in Greater Manchester. How on earth can that possibly make sense, and how on earth can that lead to anything other than complete gridlock on our roads?

Daniel Zeichner: My right hon. Friend is absolutely right. On Second Reading, we heard a number of cases from across the country about the excessive costs of travelling locally, particularly for families. Such a cost is bad for congestion, it is certainly bad for employment and it is bad for social justice.

The way in which buses are funded in this country is clearly not working. We need a proper governmental strategy to address these funding issues and enable the country to have the national conversation about buses that is long overdue and much needed. I therefore urge the Government to accept our new clause 1. It may help the House if I suggest that we will press it to a Division.

Mrs Maria Miller (Basingstoke) (Con): New clause 1 calls for a national strategy that sets out various targets and objectives. I feel sure that the Opposition spokesman, the hon. Member for Cambridge (Daniel Zeichner), sees one of the targets as the need to have accessibility for all who use the buses. I understand that the Government have already considered that issue after it was raised in Committee, and that they have very valid reasons for not going forward with a national strategy. However, by tabling the new clause, the hon. Gentleman has raised several important issues, and I want to mention some of them briefly.

In particular, there is a need for consistency. I welcome the change the Government have made with regards to information for bus passengers, which will help all our constituents. Some of my constituents have contacted me about the importance of having information available on the routes that they are taking. That is important not only for partially sighted or blind passengers, but for one constituent with autism and special needs who contacted me. This will help that individual, as well as a broader group.

As my noble Friend Baroness Campbell pointed out in the other place, other issues of national importance for people who use buses would fall within the national strategy proposed by the hon. Gentleman, such as wheelchair priority and access policies more generally. The Minister’s comments in Committee on wheelchair priority are very heartening. Following the Pauley case, it is important that an advisory committee will be set up. I hope that the Minister will confirm that he has given further thought to the composition of the group’s membership. Does he intend to involve the Equality and Human Rights Commission and the Disabled Persons Transport Advisory Committee? He should consider that carefully. The Minister did not touch on that detail in Committee—perhaps it had not been all worked through at that stage—but perhaps he could take this opportunity to assure the House that, subsequent to our debate in Committee, the discussions as part of that advisory group will be acted on quickly and that all relevant people will be involved.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Does the right hon. Lady agree that these measures in the national strategy would give bus services the status they deserve and recognise the fact that so many more people travel on buses, and make more bus journeys, than they do on trains, which are much more widely recognised in national policy making?

Mrs Miller: The hon. Lady makes an interesting point about the difference in the way trains and buses are treated. I do not necessarily agree that there is a need for the national strategy to ensure parity, but she makes an important point. There should not be undue differences in how we treat bus operators and train operators, in particular on disability issues. I will take that point one stage further before I finish.

When the Bill was discussed in the other place, my noble Friend Baroness Campbell said that there is a need for an accessibility policy with teeth to ensure that it is effective. As the hon. Lady said, there is a real contrast between how the Government treat buses and trains in respect of disability access and the conditions for licences for those who operate these important public services. It is a condition of a train operator’s licence that they comply with disabled people’s protections policy and state how they will protect the interests of disabled customers. That is enforceable by the regulator, with fines associated with lack of compliance. Why, therefore, is not that the case for bus operators? Perhaps in the absence of a national strategy, a condition could be put in place to ensure that such provisions exist for bus operators. Buses are an important way for disabled passengers to get to work and to social engagements, and to be a part of the community. Such provisions for bus operators would ensure parity between train operators and bus operators in how they support disabled people.

John Howell (Henley) (Con): My right hon. Friend makes an interesting distinction between buses and trains. Surely the point is that there are policy initiatives the Government could take, for example on access for disabled people, but that does not mean that a national strategy will take away from the requirements of a local strategy, which is what the buses are based on.
Mrs Miller: I am not arguing against having local strategies, but a number of issues to do with the provision of services have a national resonance. The Government have identified this problem in the provisions on information that is available to bus passengers when they are on buses. That is nationally applicable. I am simply asking the Minister whether he will confirm what further thoughts he has given to ensuring that what is good enough for train operators is good enough for bus operators in respect of disability access.

Graham Stringer (Blackley and Broughton) (Lab): I support the amendment and want to reflect the huge consensus in Committee on this issue. We divided on a number of matters, but it was a relaxed Committee and the Minister gave reasoned answers. The Bill represents a first step towards a change in attitude to buses. It was brought about following negotiations between the then Chancellor of the Exchequer and various metropolitan areas. A deal was reached whereby elected mayors could re-regulate bus services. I hope that this is just the first step.

I ask the Minister to reflect on this issue in a developing situation. The new Prime Minister has brought in an industrial strategy, and there is a strategy for the railways, as has been mentioned, as well as a strategy for aviation. It is rightly difficult to think of areas where large amounts of public money are spent where it is not the responsibility and the right of the Government and elected representatives to define the objectives that that public money should provide.

John Pugh (Southport) (LD): The hon. Gentleman mentioned a connection between directly elected mayors and bus deregulation. Does he see any logical or sensible connection between the two? Is there any reason why the two should go hand in hand?

Graham Stringer: It was a pragmatic decision taken by the then Chancellor and the combined authorities in metropolitan areas. There is obviously no rational basis for deciding to have a different bus system in Greater Manchester from that in Southampton, for example. What would be the rationale for that? Clearly, there is none.

The point I was making is that, having taken the first step—not necessarily consistently, but in a sensible way in the metropolitan areas—it is right to look for a strategy that would help us to get rid of a relic of ideological Thatcherism from the early 1980s, which was seen in the Transport Act 1985 that deregulated buses. What the absence of strategy says is that we do not care how many millions of pounds have gone into the bus industry since 1986 when the 1985 Act came into force. I do not know, but I would have thought that over 31 years we are talking about a large chunk out of £100 billion being spent without any policy direction at all over that spending.

What we have been left with is a rather sterile debate. On the one side it is said that buses are declining and they would have declined in any case over this period. On the other side, there are those who think that that decline was not necessary. They say that without on-road competition, which has failed, with better competition at the tender stage and with a clearer decision on what bus services were needed and what fares should be charged, we would not have lost so many bus routes and bus passengers as we have. Not having a strategy over the last 31 years is saying that it does not matter that two thirds of bus passengers have disappeared in Greater Manchester and that bus fares have gone up considerably more than the rate of inflation. But these things do matter.

As both the right hon. Member for Basingstoke (Mrs Miller) and my hon. Friend the Member for Cambridge (Daniel Zeichner) have said, the vast majority of the people we represent, particularly the poorer people who do not have access to a car, rely on buses to get to work, to get to a hospital and to see relatives at weekends, but after deregulation, many of those bus routes no longer existed. How could we not have a strategy in view of that? How could we abandon those people?

Victoria Borwick (Kensington) (Con): Following on from what the hon. Gentleman says about a strategy, it is important to ensure that we have better records on bus safety. I ask the Minister to look again at what record keeping we have on this issue. Of course we publish the number of people killed or seriously injured, known as the KSI, but many other injuries are caused by buses. I can speak only about the London experience, but it would be really helpful if, as we put into place our overall plans for transport, we think of some way of recording minor as well as major incidents, so that we can provide everyone with assurances about the safety of buses.

Graham Stringer: That is a pertinent point. However, a bus strategy would cover all the issues: personal safety, disabled access, fares, and where buses were running. It is clear from the interventions and the speeches that we have heard from Conservative Members, both today and in Committee, that that is where the central view of the House lies, and I think that that will be the direction of travel even if the new clause is not accepted on this occasion.

4.30 pm

There will, of course, be a bare-knuckle fight. This is not just about having a rational look at how best to provide bus services. Because there has been no accountability, a small number of people who have set up what are more or less monopolies in our great conurbations have made a huge amount of money. The Souter family, the owners of Stagecoach, have become billionaires. I am not against people who make a profit, and I do not suggest that people who innovate should not be rewarded for that, but I am against people who game the system and are parasitic on public money while those whose responsibility it is to look after that public money do not say what should happen.

The new clause may well not be accepted today, but I think that in the fairly near future, when the Bill becomes an Act and the benefits of re-regulation are seen, we will move towards regulation throughout the country.

Mrs Ellman: My hon. Friend is making some important points. Does he recall that, over three Parliaments, the Transport Committee has investigated bus deregulation on five occasions, and does he agree that that reinforces the case that he is making for fundamental reform, starting with this Bill?
Graham Stringer: I do indeed recall the time and effort spent on the Committee’s reports with my hon. Friend. They show that competition does not take place on the road—that is a myth—and that we have left the public purse vulnerable to parasites like Brian Souter who have taken money out of it while putting up prices and reducing the service.

There will be a rearguard resistance from people who have benefited from the system, but we, as parliamentarians who have a duty to look after raised taxes, should support the consensus in favour of a bus strategy that I believe exists in the House. After all, there are strategies throughout the rest of our transport system.

Huw Merriman (Bexhill and Battle) (Con): Like the hon. Member for Blackhill and Broughton (Graham Stringer), I was a member of the Bill Committee, and was pleased to contribute to what was, as the hon. Gentleman said, a consensual discussion. It was very well piloted by the Minister, to whom I was grateful for sending a Double Decker chocolate bar through the internal mail. Sadly, owing to the internal mail system, it looked more like a bendy bus by the time it was opened, but I was grateful none the less.

There is much in new clause 1 that is attractive, but I think that, given the improved local data requirements in the Bill, it should be perfectly possible to fix the strategy on a local basis rather than needing some form of Government top-down approach. The essential aim of the Bill is surely to bring about more localism.

Moving on to subsection (2)—

Madam Deputy Speaker (Natascha Engel): Order. I remind the hon. Gentleman that we are discussing only new clauses 1, 2 and 3 in this group. The amendments that I think he wants to speak to—amendments 16 and onwards—are in the next group. If he wishes to speak to them, he can do so when the next group comes up.

Huw Merriman: I thank you for your guidance, Madam Deputy Speaker, but I was referring to subsection (2) of proposed new clause 1, which talks about the reduced fare concessionary scheme for 16 to 19-year-olds. Am I within order?

Madam Deputy Speaker: Yes.

Huw Merriman: Thank you. I have no desire to talk on other proposed measures.

On new clause 1, I agree with the hon. Member for Cambridge (Daniel Zeichner), and see the advantages of this scheme. I serve a rural constituency where it is incredibly difficult for young people in particular to travel by bus. I would also extend his point: in my view, this relates to our desire to increase social mobility. If our young people cannot access work, perhaps at weekends, because it is too far for them to travel, and they cannot afford motor insurance premiums—which we all know, and have debated, are incredibly expensive—then there is something to be said for the argument about lack of social mobility. I am therefore attracted to the idea that this should be looked at.

We on the Conservative Benches would point out that we need to make sure that we cost those measures up, however, and that is the matter that would give me concern. If we increase the national debt through policies such as this one, that will have a negative impact on young people, because it is they and future generations that will have to repay it.

Perhaps we could consider the overall cost of concessionary travel, and whether it is time for concessionary travel, perhaps for the over-65s, to be given only to those who cannot afford it. We would therefore be looking more at means testing than giving concessionary travel to those who can well afford it and perhaps would therefore like to share that benefit with 16 to 19-year-olds, who, after all, we are requiring to stay in education and training and so need some assistance.

Andy Burnham: Like the hon. Member for Blackhill and Broughton (Graham Stringer), I was a member of the Bill Committee, and was pleased to contribute to what was, as the hon. Gentleman said, a consensual discussion. It was very well piloted by the Minister, to whom I was grateful for sending a Double Decker chocolate bar through the internal mail. Sadly, owing to the internal mail system, it looked more like a bendy bus by the time it was opened, but I was grateful none the less.

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Huw Merriman: I can certainly see the attraction of that, but I also think there is a danger that if local authorities think that Government will deliver the strategy, they might then not put anything in place themselves.

Another mechanism in the Bill will make it easier for local authorities to get more involved in the actual policy of how the Bill is implemented and how partnership should operate. Rather than talking of a national strategy, I would state that the Bill has some excellent points that should assist strategy at a local level.

Mrs Miller: Will my hon. Friend give way?

Huw Merriman: Of course: I will give way one last time and then move on to 16 to 19.

Mrs Miller: I understand the point my hon. Friend is making and have a huge amount of sympathy with his wanting to make sure that we have a local approach to our bus services. Does he not then agree with me that we need to make sure that our law, through the Equality Act 2010, has more teeth, so that individuals are able to make the law work for them when they encounter problems, such as discrimination against them because they are disabled?
Both my new clauses are basically about coherence; neither is about dictating to local authorities, as was mischievously suggested by the Secretary of State on Second Reading. I am not trying to dictate to local authorities what they should do. Both of them are also obviously about concessionary travel for young people, which has been a thorny issue throughout the passage of this Bill.

Support for young people’s transport is variable, as the hon. Member for Bexhill and Battle (Huw Merriman) said, and worsening. Since 2008, 50,000 16 to 18-year-olds have had free transport withdrawn—a 42% drop, I believe. Two thirds of local authorities no longer provide free transport to 16 to 18-year-olds, and the price of bus passes for 16 to 18-year-olds varies incredibly across the country, ranging from £230 to more than £1,000. The number of transport authorities offering concessions right across their area has dropped since 2010 from 29 to 16, and 10 authorities have no arrangements that benefit the older age groups. The roll of shame of authorities that do not offer any concessionary fares for young people comprises Cheshire West and Chester, Halton, Warrington, Lincolnshire, Nottingham, Peterborough, Bracknell Forest, Oxfordshire, Portsmouth and Slough.

The situation is hardly good and the impacts are fairly obvious. The hon. Gentleman mentioned the impact on educational progress. According to the Association of Colleges, a fifth of students consider dropping out during their course, and often the reason is transport costs or, if the cost is not foremost in their mind, transport difficulties. There is an impact on students: a survey by the National Union of Students shows that two thirds of further education students pay more than £30 a week for transport—a lot of money for a young person. There is a clear impact on traffic congestion and pollution—the hon. Gentleman mentioned that, too—as more young people get a car, perhaps sooner than they should, or rely on parental transport, which affects congestion at all the wrong times in most towns. There is also an impact on educational choice—I emphasise the hon. Gentleman’s point that the worst affected are probably residents of rural areas and poorer students generally.

Within the system are clear anomalies that need to be resolved. We raised the age of compulsory education, but local authority transport obligations remain very much as they were.

Andy Burnham: I agree with everything the hon. Gentleman says about the withdrawal of concessionary support for young people, but does he concede that the withdrawal of the education maintenance allowance under the coalition Government made the problems for young people much worse?

John Pugh: The right hon. Gentleman might be surprised to learn that EMA was mentioned in my notes, but for some reason I omitted to mention it just then. He has drawn attention to it, and I dare say it was a factor.

Another anomaly in the system—is this where new clause 2 comes into its own—is that while we all accord parity of esteem as between the academic route and the technical route, and the apprenticeship route is now being sold fervently by almost all Government Members, apprentices do not really get a look in: an apprentice aged 16 to 18 gets a bare £4 minimum wage. We want to make the apprenticeship route more attractive, and there is some evidence that where schemes are introduced, they are highly successful. Anecdotal evidence suggests that the MyTicket scheme in Liverpool city region improved attendance quite appreciably. Developing transport in line with the apprenticeship system is very much a part of the city region agenda, which the hon. Member for Blackley and Broughton (Graham Stringer) touched.

The aim of my new clauses is relatively modest. They would not change the character of the Bill, which I broadly support. Essentially, they oblige local authorities to take a broader view of the environmental and educational impacts of transport policy.

Lilian Greenwood (Nottingham South) (Lab): Does the hon. Gentleman share my concern that while the Government make huge cuts to local authority funding, even where authorities want to provide concessionary fares they are in many cases being forced to withdraw them? We heard evidence to that effect from Nexus, which said that, as much as it would like to support young people, the point was being reached in the north-east where it would no longer be able to do so.

John Pugh: Desperate times call for desperate remedies, and the financial situation in most local authorities at this moment is desperate, as is evident from the Audit Commission’s recent study of local authorities’ financial sustainability. Whether the Government accept that point or not, I think they will accept that there is a case for joined-up policy. The Government need to link the apprenticeship opportunity agenda with real-time transport problems and impacts. That is where new clause 2 comes into its own, and if I am supported, I will happily press it to a vote unless the Minister can assure me that all these things are within his frame of reference for the moment.

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): It will be useful for me to cover all the amendments in one, hopefully fairly detailed, set of replies.

New clause 1 would require the Secretary of State to develop and publish a formal bus strategy—which we discussed at some length in Committee, where I am glad the discussions were considered, reasonable and helpful—and to consider a reduced fare concessionary scheme for young people aged 16 to 19 as part of the strategy.
New clause 2 would require the Secretary of State to publish a report setting out the possible steps to support local transport authorities to provide concessionary bus travel to apprentices aged 16 to 18. While the Government fully appreciate the importance of public transport for young people, particularly those living in more isolated areas, we also recognise that the cost of transport can be an issue for some young people, including those who are participating in apprenticeships. One reason for the introduction of the 16-to-19 bursary fund was to help with transport costs. Funding is allocated to schools and colleges and is used to support disadvantaged young people who need the most help with education and training costs, and the 2015 evaluation showed that nearly 400,000 young people were being supported. However, the statutory responsibility for transport to education and training for 16 to 19-year-olds rests with local authorities, enabling them to make decisions that best match local needs and circumstances. Many authorities and operators already offer discounts for passengers in that age group.

Both issues relate to funding. In Committee, I made it clear that the Bill is not about funding; it is about providing authorities with new tools to help them improve local services in a way that best suits their areas. As part of the 2015 spending review, my Department is protecting the bus service operators grant at current funding levels until 2020-21, already providing significant certainty of funding for bus services without the strategy proposed by the hon. Member for Cambridge (Daniel Zeichner). The funding is provided directly to local authorities and to bus operators and is not broken down into categories of service or by route. Attempting to do so would be a burdensome exercise that could risk embroiling central Government in the fine detail of local bus service provision.

At the heart of the question about a national strategy is the fact that the Bill relates to local bus services. It is not about a top-down, national plan. Buses are local by definition and play a key role in local transport planning. That is why we are seeking to support local councils with more powers. A national plan is not the answer. More powers for local authorities are part of the answer, and they are what the Bill provides.

Graham Stringer: One of our few disagreements in Committee was about what should be determined locally and what should be determined nationally. When the Government are spending billions a year on bus services, does the Minister not think that they should take an interest in there being more bus passengers and more bus miles and in what the fares should be? That could be stated as part of a strategy. In that respect, what is the fundamental difference between buses and trains?

Andrew Jones: I am happy to agree entirely that buses are a critical part of any local transport mix. I am a great champion of bus travel, which has been made clear in all my work as a Minister and in Committee. However, this is about a local issue, not a national solution. I made a joke in Committee that one of the great truths of business is, “I’m from head office, and I’m here to help.” I often was that person from head office, and I was not always quite so welcome.

This should be about local transport needs, not about a national top-down strategy. Are the Government neutral? Of course we are not, which is why we introduced the Bus Services Bill and protected the bus service operators grant, but ultimately this is about local authorities working in partnership with local bus operators to deliver the right services for their area.

Graham Stringer: The Minister is being typically generous in giving way. If it is about local decisions, why will he not devolve the bus service operators grant to local authorities or elected mayors?

Andrew Jones: Some of the grant is already devolved to bus operators, but the key reason not to devolve it further is that it goes direct to bus operators, which very frequently operate routes that cross council boundaries. Council boundaries and bus routes are not the same thing. Transport to work has nothing to do with a local authority’s geography, so it would potentially be a bureaucratic nightmare to change the system.

Having said that, we are considering how to reform the BSOG operation. The grant pays a flat 34.57p a litre in subsidy, which is why it used to be called the fuel duty rebate. We are considering how to incentivise better practice, rather than just rewarding bus operators for using fuel, which is not good practice.

Lilian Greenwood: It feels as if the Minister is trying to devolve all responsibility for the state of our bus services. It was announced in the 2015 local government settlement that core central Government funding to local authorities would fall by 24% in real terms, which is partly why local authority support for buses is falling. Does he not take any responsibility for the impact that is having on bus services and on people’s ability to use the buses?

Andrew Jones: Of course I recognise that the pressures on local government finance are quite acute. In fact, I was in charge of my local council’s financial affairs throughout the financial crash in 2008-09, so I am fully aware of that. At the same time, it does not change the requirement to recognise that buses are a local service and should be determined locally.

Andy Burnham: Has my hon. Friend the Member for Blackley and Broughton (Graham Stringer) not just exposed a major contradiction at the heart of the Government’s position? The Minister says that he wants local delivery but, when it comes to cross-border issues, he says that Whitehall knows best. Surely the Government’s position on bus services should be for maximum devolution, including of the budget.

Andrew Jones: I am not saying that Whitehall knows best; I am saying that the grant is best delivered to bus operators that are running cross-border services, and then to take it from there. It is not a question of Whitehall knows best. We are not determining the routes that operators should be operating. We are keen to see more support for buses and more routes available, but the way to achieve long-term sustainable bus growth is to have more passengers on the buses.

My right hon. Friend the Member for Basingstoke (Mrs Miller) mentioned the Pauley case, which took five years to go through our legal system and reached the High Court. Specifically, we will be inviting the Equality and Human Rights Commission to attend the
meetings of our working group, on which progress has been made. We seek to have a small working group that will look at the practical implications of the Paulley case. Among the members invited so far is the Disabled Persons Transport Advisory Committee, because we want the voice of disabled groups. We also want the voice of the bus operators, so we have invited the Confederation of Passenger Transport and the Association of Local Bus Company Managers. We also want the voice of passengers, so Transport Focus has been invited. I hope we will see the Equality and Human Rights Commission, which has been invited to attend but not as a formal member. I hope to get things under way with our first meeting next month.

Ian Mearns (Gateshead) (Lab): I apologise to the Minister, but may I take him back to the cross-border issue? Even in areas that do not have a landscape drawn out for elected mayors, local authorities have for the past three decades worked in partnership with one another where bus routes go across their local authority boundaries. I do not understand his point about devolving the grant to the bus company and not to groups of local authorities in travel-to-work areas.

Andrew Jones: The devolution of the funding goes straight to local bus companies. We are looking at how we can reform BSOG and I will take the hon. Gentleman points as a contributory suggestion. I do not want to change the system unless we are clear that it will keep more routes operational. We would have no guarantee, unless we ring-fenced the funding, that if we granted the devolution of BSOG to a local authority it would be used to support buses. It could go towards other forms of local transport. I want to keep it focused on buses. That is why it is with operators. However, I will take his point on board as we think about how to take this matter forward.

To answer my right hon. Friend the Member for Basingstoke a little more fully, the working group needs to be very action-oriented. The High Court encountered practical challenges in dealing with the issue of disabled access. We need to get the balance right. The space that is used for wheelchairs may also be used for parents with disabled children, the owners of assistance dogs and people who use walking frames. I want to protect everyone’s needs.

Disabled transport plans such as DPPPs are important in providing confidence and consistency for disabled people when using transport. I have much sympathy with the reason underlying my right hon. Friend’s suggestion. We will take forward a recommendation in the guidance supporting the Bill that authorities ensure that information is made available to passengers. That might be in a form that is provided by the authority or by individual operators. Again, we have been working on this issue with DPTAC, which has developed a template. I am keen to publish that with the guidance and encourage bus companies to use it. I therefore expect us to make progress in this area, which I hope will assist my right hon. Friend.

Mrs Miller: I welcome the Minister’s clarification with regard to the guidance being made available to passengers, but I gently remind him that when it comes to rail passengers, not only is there a regulator breathing down the neck of providers, but there are fines for non-compliance. How can he give this real teeth?

Andrew Jones: My right hon. Friend makes an interesting point, but I am not sure that there is a straightforward read-across from rail to buses. There are 30 or so rail companies in this country and 1,000-plus bus companies. We need to have something that is proportionate. For the very largest groups, what she suggests might be appropriate. For the smallest companies, which might be operating a single route, what we are suggesting would clearly be more appropriate to provide information to disabled passengers, which is ultimately our joint objective.

New clause 3, which was tabled by the hon. Member for Southport (John Pugh), would require local authorities that do not provide a concessionary scheme for 16 to 18-year-olds in full-time education to produce a report, setting out the impact on that group of young people and on local traffic of not providing such a scheme. As I have said, the legal responsibility for transport to education and training for 16 to 19-year-olds rests with local authorities, which are free to put in place appropriate arrangements. Those arrangements do not have to be free, but we expect local authorities to make reasonable decisions based on the needs of their population, the local transport infrastructure and the available resources.

Local authorities already have a duty under the Education Act 1996 to publish a transport policy statement each year, specifying the travel arrangements they will make to support young people to access further education and training. New clause 3 would simply replicate that duty.

In short, I do not believe that new clauses 1, 2 and 3 would add anything of value to the delivery of a bus service on a local basis or directly benefit passengers. I therefore hope that hon. Members will not press them.

Daniel Zeichner: Once again, we have had a constructive exchange; the points made about disabled access are welcome and will be pursued. As in Committee, much of the discussion has hinged on issues of localism. My hon. Friend the Member for Blackley and Broughton (Graham Stringer) and my right hon. Friend the Member for Leigh (Andy Burnham) described well what we and many others see as the failures of the systems over the past 30 years. We discussed at length in Committee the value of a national framework, and I did not hear a suggestion that they, too, could see the benefits. The Minister heroically stuck to the script and clearly does not wish to go down that route just at the moment, but as we consider in future the way we fund bus services, be it the concessionary fares schemes or the bus service operators grant, there will clearly be a debate to be had.

5 pm

Lilian Greenwood: Does my hon. Friend agree that it would be helpful to have that national discussion, involving not only passengers but the industry and the local authorities, about the most sustainable way to fund buses? As local authorities develop different emissions standards as part of their own partnership and franchising schemes—the Campaign for Better Transport has said
this—would a national strategy not provide some certainty for the UK’s bus vehicle manufacturers as well? There are many advantages to doing this, are there not?

**Daniel Zeichner:** As always, my hon. Friend is absolutely right. She has raised the important issue of air quality, which is clearly becoming more important in many of our cities across the country. I just suggest to the Government that having a national framework within which to discuss these things might be extremely helpful, for a whole range of reasons. I fear that we are not going resolve or agree on this issue, so we will press new clause 1 to a Division.

**Question put,** That the clause be read a Second time.

**The House divided:** Ayes 193, Noes 278.

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| Phillipson, Bridget | TELLERS FOR THE AYES:

| Nick Smith and Vicky Foxcroft |

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| Nick Smith and Vicky Foxcroft |

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5.15 pm

Question accordingly negatived.

New Clause 2

REPORT ON THE PROVISION OF CONCESSIONARY BUS TRAVEL TO APPRENTICES AGED 16 TO 18

“(1) The Secretary of State must, within 12 months of the day on which this Act is passed, lay a report before each House of Parliament setting out possible steps to support local transport authorities in providing concessionary bus travel to persons aged 16 to 18 who are participating in statutory apprenticeships.

(2) Any report under subsection (1) shall include, but will not be limited to, an evaluation of whether section 93(7) of the Transport Act 1985 should be amended to enable local transport authorities to provide concessionary bus travel to persons aged 16 to 18 who are participating in statutory apprenticeships on the same terms as that which may be provided to persons aged 16 to 18 receiving full-time education.

(3) In this section—

(a) “local transport authorities” has the meaning given in section 108(4) of the Transport Act 2000; and

(b) the report must be laid before both Houses of Parliament.

(b) the report must be laid before both Houses of Parliament.
(b) “statutory apprenticeships” has the meaning given in section A11 of the Apprenticeships, Skills, Children and Learning Act 2009."

This new clause would require the Secretary of State to publish a report setting out possible steps to support local transport authorities to provide concessionary bus travel to apprentices aged 16 to 18."

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The House divided: Ayes 193, Noes 277.

**Division No. 189**

**[5.15 pm]**

### AYES

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**Tellers for the Ayes:**

Mr Alistair Carmichael and Tom Brake

Mr Shah, Naz
Mr Sheeran, Mr Barry
Mr Siddiq, Tulip
Mr Skinner, Mr Dennis
Mr Slaughter, Andy
Mr Smeeth, Ruth
Mr Smith, rh Mr Andrew
Mr Smith, Angela
Mr Smith, Cat
Mr Smith, Jeff
Mr Smith, Nick
Mr Smith, Owen
Mr Smyth, Karin
Mr Snell, Gareth
Mr Spellar, rh Mr John
Mr Stevens, Jo
Mr Streeting, Wes
Mr Stringer, Graham
Mr Stuart, rh Ms Gisela
Mr Tami, Mark
Mr Thomas-Symonds, Nick
Mr Thornberry, rh Emily
Mr Timms, rh Stephen
Mr Turley, Anna
Mr Turner, Karl
Mr Twigg, Stephen
Mr Vaz, Valerie
Mr West, Catherine
Mr Whitehead, Dr Alan
Mr Wilson, Phil
Mr Winnick, Mr David
Mr Winterton, rh Dame Rosie
Mr Woodcock, John
Mr Wright, Mr Iain
Mr Zeichner, Daniel
undertaking to the applicable authority or authorities that—

(1) An operator of a local service may not participate in any part of any such scheme, unless the operator has given a written undertaking to the applicable authority or authorities that—

(a) it has subscribed to the Confidential Incident Reporting and Analysis System (CIRAS) and that it has made all possible efforts to ensure that all staff of the operator have been made aware of their right to use CIRAS as a confidential reporting channel in respect of any safety concerns,

(b) it will collect and monitor bus casualty data in a manner to be prescribed by the applicable authority or authorities from time to time, and

(c) it will make its bus casualty data available to the applicable authority or authorities by way of a report on at least a monthly basis.

(2) The authority or authorities must publish on their own website every quarter the bus casualty data that they have collected from operators.” —(Ian Mearns.)
This new clause would require bus operators taking part in any scheme to subscribe to the Confidential Incident Reporting and Analysis System and to make bus casualty data available to local authorities at least monthly. It would also require local authorities to publish that data quarterly.

Brought up, and read the First time.

Ian Mearns: I beg to move, That the clause be read a Second time.

Madam Deputy Speaker (Natascha Engel): With this it will be convenient to discuss amendment 14, in clause 4, page 14, line 13, at end insert—

“(2A) A franchising scheme may not be made unless the franchising authority can demonstrate that the benefits for passengers could not be provided by a quality partnership scheme, an advanced quality partnership scheme or an enhanced partnership scheme.”

This amendment would ensure that a Local Transport Authority cannot make a franchise scheme if the passenger benefits can be provided by a quality partnership scheme, an advanced quality partnership scheme or an enhanced partnership scheme.

Amendment 16, page 15, leave out line 36 and insert—

“(3) A franchising authority or authorities shall consider an assessment and shall not proceed with the proposed scheme unless it is satisfied that—”

This amendment and amendments 17 to 23 would tighten the criteria against which an authority must consider a franchise proposal.

Amendment 17, page 15, line 37, leave out “whether”.

This amendment is consequential on amendment 16.

Amendment 18, page 15, line 43, leave out “whether”.

This amendment is consequential on amendment 16.

Amendment 19, page 16, line 1, at beginning insert “they know”.

This amendment is consequential on amendment 16.

Amendment 20, page 16, line 3, leave out “whether”.

This amendment is consequential on amendment 16.

Amendment 21, page 16, line 5, leave out “whether”.

This amendment is consequential on amendment 16.

Amendment 22, page 16, line 7, leave out “the extent to which”.

This amendment is consequential on amendment 16.

Amendment 23, page 16, line 7, leave out “are likely to” and insert “will”.

This amendment is related to amendment 16.

Amendment 15, page 16, line 9, at end insert—

“(g) the specific passenger benefits that would result from a franchise scheme, with an explanation of why those benefits could not be delivered by a quality partnership scheme, an advanced quality partnership scheme or an enhanced partnership scheme.”

This amendment would require a franchise assessment to specify the benefits of the proposed scheme for passengers and to explain why these benefits cannot be delivered by a quality partnership scheme, an advanced quality partnership scheme or an enhanced partnership scheme.

Amendment 24, page 16, line 9, at end insert—

“(g) whether the proposed scheme would be more efficient, effective and economic than any other option, taking into account any compensation payable to bus operators whose businesses would be wholly or partially expropriated by the scheme.”

This amendment would ensure that the value for money test of a franchise scheme must factor in the cost of compensation to bus operators who lose part or all of their business as a result of a franchise.

Government amendments 2 to 4.

Amendment 25, page 17, line 7, at end insert—

“(3A) A person may not act as an auditor under this section if the person or company for whom the person is employed has been an auditor for the franchising authority at any time in the previous five years or has had any other commercial relationship with the franchising authority at any time in the previous five years.”

This amendment would ensure that any auditor appointed by the franchising authority had no commercial interest or association with the franchising authority which might create, or might be perceived to create, a conflict of interest.

Government amendment 5.

Amendment 6, page 19, line 37, at end insert—

“(4A) An award of any new franchise or contract shall not be made on the basis of labour costs estimated by the potential franchisee or contractor assuming labour costs for new employees at less than the labour cost of workers who are covered by TUPE protections in accordance with section 123X transferring to the new franchisee or contractor.”

This amendment would ensure that any new franchise or contract will not be awarded on the basis of estimated labour costs being lower for new employees than the labour cost of workers covered by TUPE protections.

Amendment 26, page 20, line 24, after “(or further postponed)” insert “or cancelled”.

Amendment 27, page 20, line 24, at end insert—

’(1A) If an authority or authorities decide to cancel a proposed franchising scheme under subsection (1) they may not initiate a revised or alternative franchising scheme until the end of the period of five years beginning with the date on which the decision to postpone the original scheme was taken.”

This amendment would provide greater certainty for bus operators and passengers by specifying that, if a franchising authority fails to make a case for a franchise scheme or decides not to progress its proposals, it should not be permitted to bring forward fresh proposals for five years.

Amendment 7, page 30, line 2, leave out “at the same time”.

Amendment 8, page 30, line 14, leave out “at the same time”.

Amendment 9, page 32, line 27, at end insert—

“123Y Employees not covered by TUPE protections

Employees of local bus service providers who are not covered by TUPE protections may not be employed on terms and conditions less favourable than those provided by TUPE.”

This amendment would ensure that employees working under local service contracts not covered by TUPE protections may not be employed on terms and conditions less favourable than those provided by TUPE.

Amendment 10, page 32, line 27, at end insert—

“123Z Effect on employees of introduction of local service contract

(1) Where, either before or after the introduction of a local service contract following an assessment under section 123B, any employee of an operator in the area to which the scheme relates is dismissed, that employee is to be treated for the purposes of Part 10 of the Employment Rights Act 1996 as unfairly dismissed if the sole or principal reason for the dismissal is the introduction of the relevant local service contract.

(2) Paragraph (1) applies whether or not the employee in question was part of an organised grouping of employees principally connected with the provision of local services, under section 123X(4),
(3) Where section 123X(4) applies, a new operator may not engage employees or workers on terms and conditions less favourable than those of the employees whose employment transferred from the former operator.

This amendment would make dismissal of an employee for the sole or principal reason of the introduction of a franchising scheme automatically unfair dismissal.

Amendment 28, in clause 9, page 41, line 17, at end insert—

“(6A) The requirements that may be specified under subsections (4)(b), (4)(e) and (4)(h) in relation to fares and the prices of multi-operator tickets may only be specified if all operators party to the enhanced partnership scheme are in agreement with those requirements.”

This amendment would specify that fares structures could only be specified as part of an enhanced partnership scheme if the operators involved agree.

Amendment 11, page 57, line 3, leave out “at the same time,”.

Amendment 12, page 57, line 14, leave out “at the same time,”.

Amendment 13, page 59, line 42, at end insert—

“138T Effect on employees of introduction of enhanced partnership scheme or plan

(1) Where, either before or after the coming into force of an awarded contract in an area to which the relevant enhanced partnership scheme relates, any employee of an operator in the area to which the contract relates is dismissed, that employee is to be treated for the purposes of Part 10 of the Employment Rights Act 1996 as unfairly dismissed if the sole or principal reason for the dismissal is the introduction of the awarded contract.

(2) Paragraph (1) applies whether or not the employee in question was part of an organised grouping of employees principally connected with the provision of local services, under section 138S(4).

(3) Where section 138S applies, a new operator may not engage employees or workers on terms and conditions less favourable than those of the employees whose employment transferred from the former operator.”

This amendment would make dismissal of an employee for the sole or principal reason of the award of a contract under an enhanced partnership scheme automatically unfair dismissal.

Ian Mearns: I declare an interest inasmuch as I am chair of the RMT parliamentary group and vice-chair of the Unite parliamentary group, both of which unions have members in the bus industry.

The transport sector is a safety-critical environment. This is not a loose use of language. The sector involves carryages travelling at speed, individuals working long hours on repetitive tasks on repetitive routes, and people maintaining equipment at all hours of night and day. Hard lessons have been learned following a series of fatal road and rail crashes in the 1980s and 1990s. However, continuing financial pressures, declining support from Government through the bus service operators grant, and commercially oriented initiatives towards potentially reducing staff could threaten safe working practices.

Bus drivers are aware of where corners are being cut. In theory, they may be empowered to use their employers’ whistleblowing policies to speak out. In practice, however, workers who do so are frequently subject to all sorts of pressure and have been known to be dismissed for whistleblowing. This invariably leads to serious safety failings being increasingly ignored and not adequately investigated, or the results of an investigation not being acted on by bus companies.

To counter the dysfunction, a confidential reporting service known as CIRAS was introduced. This system, initially only for rail, has been successful in enabling workers properly to ventilate their concerns, resulting in lessons being learned and an accumulation of failings being halted, with serious harm prevented. All the major rail companies, many of which also own bus companies, such as FirstGroup, Go-Ahead Group and Stagecoach, have signed up to CIRAS.

I should declare another interest inasmuch as I am a frequent user of my local bus services in Gateshead, as I do not own a car. A very good bus service is provided by Go-Ahead Group in my locality, but unfortunately not all my constituents can benefit from such great services. The bus company tries its best and provides excellent bus services during the peak hours, but as the evening goes on, unfortunately, their frequency dwindles.

Bus workers outside London should also be able to access CIRAS. That would be the effect of the new clause, which would reproduce CIRAS in franchises or quality partnerships. In response to a spate of deaths and serious injuries involving buses on London’s roads, Transport for London successfully extended the CIRAS scheme to London buses. London has one of the best resourced bus networks and some of the newest buses anywhere in the country. CIRAS itself supports the extension of the scheme to bus operators nationwide. In line with other aspects of the Bill—including matters unconnected to franchising and partnerships, such as audio and visual announcements—a nationally mandated approach is warranted and would be greatly desirable.

5.30 pm

The cost of membership of CIRAS is in no way, shape or form prohibitive. It is relatively modest and based on a bus operating company’s turnover. A bus operating company with a turnover of less than £1 million would have an annual fee of only £300 to pay. For a very big operator with an annual turnover of, for instance, £200 million, the fee would still be only £25,000. The fees are low and modest, and they are unlikely to present a serious obstacle.

If the Government are not willing to consent to the new clause, I hope that Ministers will agree to make regulations or at least guidance in this area, or to consult all bus companies throughout the United Kingdom—not just those that participate in a franchise or quality partnership scheme—on signing up to CIRAS. The consultation should indicate Government support for signing up to CIRAS.

The amendments would ensure that employees working under local service contracts and not covered by TUPE protections could not be employed on terms and conditions less favourable than those provided by TUPE. There is a concern that in anticipation of changes in local provision, a bus service operator might curtail a route, rendering the drivers on the route redundant, and another operator might start up the same route only a week or 10 days later. As the Bill stands, those drivers would not have automatic TUPE protection, although I am sure that their representative unions would fight for it. Workers’ terms and conditions should be no worse for the duration of the franchise, and new employees must not be employed on terms worse than those of existing employees.

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There are precedents for such agreements. For example, with Government support, the contracts for the public-private partnership for the tube protected workers’ conditions. More recently, the Scottish Government’s contracts for rail and ferries provided similar protections. For ferries, an additional protection was provided by stipulating that the successful bidder could not make savings by reducing staff jobs or conditions.

Not only would the amendments prevent a race to the bottom in conditions, but they would aid recruitment and retention within the industry and thus help to secure a high-quality, stable workforce, the lack of which blights many franchise areas. Since the introduction of privatised franchises, I have been on many buses where, frankly, the driver did not know the route and had to ask passengers which way to go. Legislating or regulating that out is not beyond the realms of possibility.

More importantly, the amendments would prevent a further worsening of the bus driver shortage, which has affected services. BusMark, the bus and coach benchmarking club of the professional logistics and transport body the Chartered Institute of Logistics and Transport, has published its findings from a survey about addressing the current driver shortage in the industry. Out of 15 reasons given for the problems with recruitment and retention, the three most cited, by some distance, were poor pay, poor conditions and industry image. If the Government are not willing to concede the amendments, I hope that Ministers will agree to consider making regulations or, at the very least, giving some guidance to the industry.

Amendment 10 would automatically make the dismissal of an employee for the sole or principal reason of introducing a franchising scheme an unfair dismissal, and amendments 12 and 13 would automatically make the dismissal of an employee for the sole or principal reason of the award of a contract under an enhanced partnership scheme an unfair dismissal. There is concern about the potential for a company that has lost a bid to run a franchise or that does not wish to participate in the franchising process simply to abandon its route, as has happened on numerous occasions. For a company to do so, it needs only to deregister the route by notifying the traffic commissioner. We want the Bill to protect workers and passengers from a company conducting itself in such a manner, and we are also concerned about workers slipping outside the protective net of TUPE.

If a company abandons a franchise, the passengers who rely on the bus service day in, day out will often be left without the means of getting to and from their place of work. Transport Ministers have criticised rail unions about disruption that has had an impact on the ability of people to get to and from their places of work, and they should equally be concerned about the scope for a bus franchise owner to abandon its franchise for business reasons. Given the particularly loose way in which the bus sector is currently arranged, there is an elevated risk of that occurring.

At the moment, the Bill provides TUPE protection only at the point of transfer, or earlier if agreement is reached with the successful bidder. These amendments mean that the termination of a worker’s employment for a reason connected with the introduction of a scheme or a transfer to a new scheme would automatically be considered unfair dismissal. Not only would the amendments protect bus workers’ jobs, but in doing so they would help to ensure the continuity of the service if the bus service operator sought to stop providing services or to reduce services because of the threat of a franchise or because it did not win the bid for a franchise.

The Manchester Evening News of 21 March showed that bus companies in Manchester are already cutting services in readiness for the Bill, no doubt as a show of strength in advance of negotiations on bus franchising. Indeed, we have been reliably informed that the whole timetable for the Bill is being driven by Manchester as part of the devolution deal. My right hon. Friend the Member for Leigh (Andy Burnham) mentioned that on Second Reading.

Again, if the Government are not willing to concede these amendments, we hope Ministers will agree to make regulations or, at the very least, to issue guidance to the industry.

Sir Henry Bellingham (North West Norfolk) (Con): I rise to support amendments 14, 16 to 23, 15 and 24 to 28, which are in my name and those of my right hon. and hon. Friends. Amendment 14, which is very straightforward, would ensure that a local transport authority could not make a franchise scheme if passenger benefits can be provided by a quality partnership scheme, an advanced quality partnership scheme or an enhanced partnership scheme.

Amendments 16 to 23 are mainly drafting amendments, but it is important that a franchising authority should be satisfied, rather than that it should just have considered the issues in a franchising assessment. As we heard in the debates on clause 4, it is clear that franchising should not be an easy option. A local transport authority should not be allowed to take a simple punt at franchising without having given full and detailed consideration to all the other options available. There will of course be other options, not least the partnership arrangements that we have looked at, and to which we will surely return in the near future.

The Bill contains stringent tests, but I think it would be very easy for a local authority to say that it has considered whether a proposed franchise regime would contribute to its transport policies; whether it has the capability and resources to operate the scheme; or, just as importantly, whether it can afford the scheme and that it represents value for money for local taxpayers—in other words, our constituents. It is quite another thing, however, for the authority to say that it is satisfied that its proposals will do these things. Surely, given the importance of the step the local authority is proposing to take in implementing a franchise scheme, it is not too much to ask whether it is convinced that its proposals will do exactly what they intend. That is what my group of amendments sets out to achieve.

Amendment 15 simply complements amendment 14, although it looks at the issue from a slightly different angle. I will not say anything more about amendment 15, except that we cannot really have amendment 14 without amendment 15. Amendment 15 requires a franchising assessment to specify the benefits of a proposed scheme for passengers and to explain why those benefits can be delivered by a quality partnership scheme, an advanced quality partnership or an enhanced partnership scheme.

Amendment 24, probably the most important amendment in this group, is all about compensation. The key is to bring into play a degree of fairness.
The Bill is silent on the matter of compensation and I think that is wrong. I know what the Minister will say in his response. He will probably say that he will go along with the Transport Committee when it said in its recent report that there is no case for compensating operators who lose their business. I am fully aware that compensation would not have been available under a quality contract scheme, but the days of quality contracts are severely numbered. The fact that there was no compensation under that scheme does not mean to say that it is not right to have compensation for the new arrangements. The loss of business would be bad enough for the large plcs, which would have to redeploy their staff and their assets, but what about the smaller operators?

Graham Stringer: I am listening carefully to the hon. Gentleman. Will he explain—so far, he has not done so—on what basis compensation would be given when every bus company is able to compete to run buses via a franchising process?

Sir Henry Bellingham: I am not an expert on this, but the small and medium-sized bus companies in my constituency tell me that they are very concerned indeed. They have established their businesses on the back of a lot of hard work, and they have taken a lot of risks. One company that came to see me said that its directors had re-mortgaged their homes and invested their life savings to ensure that the company grew. They stand to lose—not because they have not performed properly, not because they are a bad company, and not because the passengers have decided that they no longer want to use those services—if they do not win a bid to continue to do what they have been doing successfully for many years. I suggest to the hon. Gentleman that this is a fair measure and I ask the Minister to consider it.

The wider point is this: what message does it send to businesses looking to invest in the UK? We want businesses to come to the UK to invest. We should be saying to them, “You’ve come to the UK to invest, and if local authorities take your business off you there will at least be some compensation.” This measure will, in the longer term, represent good value for the taxpayer, because it shows that taxpayers’ money will be put to a good use. If businesses are put out of business because of measures in the Bill, then surely there should be some recourse to compensation.

Bridget Phillipson (Houghton and Sunderland South) (Lab): The hon. Gentleman rightly talks about the importance of delivering value for money for the taxpayer. In the north-east, as in many parts of the country, there is not good value for the taxpayer. The Competition Commission has shown that a very limited number of bus operators have a monopoly over our services. The competition that was meant to follow deregulation has not materialised. This is not good value for the taxpayer. The Bill would allow smaller operators to break into a market on which the big boys currently have a stranglehold.

5.45 pm

Sir Henry Bellingham: The hon. Lady makes a fair point. I can judge only on the basis of what is going on in my area, but I hope that the Minister will take into account what she said. I want more competition and more small operators. There are a lot of big operators around; I want to see the small ones flourishing. It is certainly the case in Norfolk that the small operators, companies such as Norfolk Green, were able to move in on routes and bring a new culture and new-service ethic into place—it has done a fantastic job. I defer to the right hon. Member for Leigh (Andy Burnham), who knows a lot about this subject, but these operators have been able to get more customers on to routes and even to re-open routes that had previously been closed down.

Andy Burnham: The trouble with what the hon. Gentleman is saying is that it has not worked that way under the current regime; passenger numbers have gone down in Greater Manchester. My worry is that he seems to be speaking for the bus companies rather than for the travelling public—that is what it sounds like to me. Can he assure me that this is not a wrecking amendment? Is he hoping that the fear of paying compensation will persuade local authorities not even to try to use these powers because they cannot afford to pay that compensation? Is that what he is trying to do?

Sir Henry Bellingham: I can assure the right hon. Gentleman that I am not trying to wreck the Bill in any way or do anything that is untoward. I am simply trying to make sure that SMEs are treated fairly.

Let me move on quickly to amendment 25. It is a simple amendment that is designed to ensure that any auditor appointed by the franchising authority has no commercial interest in or association with the franchising authority that might create or could be perceived to create—perception is very important as well—a conflict of interest. I very much hope that the Minister will accept this amendment. It is reasonably anodyne, but quite important. I urge him to look at it very carefully indeed.

Amendments 26 and 27 are quite small amendments, too, but they are important. If a franchising authority fails to make a case for a franchise scheme or decides not to progress its proposals, should it be permitted to come back to that scheme the following year, the year after that or indeed within months? I suggest that it should not. These amendments to clause 4 would prevent the authority from coming back with fresh proposals within five years.

In the autumn statement, my right hon. Friend the Chancellor said:

“I know how much business values certainty and stability”.—[Official Report, 23 November 2016; Vol. 617, c. 908.] I think he was right. One thing that business dreads is uncertainty, which affects investment plans, recruitment decisions and the way that businesses, particularly SMEs, conduct their everyday activities. Bus operators are understandably and justifiably concerned that some of these measures could put their businesses under threat—in the worst-case scenario, with the franchise authority coming back to the franchise time and again within the five-year period. We want to create a situation in which there is a workable franchise scheme and the franchise authority cannot keep chipping away at it.

These amendments are not vital, they would also help local authorities. We know that the burdens on local authorities are growing the whole time. They are under massive pressure to deliver better services and better value for money, whether it be in respect of refuse collection, care for the elderly, street lighting, planning and so on, with ever-dwindling resources. The local
authority might have a lot of pressure put on it by its elected members or other bodies to devote time and energy to bringing back a franchise exercise that was not progressed in the first place, which I think would be a mistake.

Andy Burnham: I would like clarification and reassurance from the hon. Gentleman. It sounds to me as if the combined effect of these amendments is to open up some confusion, to create possibilities for bus operators to use legal challenge, and to delay and tie the hands of the combined authority in the case of Greater Manchester and in other combined authorities elsewhere. Can he be absolutely clear that that is not what he is trying to do? It sounds to me for all the world as if that is the real intent behind these amendments.

Sir Henry Bellingham: I have a lot of time for the right hon. Gentleman. I remember asking him questions in past times, when he was a Minister and I was on the Opposition Benches, and we have engaged in debates in Committee. I assure him that I do not intend to do what he has suggested. I think that small and medium-sized enterprises and the smaller bus companies will support the amendments.

Lilian Greenwood: Will the hon. Gentleman not acknowledge that the very fact of having the opportunity to take franchising powers enables local authorities to put pressure on operators, not all of which are small and medium-sized companies—in fact, most of them are very large—in order to bring them into partnership arrangements? If a local authority does not have the potential to develop franchising schemes, many operators will not seriously enter into negotiations on either advanced quality or enhanced partnerships.

Sir Henry Bellingham: I was under the impression that authorities had those powers anyway, but the Minister will obviously have heard what the hon. Lady has said. It is up to the Minister to listen to what we have said, and then to make a decision.

I now want to say something about amendment 28. I will be brief, because I have already taken up a fair amount of the House’s time. The amendment would allow fares structures to be specified as part of an enhanced partnership scheme only if all the operators involved agreed. The key issue is the ability of commercial bus operators to set their own fares, which is an important feature of a deregulated market. Of course fares structures are set competitively. In the same way, a commercial enterprise looks at what its competitors are charging, and structures its own charges accordingly. The competition authorities have introduced important safeguards to ensure that bus companies do not collude to stitch up the market and set fares at levels that disadvantage passengers. There are checks and balances, and that is extremely important.

Ian Mearns: What the hon. Gentleman is saying seems to suggest that the powers of a local authority, or collection of local authorities, in the areas that he represents would be less than those currently enjoyed by the voters of London when it comes to oversight of the running of an integrated transport system. Why should electors in all the other parts of England have an inferior set of arrangements?

Sir Henry Bellingham: I simply say to the hon. Gentleman—for whom I have a huge amount of respect—that I have listened to bus operators and passengers in my constituency. We now have more bus services in our remote communities and villages that we did, say, 20 years ago, when the hon. Member for Cambridge (Daniel Zeichner) was standing for election to a rural Norfolk seat—and he nearly won that seat in 1997: I think it was Mid Norfolk—because SMEs have stepped up to the plate.

I have taken enough of the House’s time. Let me simply say this to the Minister. I believe that the amendments go a modest way towards improving the Bill, without undermining or sabotaging parts of it. I think that they will help bus operators—especially the smaller ones—and passengers and local authorities by providing clarity.

Mrs Ellman: I want to talk about the new clauses and amendments relating to franchising, including amendments 14 to 23, 26 and 27.

The strength of the Bill lies in devolution, and its proposal that decisions on how to provide local bus services should be devolved to local transport authorities, which should consider what works best in their areas. It is important to remember that the Bill has come about because of dissatisfaction among members of the public—people who want to use buses—with the way in which the current system operates. There have been a number of attempts to change the Transport Act 1985, which deregulated transport services, but none of those attempts—which have been made under successive Governments—has resolved the problem. The Bill is important because it tries to address the difficulties that the public have experienced, and to create a thriving bus sector.

The Transport Committee examined the Bill in detail from the perspective of passengers. We welcomed the possibility of new and smaller entrants to the bus market, but what worries me about the new clauses and amendments is they may prevent the proposed devolution from taking place. There are two aspects of that. The first relates to combined authority areas with directly elected mayors having the power to proceed with franchising. There is a lack of clarity about the regulations that will be introduced, or imposed, to impede the ability of the mayors to do that. Will it be an absolute right, or will onerous, complex and perhaps unknown regulation be imposed? I hope that the Minister will clarify that issue, because it relates to a fundamental part of the Bill.

Secondly, the Bill proposes that transport authorities in areas that are not run by combined authorities with directly elected mayors may have powers to introduce franchising in certain circumstances. The amendments make that proposal extremely complex. It would be impossible to assess whether the transport authorities would be able to proceed with franchising if they wished to do so. The Transport Committee looked at good practice, and concluded that transport authorities should consider existing ways of operating in partnership with operators before moving to a franchising system, but we did not think that that should be part of the regulations. This proposal introduces new hurdles, but it is not fully specified what those hurdles are, or—this is equally important—how they would be assessed before the authority could adopt the franchising system. That, I believe, strikes at the heart of the Bill.
The Bill is intended to improve transport services in localities and devolve to local transport authorities the ability to act on the needs of their areas, but the hurdles introduced by the amendments might enable future Ministers to impede its objectives, and I am sure that present-day Ministers would not wish that to happen. I am extremely concerned about the amendments. I hope that the Minister will tell us more about what they mean, and will make clear whether the Government intend franchising to go ahead, as they have stated, without introducing complex hurdles which would make the proposed system extremely difficult to achieve.

Graham Stringer: It is a pleasure to follow my hon. Friend the Member for Liverpool, Riverside (Mrs Ellman), who chairs the Transport Committee. As she said earlier, the Committee has considered this issue on a number of occasions, and—my hon. Friend the Member for Gateshead (Ian Mearns) mentioned this—we have never been able to find a reason why London should have one system and the rest of the country should have another. The hon. Member for Wimbledon (Stephen Hammond) grins at that, and I do not blame him, because the regulated system in London is superior to the system in the rest of the country.

I listened to the responses of the hon. Member for North West Norfolk (Sir Henry Bellingham) to my right hon. Friend the Member for Leigh (Andy Burnham) about his not wanting to wreck the Bill, and I take that at face value. However, I do not think the amendments reflect the reality of the nature of bus services, certainly in urban areas. I am not an expert on bus services in Norfolk and suspect the hon. Gentleman knows more about Norfolk, Greater Manchester and other areas at some stage. As with rail franchising, in a competitive situation, when a company loses out, it loses its business, even if it has invested in it previously. In fact, one of the difficulties with franchising is that we end up with investment up front and a lack of investment at the end; that is just the nature of franchising.

On the point made by the hon. Member for Newark (Robert Jenrick) about medium-sized bus companies, that can of course be taken into account in the way that franchises are set up, by local choice. Areas can set them up in as many different ways as they wish, so medium-sized companies could be given the right to tender for routes that fit the size of the company if that was what the franchising authority wanted to do.

That brings me to a point I made in Committee, and which was rejected. Rather than the amendments we have here, I would have preferred the Bill to say that the regulations should not be overly burdensome and that they should reflect local conditions. If they were reflecting local conditions, they could take into account those small and medium-sized companies. There is a large point here, however, and, as my right hon. Friend the Member for Leigh said, the large companies would be more pleased than the small bus companies if these amendments were passed.
There is not a single quality contract in this country, and that is because when they were brought in under the Transport Act 2000, it contained a clause that is very similar to measures here, saying that they are the only practical way of delivering a better bus service. That is an incredibly high hurdle to jump, which is why there are no such contracts. Quality partnerships were referred to; I asked the Minister in Committee how many of them there were in the country, and, after a little help from the officials, we discovered that there were 10. So even quality partnerships are not abundant on the ground in this country. We do not need overly burdensome regulations. We want to make this work because it will improve the service for passengers, be more competitive and lead to better services.

We are not discussing them now, but there are huge guidance notes associated with this Bill, which I think tend to be overly prescriptive. I prefer to rely on the good sense of local councillors; they will make some good decisions and some bad decisions, but there are many bus companies with vested interests who are opposed to this, and if local authorities behave in an unreasonable way, they have the right to apply the Wednesbury principle and go for judicial review.

Rather than having lots of prescriptions, and putting ever more hurdles in the way of locally elected people making decisions, we should rely on their good sense. Sometimes they will get it wrong, as sometimes national politicians in Governments and Cabinets get things wrong, but we can rely on them and the common law, which will ensure that if bus companies feel that they are being unfairly treated and that transport authorities are behaving in an unreasonable way, they can take that to court.

So I hope the Minister will reject these amendments. We have held in the balance throughout our discussions the question of what is central and what is going to help local authorities, transport authorities and elected mayors to make these decisions, and these amendments do not help move us towards having a better local transport system.

Daniel Zeichner: There is a wide range of amendments in this group, many of which we support, but some we do not.

I genuinely hope that the Minister will consider new clause 4 on bus safety, despite his comments in Committee. More disappointment has been expressed to me on that aspect of our Committee discussions than on any other, partly because the comments of the Minister in the other place had been encouraging, but also because I cannot believe that there is any disagreement on the value of improving bus safety, and this is widely seen as an effective and cost-effective way of achieving that goal.

I think the Minister suggested in Committee that he might be minded to insert some guidance to encourage bus operators to sign up, but the evidence on voluntarism is clear: to my knowledge, no bus operator outside the London franchises is signed up to any independent, confidential incident reporting system. We have an opportunity now to end that situation. As my hon. Friend the Member for Gateshead (Ian Mearns) said, such a system is not expensive. It works in the railway industry, and I have not heard a strong case made against it. It seems to work well and I urge the Minister to grasp the opportunity.

Amendments 14, 16 to 23 and 15 appear to us to be unnecessary and to go against the spirit and devolutionary nature of the Bill. The assessment process laid out in the Bill and the extensive guidance—168 pages—available for it are extremely thorough and tough, and do not need to be added to. Amendment 24 undermines the assessment made by the Government of the issues relating to compensation and sufficient time to enable operators to plan. Provisions already in the Bill fully satisfy all value-for-money considerations. We are pleased that the Minister confirmed on Second Reading and in Committee that the aim of the process is not to put barriers in the way of authorities proceeding to franchising. We fear that the amendment threatens the very heart of the Bill. Amendment 25 also seems to be unnecessary, as additional appropriate independence, rigour and structure for the audit process will be ensured by the Government, to which I think the Minister is about to speak. Amendments 26 and 27 also seem at odds with the devolutionary nature of the Bill, because it should be for elected authorities to make the decisions, based on their local judgments.

We strongly support amendments 6, 7, 10, 11 and 13, tabled by my hon. Friend. Friend the Member for Gateshead. The arguments were well made in Committee, and perhaps even more strongly today. In any transfers workers should be properly protected, and we have the opportunity to ensure that. I fear that the Government will choose not to take the opportunity, but I urge them to do so.

Andrew Jones: The respective roles of central Government and local government were a running theme in Committee, and I think we are back to it this afternoon. I will begin with the amendments that deal with the franchising schemes.

The decision to move to a franchising system is a big one for any authority or combined authority to take, and it is therefore not to be undertaken lightly. It must have at its heart improvement for bus passengers, but it must be very much a local decision. That principle has underlain the Bill right from the beginning. We want to ensure that authorities contemplating franchising do so with their eyes wide open to the opportunities, the risks and the costs, and we expect them to have consulted widely on their proposals.

The Bill sets out clearly the processes that authorities must follow before they can implement franchising. Those include developing an assessment of the proposed franchising scheme—in effect, a business case. As part of that assessment, the authority must consider the value for money and affordability of the proposal and must compare making the proposed scheme with other courses of action, such as a partnership—very much as my hon. Friend the Member for North West Norfolk (Sir Henry Bellingham) suggested.

Several of the amendments in the group would change how those arrangements are operated. Amendment 24, tabled by my hon. Friend, would require an authority to include in its assessment consideration of whether the proposed scheme will be more efficient, effective and economic than any other option, taking into account any compensation payable to operators. Given the extensive requirements I just set out, I do not see a need to make those similar additional matters a separate part of the assessment. Also, it is not necessary or appropriate to
refer to compensation in this part of the Bill, or indeed any other. Any move to a franchising scheme will not come as a surprise to bus operators; the clear processes and consultation arrangements we have set out will give them sufficient warning and sufficient opportunity to express their views on the proposed scheme, as statutory consultees.

6.15 pm

Bus operators are required to give 56 days’ notice of their intention to vary or cancel a bus service. The Bill contains provisions to enable authorities to extend that notice period to a maximum of 112 days, to enable the authority to take steps to ensure that services continue to operate. That is an important point in relation to the amendments tabled by the hon. Member for Gateshead (Ian Mearns). Bus operators of all sizes will still be able to compete when a franchising system is implemented, if that is what is decided locally. Competition will take place off the road for contracts, rather than on the road at bus stops, but competition will still exist. Generally, only operators that choose not to compete or do so unsuccessfully will no longer be able to run services once a franchising model is implemented, and in any event they are free to register new services elsewhere.

Graham Stringer: The Minister says that competition will continue, but does he accept the evidence that the Transport Committee took from the Competition Commission, which was that the commission was unable to find much evidence of any on-road competition?

Andrew Jones: My point is that competition will move, but it will not disappear from the market. Competition now takes place on the road; it will move from the roadside to the tender. I do not accept that competition disappears from the marketplace. I came to this place from a robust private sector background, where competition was the daily bread-and-butter activity, and I am sure that it can have a positive impact on customer service, innovation, price and so on.

Robert Jenrick: The Minister kindly met my constituent John Marshall, who in addition to running a medium-sized bus company chairs the east midlands passenger transport organisation that represents other small and medium-sized bus companies in the region. He tells me that for him and his members, the question of compensation remains unanswered by the Bill. For the sake of clarity for bus operators, will the Minister say whether the Government intend that in the event that franchises are lost, no compensation will be or should be paid to any bus company in the UK?

Andrew Jones: We do not think that it will be a requirement to pay compensation, but an authority that goes down the route of developing a franchising model will of course be free to offer payments as it sees fit. It is not Government policy that such compensation will be mandatory.

Amendments 16 to 23, which were tabled by my hon. Friend the Member for North West Norfolk, would require a franchising authority to be satisfied of, rather than to consider, certain matters when making its assessment of a proposed franchising scheme. That is a significant distinction. The assessment as set out in the Bill does not require the authority to pass certain tests or to prove that franchising would achieve certain outcomes. Instead, it reflects the standard approach for public sector investment decisions of requiring a view to be taken on the overall merits of the scheme.

That is a deliberate move away from the quality contract scheme process, under which no local transport authority has established a franchising system. A requirement for a franchising authority to satisfy itself that franchising will deliver certain outcomes risks raising an impossible hurdle. It would be difficult for authorities to satisfy themselves with certainty, as their analysis, by its very nature, will be based on assumptions and projections about the future. The amendments therefore risk making the Bill unworkable in practice. We agreed to deliver as part of our devolution commitments franchising powers that would be more usable than the existing quality contract schemes, and that is what the Bill does. I hope that, on the basis of the explanations I have given, my hon. Friend the Member for North West Norfolk will not press amendments 16 to 24.

In addition to requiring a franchising authority to prepare an assessment, the Bill requires the authority to obtain a report from a qualified auditor. In relation to the consideration of affordability and value for money, the report must set out whether the authority has used information and conducted an analysis of sufficient quality. The authority must publish the auditor’s report and must take on the overall merits of the scheme.

Sir Henry Bellingham: I am grateful to the Minister for his comments on amendment 25, but will it be possible to include the spirit of the amendment in the guidance that the Secretary of State will issue? If he can give an undertaking that that could happen, I would be prepared to withdraw amendment 25.
Andrew Jones: I can give my hon. Friend that assurance. We will deal with independence in the guidance, and independence from the decision-making body will be a basic criterion for the auditor.

Andy Burnham: I am reassured by what the Minister said this afternoon in rejecting amendment 14 and other related amendments. I ask him to go a little further and commit to the House that the spirit of his remarks today will be carried into the guidance and regulations that will follow the Bill—the consultation on them closed sometime last week. Will he also work closely with Transport for Greater Manchester and other metropolitan transport authorities to ensure that the wording of the regulations and the guidance is consistent with what he has said today and what is in the Bill?

Andrew Jones: I can provide the right hon. Gentleman with that assurance. We are not seeking to stand in the way; we want to create a suite of powers for local authorities to make decisions about what is right for their area. In some cases, it will be a franchising model, but that will be at the margins and not what will happen in most parts of the country. However, some parts, such as Greater Manchester, have indicated much interest in that model. It is not one of our objectives to block local authorities from choosing what is right for their area. We want a thriving bus industry, with local authorities working with bus operators to deliver a better network with a better deal for passengers and more passengers on buses. That is our objective with this Bill.

Amendments 4 and 5 make clear the precise requirements that a person has to satisfy to be appointed as an auditor. We are proposing the changes in response to effective representations we have received from a number of Members and following meetings that the Secretary of State and I have had to discuss the practicality of existing provisions with potential auditors. I hope that the amendments will be broadly supported by Members across the House.

The aim of amendments 14 and 15, once again tabled by my hon. Friend the Member for North West Norfolk, is to prevent a franchising scheme from proceeding if the passenger benefits it is expected to deliver could be achieved by making a partnership scheme. I sympathise with much of my hon. Friend’s intentions. Indeed, my hon. Friend the Member for North West Norfolk and for Wimbledon (Stephen Hammond) have done a significant job in speaking up on behalf of bus passengers for a considerable time. I do not want to see franchising pursued for any reason other than passenger benefit, and certainly not for ideological reasons. Passenger benefit is a theme that runs throughout the Bill. We want to see passenger experiences improve.

As I have made clear, however, the Bill already requires a local transport authority to compare making a franchising scheme with one or more other options. I hope that my hon. Friend the Member for North West Norfolk will be reassured to know that that should be a proper consideration of the options available. Indeed, the draft guidance, on which we recently consulted, states:

“Identifying realistic options should not be a desk exercise... and authorities should engage with bus operators in the area”
to see whether there is “a realistic partnership proposition”. It also states that an “authority should not dismiss realistic alternatives without detailed assessment. The decision-making arrangements for franchising in the Bill are appropriate. Following a consultation on its assessment of the options, which should include bus operators and passenger representatives, an authority that decides to implement franchising must have satisfied itself that franchising is the right option for its area. Importantly, it should have a clear rationale for that decision with passengers at its heart. I therefore hope that my hon. Friend the Member for North West Norfolk will feel able to withdraw amendments 14 and 15.

The final set of amendments relating to franchising decisions are also from my hon. Friend the Member for North West Norfolk. Amendments 26 and 27 aim to prevent an authority that has developed a franchising proposal, but not progressed it, from making another franchising scheme for a period of five years. Those amendments go against the spirit of devolution. Banning the introduction of a franchising scheme for an arbitrary time period would severely restrict the capacity of an elected mayor, or other franchising authority, to take local situations into account and to act accordingly. It could also undermine the democratic process by preventing a new mayor elected within the five-year period from developing a franchising scheme, even if he or she had had franchising in their manifesto. In practice, if an attempt to franchise were to fail, it is highly unlikely that an authority would seek to make another scheme without devoting a reasonable and significant period of time to learning lessons from the experience. Given that, I hope that my hon. Friend will withdraw the amendments.

I will now move on to consider how much freedom a mayor or local transport authority should have in implementing franchising and partnership schemes. Amendments 6 to 13 and new clause 4, tabled by the hon. Member for Gateshead, seek to limit that freedom in various ways. As I said in Committee, I do not believe that mandating the basis upon which contracts are procured by local transport authorities, or the contents of those contracts, is appropriate, but that is exactly what amendments 6 and 9 propose in relation to the terms and conditions of employees. I can assure the hon. Gentleman that the power to achieve the outcome that the amendments seek will already rest with the franchising authority that will be letting the contracts. Employees and their representative groups will have plenty of opportunities to raise such points during the consultation process for the respective schemes. Indeed, it may be appropriate to put the proposals to the mayoral candidates of each of our parties.

I am a little surprised that the amendments have been tabled, because we discussed the practical concerns about them in Committee. For example, it is not clear which terms and conditions would apply where people with different arrangements had previously transferred under TUPE, and the cost of the proposals could also prove sufficient to prevent some authorities from pursuing a franchising scheme.

6.30 pm

Amendments 10 and 13 address potential dismissals. Again, I have some sympathy with the intention behind the first two proposed subsections, concerning redundancies of employees before or after the introduction of a local service contract. But the scenario that they address is unlikely to occur. I very much doubt that any employer would choose to dismiss an employee and...
bear the redundancy costs if it were able to transfer them under TUPE instead. In any event, employment law already deals with the unfair dismissal of employees.

For similar reasons, I cannot accept amendments 7, 8, 11 and 12, which would broaden the Bill’s provision so that TUPE protections apply where a new operator begins providing local services sometime after the previous service ceased. The Bill already enhances employee protection by prescribing that TUPE and pension protections will apply in particular circumstances. We strike the right balance in that regard, and it would not be appropriate to broaden the provisions further. Indeed, one of the first things we established in preparing the Bill was for TUPE and pension protection in the event of franchising.

The hon. Member for Gateshead also proposes in new clause 4 to require bus operators to subscribe to a confidential reporting system in order to participate in any bus scheme provided under the Bill. The new clause would require operators to collect and monitor bus casualty data and make them available for publication. I assure the House that I take road safety very seriously. Although the number of pedestrians killed or seriously injured outside London in incidents involving a bus or coach is falling, we cannot be in any way complacent. There have been a number of debates on that matter, both in Committee and in the other place. Although I can agree with the objective of this new clause, it is not appropriate to mandate it in primary legislation.

Ian Mearns: Does the Minister accept that injuries can also occur to passengers? As a regular bus user, I have witnessed such injuries on a number of occasions. This is not only about pedestrians and other road users. Bus passengers, often without the vehicle being involved in any sort of collision, can be injured when, for instance, the bus brakes abruptly. Surely the travelling public on buses—the customers of the bus operators—have a right to some Government protection.

Andrew Jones: I recognise the hon. Gentleman’s point. There is no doubt that passengers can be injured on a bus. I am also a regular bus user—not that that is particularly relevant—and all of us who travel on buses will have seen such injuries. He makes a reasonable point, but it does not necessarily mean that we need to mandate a reporting system in primary legislation.

Transport for London is the main example of confidential reporting by a bus operator, and it has featured in our debates in Committee. I understand that TfL pays the CIRAS subscription. When the London Underground and rail contract came up for renewal, the CIRAS contract was extended to cover buses at no extra cost to TfL. That prospect is different from mandating that every bus operator subscribes to such a system.

As I mentioned in response to an intervention by my right hon. Friend the Member for Basingstoke (Mrs Miller), there are 30 rail companies and 1,000-plus bus companies in this country. We also need to consider the evidence. I have not been made aware of any robust evidence to suggest that arrangements introduced in London have had a significant impact on safety. If a franchising authority wishes to stipulate a system such as CIRAS as part of its conditions of contract, it is of course free to do so—that is what TfL has done here in London.

Authorities that negotiate partnerships could also include bus safety measures as part of such an arrangement, so I will explore through guidance how we could encourage operators and local transport authorities to consider the benefits of an independent confidential reporting system, but we will probably limit that only to a franchising or partnership scheme to start with.

I hope that, in the light of my comments, the hon. Member for Gateshead will feel able not to press amendments 6 to 13 and new clause 4.

I have been speaking for far too long. Mr Deputy Speaker, I am sure that you and Members on both sides of the House will be pleased to hear that I am coming to the end of my remarks.

Amendment 28, tabled by my hon. Friend the Member for North West Norfolk, addresses decision making in enhanced partnership schemes. It would prevent requirements on how tickets are purchased or fares paid, on how fares or ticketing arrangements are publicised and on the price of multi-operator tickets from being specified in such a scheme unless all parties agree.

Ticketing is a key element of the Bill’s partnership proposals, and one of the key principles of the enhanced partnership regime is that it does not require consensus by all operators.

Instead, affected operators may object to the enhanced partnership proposals at key points in the process, and the authority cannot proceed with its proposals if more than a sufficient number of operators object. Details of what amounts to that sufficient number will be set out in the draft regulations, on which we have recently finished consulting.

Leaving aside the objection mechanism, there are further safeguards to ensure that individual operators are treated fairly when ticketing requirements are included in an enhanced partnership scheme. A key safeguard is the ability for any proposals relating to ticketing, or any other element of an enhanced partnership scheme, to be subject to scrutiny by the Competition and Markets Authority, which will be a statutory consultee on the proposals. Our draft guidance on enhanced partnerships also makes it clear that all documents should include a section on competition, and it provides clear advice on how individual operators can raise concerns with the CMA at any point during the development or implementation of a scheme.

Perhaps most importantly, I can reassure my hon. Friend that an authority making a scheme has to be satisfied that any restrictions on competition introduced by an enhanced partnership, such as setting the price of a multi-operator ticket, are balanced by the benefit to passengers. The effect on small and medium-sized bus operators should also be taken into account as part of that process, and we have built protection for small and medium-sized operators into the Bill by requiring them to be considered, whichever regulatory model is chosen locally.

I make it clear that the provisions are about fairness, and not about protecting the commercial interests of operators. Bus operators may well prefer their passengers to buy a ticket for use only on their buses, rather than one that can be used on any bus service. That is of course in a bus operator’s commercial interest, but it might not necessarily be in the interest of a bus passenger.

If my hon. Friend’s amendment were to be accepted, only one operator would need to put its commercial interests first to block an improvement to ticketing for
passengers that might grow the entire market in its area. Overall, the safeguards I have outlined are enough to ensure that proposals relating to ticketing are fair and reasonable to bus operators while delivering improvements that benefit passengers. I hope he finds my explanation reassuring and will therefore not press his amendment.

I believe the Bill already has decision making right and is in the right place to get the best outcome for passengers. In doing so, it will deliver on our devolution commitments, and I trust the House will agree.

Ian Mearns: I would like to think that the Minister will provide within the guidance to the Bill, once it is enacted, a reference to the Confidential Incident Reporting and Analysis System as best practice in the industry. Notwithstanding that, I do not seek to press the new clause or amendments 6 to 13. I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

Clause 4

FRANCHISING SCHEMES

Amendments made: 2, page 16, line 38, after “an” insert “independent”.

This amendment and amendment 4 make plain the status of the persons who may audit an assessment under section 123B produced by a franchising authority or authorities.

Amendment 3, page 17, line 2, at end insert—

“( ) The Secretary of State must issue guidance as to the matters to be taken into account by an auditor when selecting a person to act as an auditor.

( ) Franchising authorities must have regard to any such guidance.

( ) The Secretary of State must issue guidance concerning the matters to be taken into account by an auditor when forming an opinion as to whether the information relied on, and the analysis of that information, by an authority is of sufficient quality for the purposes of subsection (2).

( ) Auditors must have regard to any such guidance.”

This amendment imposes duties on the Secretary of State to issue guidance on the matters to be taken into account by a franchising authority when selecting a person to act as an auditor and to issue guidance on whether the information relied on, and the analysis of that information, by an authority is of sufficient quality. It also imposes duties on franchising authorities and auditors to have regard to any such guidance.

Amendment 4, page 17, leave out line 3 and insert

“For the purposes of this section an auditor is independent, in relation to an assessment of a proposed franchising scheme, if the person would not”.

See explanatory statement for amendment 2.

Amendment 5, page 17, line 8, leave out from “person” to end of line 9 and insert

“eligible for appointment as a local auditor by virtue of Chapter 2 of”.—(Andrew Jones.)

This amendment alters the definition of “auditor” so that it means an individual or firm eligible for appointment as a local auditor by virtue of Chapter 2 of Part 42 of the Companies Act 2006 as modified by the Local Audit and Accountability Act 2014.

Clause 22

BUS COMPANIES: LIMITATION OF POWERS OF AUTHORITIES IN ENGLAND

Daniel Zeichner: I beg to move amendment 1, page 78, line 4, leave out clause 22.

This amendment would remove Clause 22.

Amendment 1, which appears in my name and those of my hon. Friends the Members for Middlesbrough (Andy McDonald), for Birmingham, Northfield (Richard Burden) and for North West Durham (Pat Glass), would remove the clause that bans county and district councils in England, combined and integrated authorities in England and passenger transport executives in England from setting up companies to provide local services. In short, we seek to overturn the Government’s ban on municipal bus companies.

This clause is a piece of ideological dogma that has no place in an otherwise agreeable piece of legislation. We visited this issue in Committee and I fear that the Government are not minded to budge, but I and many others found the Government’s arguments there extremely unconvincing. In Committee, the Minister said:

“Our view is that passengers will see the most benefit where the commissioning and provision of bus services are kept separate...as such we do not think authorities should be able to set up new bus companies.”—[Official Report, Bus Services Public Bill Committee, 14 March 2017; c. 57.]

The Opposition also want passengers to see benefits; we simply do not agree that municipal bus companies cannot be a part of achieving those benefits.

The latest annual Transport Focus bus passenger survey, which was published just last week, demonstrates once again that municipal bus companies provide some of the best services in the country. Nottingham City Transport and Reading Buses—municipal bus companies—had higher overall satisfaction results than the big five private national bus operators. The Government’s attempted ban on new municipals therefore flies in the face of all the evidence.

The ban also flies in the face of the Government’s purported commitment to the spirit of localism and devolution, which they claim the Bill encapsulates. Although they say that the Bill will provide local authorities with a range of options and tools, and that local authorities are best placed to make a decision about how local bus services are organised and run, they are imposing an arbitrary ban on one of those options—and not just any option, but one that has been shown to work very well for passengers.

Of course, many of us suspect that the clause is about pacifying some private bus operators, which the Minister once said

“are already on a journey here”. Without wishing to rehash every fine point from the Committee, we do not see municipalisation and competition as necessarily antithetical. In fact, it is the Government who are undermining their long-held admiration for competition by imposing barriers to the market to stop municipal bus companies competing with private bus companies. Are the Government really afraid that local authority-run bus companies might just be better? The Competition Commission has reported that it has seen no evidence that municipal operators distort competition in the bus market.

Ian Mearns: Ministers have short memories about how an awful lot of the big bus franchise companies came about in the first place. Some of them were based on old municipal bus companies, which were sold off at a pittance with their entire estates of bus depots, bus parks and vehicles, only to be floated on the market a matter of months later for 10, 15 or 20 times the price at which they were bought in the first place.
Daniel Zeichner: My hon. Friend is absolutely right. Some of the people who worked on the buses in that period still feel very aggrieved by the process that was gone through 30 years ago, which left so much of our country with services far poorer than the universal coverage that was available at the time.

The Competition Commission suggested that municipal companies might be minded to run services and routes that make less sense for economic reasons—perhaps those unprofitable routes and services that bus operators have been cutting left, right and centre. The Institute for Public Policy Research has also described municipal bus companies as an innovative transport solution that demonstrates that "conventional commercial operations are not the only option."

Sadly, they soon will be if the Government have their way with this measure.

6.45 pm

Graham Stringer rose—

Lilian Greenwood rose—

Daniel Zeichner: I will give way to my hon. Friend the Member for Blackley and Broughton (Graham Stringer) first.

Graham Stringer: Two have come at once! Does my hon. Friend agree that, aside from the reasons given by the Competition Commission, municipal bus companies can provide a benchmark? In a rational debate, we should be able to get from the Government a reason why, when municipal bus companies have performed in an excellent way, they are not allowed to compete. Does he agree that that reason was not forthcoming in Committee?

Daniel Zeichner: I very much agree with my hon. Friend. The point about keeping the market honest is important. When I was first elected as a local councillor, the housing officer told me that one of the roles of an in-house operation was to keep the market honest. That is an important role.

Andy Burnham: Will my hon. Friend give way?


Lilian Greenwood: Is not one reason that Ministers have given for objecting to municipal operations that they would prevent the market from operating effectively? When we look at the latest bus passenger survey, is it not interesting that Nottingham City Transport has the highest value for money of any single operator in the country?

Daniel Zeichner: My hon. Friend consistently makes the case for Nottingham. That is made far easier for her by the excellent local services she has. People from my city of Cambridge have gone to Nottingham to see how to do it. Part of the lesson is that a municipal can do it really well, but according to the Bill, that will not be possible.

Andy Burnham: The Minister stressed the importance of vigorous competition. Is it not the case that if a franchising process were used, the existence of the municipally owned option would enable those doing the franchising to drive an even harder bargain on behalf of the public, because there would be that fall-back option if the private sector could not come up with the goods? Therefore, would it not enhance competition and enable the passenger transport authority to get an even better deal for the public?

Daniel Zeichner: My right hon. Friend is correct yet again. Interestingly, much of the discussion in Committee was about moving competition from on the road to off the road. I think we agree that in areas where there has not been competition, franchising would be far from a less competitive system. People in London talk about just how competitive the system is, so no Government Member should be worried about a lack of competition. My fear—is why it is so important that we have protection for the workforce—is that if we are not careful, competition can bring the risk of a race to the bottom. That is why we believe that we should have the provisions that we have just debated. I think the evidence is clear that the franchising system would benefit from having municipals as an alternative.

The conclusion of the Opposition is that banning local authorities from running their own bus companies is slightly unworthy of the spirit behind the Bill. The evidence is clear that they work for bus passengers and are able to put social values at the heart of what they do. This measure has drawn the attention of the public more strongly than other parts of the Bill. It has rightly brought a strong reaction from local councils across the country. They do not understand why they should be prevented from doing something that they strongly believe is in the interests of their local constituencies. Some trade unionists feel strongly about this measure, as do passengers, and I pay particular tribute to the organisation We Own It, which has campaigned strongly against it. We believe that this is a petty measure that sits uneasily with the rest of the Bill, and I urge the Government to look at it again and accept our amendment today.

Sir Henry Bellingham: I just wish to say that I am grateful to the Minister for his response to my amendments in the previous group. I was not quick enough on my feet to catch your eye at the time, Mr Deputy Speaker, but I have been in this place long enough to know that one should quit when in front. I am grateful to the Minister for saying that my amendment 25 is going to be incorporated in the guidance and for the useful reassurances he has given me on amendments 15, 26, 27 and 28. I was disappointed on the issue of compensation, but, as he pointed out, there can indeed be scope for the authorities to compensate if need be. On that basis, I will not seek to press those amendments to a vote, although I say so a touch belatedly.

Mrs Ellman: I rise to support amendment 1, for the reasons given by my hon. Friend the Member for Cambridge (Daniel Zeichner). This is all about devolution and local transport authorities deciding what is best for their areas. No good reason has been put forward for not permitting new municipal operators as an option. The Government have expressed concern about possible conflicts of interest, but that cannot be taken seriously. We need look no further than the experience in Nottingham, as cited by my hon. Friend the Member for Nottingham South (Lilian Greenwood), and in Reading to see that...
there is the perfect ability—this has already been done in those areas—for the proper distance to be established between the local authority as a local authority and the transport operator as an operator in terms of letting out franchises. The Bill is about giving more local choice, and it is entirely unjustifiable to remove from local authorities the option of having a municipal operator. The Department has found a way to put forward complex regulations on franchising and if it still has concerns about this topic, regulations could also be introduced on setting up municipal bus operations. I therefore urge the Government to think again.

Lilian Greenwood: I support amendment 1, and we had a long discussion on this issue in Committee. I spoke then and on Second Reading about the success of Nottingham’s municipal operator, and so, much as I love Nottingham City Transport, I will restrain myself and not repeat myself.

I continue to question the Government’s motivation for their determination to ban local transport authorities from establishing new municipal bus companies, as Ministers have simply not made the case for such a ban. The Transport Committee, chaired so ably by my hon. Friend the Member for Liverpool, Riverside (MRS ELLMAN), describes it as a “disproportionate response”. Clearly, this measure is anti-localism and it prevents councils from acting in the best interests of their residents. In Committee, the Minister said that there should be a split between the commissioning and the provision of bus services. I do not disagree on that, but this ban goes far beyond that. As was noted in Committee, local authorities with municipal operators have proved themselves very capable of managing just such a split when tendering for supported services.

In Committee, the Minister also suggested that the existence of municipal bus operators “could easily deter investment from the private sector”.

When I asked him what evidence he was drawing on in making such an assertion, he admitted “of course we do not have any evidence for it. I am just looking at what the risks may be.” [Official Report, Bus Services Public Bill Committee, 14 March 2017, col. 67]

The Minister’s risk aversion is simply unnecessary and can be shown to be such. Nottingham has an excellent municipal operator, but it does not deter private sector investment; as the hon. Member for Newark (Robert Jenrick) mentioned, we have excellent private sector operators in Nottinghamshire, such as Trentbarton. I hope that even at this late stage the Government will rethink their commitment to what I can only describe as an ideological obsession, and take this opportunity to end their unreasonable position and accept amendment 1.

Andrew Jones: This amendment, tabled by the hon. Members for Cambridge (Daniel Zeichner) and for Middlesbrough (Andy McDonald), proposes to remove clause 22. We debated this at length in Committee and I wish to reiterate that the several existing municipal bus companies, including Nottingham City Transport and Blackpool Transport, which serves the area of the rail Minister—my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard)—deliver a high standard of service, and I will expect that to continue. Their ability to provide that is not affected in any way by this clause. The franchising and enhanced partnership tools in the Bill will provide authorities with more influence over bus services than they have now, and striking that right balance between local authority influence and the role that the private sector bus operator can play is important. Our view is that passengers will see the most benefit where the commissioning and provision of bus services is kept separate. As such, we do not think that authorities should be able to set up new bus companies.

We have seen encouraging innovations from the private sector—although not exclusively within that sector—such as the introduction of smartcards, the installation of wi-fi and increased accessibility in our bus network. Those improvements have all been delivered through private sector investment and they show overall that the industry is always innovating and delivering a good deal for its passengers.

Ian Mearns: The Minister will be aware that over the past six and a half years local authorities up and down the country have seen significant and ongoing reductions in their revenue support grant. Ministers from the Department for Communities and Local Government have always been encouraging local authorities to be entrepreneurial and enterprising, and to go out there and earn money to backfill where the RSG once existed. By this measure, the Minister is precluding local authorities from doing just that.

Andrew Jones: I recognise what the hon. Gentleman says, but it is also fair to say that no local authority has either set up a municipal bus company or approached me with a view to doing so. Therefore, this is in some ways a slightly notional or theoretical debate—[Interruption.] Making sure we get clarity is the entire point here.

This Bill seeks a balance between local authority influence—we are providing local authorities with a variety of tools to address local issues—and the role that private sector bus operators can play, in order to ensure that both are incentivised to deliver the very best services for passengers. This Bill is about local authorities and commercial bus operators working together to improve local bus services. It is about co-operation, all designed to improve the benefits for bus passengers. I hope that this has made the Government’s position clear and that the hon. Member for Cambridge will not press this amendment to a vote.

Daniel Zeichner: The Minister has finally let the cat out of the bag. If there has not been a queue of local authorities coming to him with requests to form companies, he does not really need to legislate to ban them from doing so. This is pure ideology. There has been a great deal of agreement on the Bill—we have found a lot of common ground—but on this issue, I assure the wider world that there is clear red water between the Opposition and Government Benches. We will press the amendment to a Division, and its effect will be achieved by a future Labour Government.

Question put. That the amendment be made.

The House divided: Ayes 188, Noes 276.

Division No. 190] [6.58 pm

AYES

Abbott, rh Ms Diane
Abrahams, Debbie
Alexander, Heidi
Ali, Rushanara
Allin-Khan, Dr Rosena
Anderson, Mr David
Ashworth, Jonathan
Bailey, Mr Adrian

Division House: Ayes 188, Noes 276.
Mr Speaker: Consideration completed. I will now suspend the House for no more than five minutes in order to make a decision about certification. The Division bells will be rung two minutes before the House resumes. Following my certification, the Government will be tabling the appropriate consent motion, copies of which will be available shortly in the Vote Office and will be distributed by Doorkeepers.

7.11 pm

Sitting suspended.

7.16 pm

On resuming—

Mr Speaker: I can now inform the House of my decision about certification. For the purposes of Standing Order No. 83L(2), I have certified the following provisions of the Bus Services Bill [Lords] as relating exclusively to England and within devolved legislative competence: clauses 1, 3 to 7, 9 to 14, 16 and 18 to 22 of, and schedule 2 to, the Bill, as amended in the Public Bill Committee, and including amendments made on Report. Copies of my certificate are available in the Vote Office.

Under Standing Order No. 83M, a consent motion is therefore required for the Bill to proceed. Does the Minister intend to move a consent motion?

Andrew Jones: I beg to move.

Mr Speaker: A simple nod of the head would suffice, but the Minister said it with eloquence and charm to which he is no stranger.

The House forthwith resolved itself into the Legislative Grand Committee (England) (Standing Order No. 83M).

[Mr Lindsay Hoyle in the Chair]

The Chairman: I remind hon. Members that, if there is a Division, only Members representing constituencies in England may vote on the consent motion.

Resolved.

That the Committee consents to the following certified clauses of, and schedule to, the Bus Services Bill [Lords]:—
[The Chairman]

Clauses and schedule certified under Standing Order No. 83L(2) as relating exclusively to England and being within devolved legislative competence

Clauses 1, 3 to 7, 9 to 14, 16 and 18 to 22 of, and Schedule 2 to, the Bill as amended in the Public Bill Committee (Bill 158) including any amendments made on Report.—(Andrew Jones.)

Question agreed to.

The occupant of the Chair left the Chair to report the decision of the Committee (Standing Order No. 83M(6)).

The Deputy Speaker resumed the Chair; decision reported.

Third Reading

7.19 pm

Andrew Jones: I beg to move, That the Bill be now read the Third time.

I am grateful to all hon. Members who have engaged so constructively with the passage of the Bill, and demonstrated their shared commitment to improving bus services and increasing bus passenger numbers.

Buses are already England’s most used form of public transport, accounting for more than 4.5 billion passenger journeys a year. They are vital to the economy, connect our rural and urban communities to employment, schools, hospitals and leisure, and are used by people of all ages. That is why the Bill has bus passengers at its heart. It allows local authorities and operators to adopt measures to improve services and grow passenger numbers. This is, therefore, an enabling Bill that is fundamentally about improving bus services for passengers, and that recognises the need for local solutions to local transport problems.

By working together, local authorities and operators can tackle key transport issues, such as pollution and congestion. They can support local businesses and help to drive the local economy. The Bill introduces a range of tools that will achieve those aims. It builds upon the success of partnership working. Local authorities and operators can agree the standard of services in a particular area. This could include multi-operator tickets, better connections between transport modes and improved vehicle standards, all of which will drive an increase in bus usage and increase performance. I emphasise that this part of the Bill has been widely welcomed by local authorities, operators and hon. Members, although it is, of course, not the only opportunity that the Bill brings.

The Bill will bring the opportunity to refresh powers for local authorities to franchise, delivering on our devolution agenda. It is only right that many of our larger cities have the opportunity to make franchising a success, just as TfL has done in London. Of course, franchising is not for everyone, and authorities must have a compelling case to implement such a scheme. I am of the firm belief that the Bill, as amended by this House, will deliver a better standard of bus services. It reinstates automatic franchising powers to mayoral combined authorities, which will preserve a degree of commercial certainty and help to maintain the significant private sector investment that we have already witnessed in the bus market. In addition, the requirement of an independent auditor as part of the assessment for franchising schemes will ensure that a scheme is implemented only with proper scrutiny.

A necessity to buy separate tickets or to pay with cash when travelling by bus can be frustrating and costly. Authorities will, therefore, have improved advanced ticketing powers to create multi-operator ticketing schemes that cover not only buses but other modes of transport such as tram or light rail. They can also make use of emerging technologies such as contactless and Bluetooth ticketing. The Bill will make it easier for passengers to access information on timetables, fares and routes. App developers will be encouraged to develop innovative products that will make this information available to passengers. I firmly believe that these improvements will deliver significant benefits to passengers, and will therefore attract more people on to public transport.

The Bill will also deliver accessibility improvements. Indeed, the audio-visual provision introduced in the other place has attracted more public attention than any other part of the Bill. It has certainly dominated my inbox more than any other matter by a factor of many. The provision will ensure that bus services in England, Wales and Scotland are accessible to those with a hearing or sight loss disability and, at the same time, will provide valuable information to all passengers. I know from personal experience the importance of next-stop announcements in London and elsewhere. All passengers will benefit from this significant improvement.

I want to see the bus market thrive and encourage more people on to public transport. As I said at the beginning of this speech, the Bill will have significant benefits for the environment, congestion and the local economy. Ultimately, we seek to reverse a decline in bus usage and put passengers at the heart of bus services. I thank all hon. Members who have engaged and contributed to the Bill, especially those on the Bill Committee, as well as the Committee Clerks and parliamentary counsel for all their work. I particularly thank my team within the Department. A significant amount of hard work has got us to this point. We have a good Bill that has been welcomed widely and reflects the importance of buses in local communities. We want the bus industry to thrive, and that is what has driven the Bill. I commend it to the House.

7.24 pm

Andy McDonald: I will pick up where the Minister left off and thank everyone who has contributed to the Bill, especially my hon. Friends who served on the Public Bill Committee, and the officials. I pay tribute to the wonderful work of the Transport Committee and everything it has done on this matter. I also thank hon. Members’ staff for their efforts, particularly Juliet Eales, who is soon to leave the shadow Transport team, but whose contributions have been invaluable throughout the passage of the Bill.

The Bill is ultimately underlined by broad consensus, which has been reflected in the generally cordial spirit of our debates. At its heart, the Bill offers local authorities the opportunity to improve the way in which buses are run in their areas, should they choose to take it. We have fought for this over many years—first, 17 years ago through legislation that failed to make the impact we had hoped, and then from the Opposition Benches for seven years. Since 2010, we have sadly heard, time and again, of bus routes axed, constituents campaigning hard to keep their vital local bus service, and disabled
people, jobseekers and students unable to afford the rocketing cost of travel. We have heard these issues, and we have fought for a revision of the bus market to give local areas the power and flexibility to control their bus services as local circumstances best allow.

Although the Bill is not perfect and is certainly not the silver bullet to fix the bus system across the whole country, there is much to be positive about. Mayoral combined authorities will now be able to unlock powers to regulate their bus services, increasing parity between areas such as Greater Manchester and London. We have fought to ensure that those powers can be accessed without delay, and that the process for bringing in those powers will be clear and free from hidden barriers. We had hoped that all areas of the country, whether they have an elected mayor or not, would have access to those powers, but we will have to continue that argument another day.

The Bill provides new partnership options to local authorities for working alongside bus operators. We hope that local authorities will be encouraged to use these new tools to improve journey times and vehicle standards, and consequently to reduce congestion—huge environmental and health issues that affect us all. The Bill gives the Secretary of State the power to make regulations requiring buses providing local services to have in place audio-visual information systems. We are so pleased that the Government included this provision following strong pressure from Labour in the other place, and an excellent campaign from Guide Dogs. That measure could make a real difference to people’s lives.

What is missing? Stronger employment protections, clearer accessibility provisions and bus safety improvements. We fought for those and we won the arguments, but we lost the votes. That is the tragedy of being in opposition. The Bill could have been better, and we were disappointed by the lack of movement from the Government in these areas. The Bill is not perfect, but it will go some way to reversing the damage of deregulation that we have fought to fix for three decades. Going some way to reversing that damage is better than going no way at all.

For that reason, and on behalf of all those constituents waiting at bus stops right now, we will support the Bill on Third Reading.

7.28 pm

Mrs Theresa Villiers (Chipping Barnet) (Con): I assure the House that my contribution on this important Bill will be brief.

The partnership provisions in the Bill are welcome and important. Partnership working between local authorities and private sector bus companies has delivered a whole range of improvements for passengers in many parts of the country. The goal of the Government here should be to focus on encouraging that kind of co-operation, whereby the business acumen and expertise of the private sector can work alongside the local understanding and commitment of local authorities, so those provisions in the Bill are welcome. During the passage of the Bill, hon. Members have cited a number of positive examples of different parts of the country, such as Brighton, where partnerships between private sector operators and local authorities have had a transformative and positive effect on services.

I regret that I was not able to be here for the debate on the amendments that I and my hon. Friend the Member for North West Norfolk (Sir Henry Bellingham) tabled, but I very much welcome the assurances given by the Minister on a number of them and the recognition of the importance of a number of the principles contained in them. In particular, I urge him to take seriously the objectives of amendments 14 and 15, and I hope the guidance issued will clearly set out the fact that franchising schemes should be a last resort and will be approved only if partnership working will not deliver the benefits that are sought for passengers.

I warmly welcome the Secretary of State’s support for amendment 2. Ensuring that those who audit a franchise assessment are properly independent significantly strengthens the Bill. It would be unfortunate if those checking out a franchise assessment were not independent of the local authorities essentially making the decisions on franchising authorities.

To return to a theme I talked about at some length on Second Reading, I hope the Government will do everything they can to facilitate certainty in the private sector bus operators market, because that certainty is the key to investment in new fleet, better ticketing measures and a range of passenger improvements. Anything that leads to uncertainty could jeopardise investment, which would have a negative effect on passengers. I particularly have in mind the importance of delivering smarter ticketing, which is crucial not only for passengers’ convenience but in persuading them that the bus can more often be an attractive and viable alternative to the car.

There is a certain irony in the fact that it is a Conservative Government who are taking through this Bill, which, as the House is aware, partially rolls back one of the major privatisations of the Thatcher era. There are mixed views on the role of private sector bus operators in delivering transport services, but I believe they have brought significant benefits for passengers, and I hope nothing in the Bill is allowed to jeopardise the reliance on the expertise and investment that the private sector has brought to bus operations over the years.

Andy Burnham: Will the right hon. Lady give way?

Mrs Villiers: I am afraid I am about to conclude, but the right hon. Gentleman will get his chance very soon.

I close by once again thanking the Minister for his assurances that he takes seriously the points raised in the amendments and for commending partnership working between the private sector and local authorities, which is one of the best ways to deliver improvements for passengers.

7.32 pm

Mrs Ellman: The Bill is an important step in achieving a modern, thriving bus sector, and I welcome it. In doing so, I pay tribute to the Minister and his colleagues and to the shadow team for the work they have done. I also commend all the members of the Transport Committee for the work they did in scrutinising the Bill. Although some of the points we made have not been acted on, some have been considered, and this is now a better Bill.

I first spoke on bus deregulation a very long time ago. When it was introduced through the legislation in 1985, I was the leader of Lancashire County Council. I opposed the legislation very strongly because I was concerned it
would result in a reduction in bus patronage outside London, and the intervening years have indeed shown that it did. The Bill does not repeal that legislation, but it does make substantial changes to it, which I very much welcome.

A thriving, comprehensive bus network across England is not an optional extra but an absolute necessity. The basic principle of the Bill—that there should be more devolution, and that local transport authorities should decide what is best for their areas—is the right one, and I welcome it very much. Although I am disappointed that the Government have not gone as far as I would have wished in some areas, I welcome the Bill as we have it now.

I welcome the provisions on the accessibility of buses, and particularly those on access and information for people who are impaired. If information about bus services and the operation of individual buses is made more accessible to people who have a disability, everybody else benefits as well, so it improves the bus sector as a whole.

I thank everyone who has been involved in the Bill. It makes major strides in producing better bus services for the people of this country—those who currently use our buses and those I hope will do so in future—and I am pleased to support its Third Reading.

7.35 pm

Andy Burnham: Bus services are the mainstay of the public transport system, yet, historically, the House has given them comparatively little attention, and I am pleased that the Bill begins to correct that.

I congratulate the Secretary of State, the Minister and, indeed, the Government on the way they have stuck to the terms of the devolution deal and delivered a Bill that will bring real benefits to the travelling public in Greater Manchester and beyond. I also congratulate those on the Labour Front Bench on the constructive way in which they have engaged in this debate.

It is also appropriate to congratulate council leaders in Greater Manchester. The Bill was a clear demand of Labour leaders in Greater Manchester as part of the devolution deal struck with the former Chancellor of the Exchequer, so it is, in effect, as I think the right hon. Member for Chipping Barnet (Mrs Villiers) was hinting a moment ago, a Labour Bill and, I am proud to say, a Greater Manchester Bill. In that sense, the Opposition take great pride in it clearing its Third Reading tonight.

Ian Mearns: My right hon. Friend is making a very interesting speech, but he should not put bad ideas into the Government’s mind—they might change their mind and vote against the Bill.

Andy Burnham: Well, I will call it a partnership Bill, if that makes my hon. Friend feel a bit more at ease. It is certainly a rare example of common sense breaking out on both sides of the House.

I want to pay particular tribute to my hon. Friend the Member for Liverpool, Riverside (Mrs Ellman). As she said a moment ago, she has consistently spoken of the damaging effects of bus deregulation—the free-for-all, the decline in the quality of services and the increase in fares. She has been consistent, and she is vindicated tonight as the Bill finally goes through the House. So, too, is my hon. Friend the Member for Blackley and Broughton (Graham Stringer), who made the same argument throughout the years, including under the Labour Government, and who has waited a long time to see this Bill come to pass.

To be successful in the new role that I seek, I will seek to use the powers in the Bill for the benefit of the travelling public in Greater Manchester. For 32 years, we have had a bus service that has been run for private vested interests rather than in the public interest. Only last week, a whole new series of service alterations were announced that will decrease the quality and coverage of services across Greater Manchester, with no real ability for communities to challenge those decisions. Well, that way of running bus services is coming to an end.

Lilian Greenwood: I am very much enjoying my right hon. Friend’s speech. Does he agree that, contrary to what the right hon. Member for Chipping Barnet (Mrs Villiers) said, the Bill seeks to enhance competition and the role of the private sector by having really effective competition off the road? On-road competition has not delivered for passengers.

Andy Burnham: That is absolutely the point. If we construct a franchise process that really puts the public interest first, and we then ask the private sector to meet that public interest, that will be a much better system; indeed, it is the system the right hon. Lady’s constituents benefit from in London. The question I was going to ask her was, why, if she thinks that is okay for her constituents, is she seeking to deny it to ours? That is not an acceptable position for her to take.

Mrs Villiers: Obviously, I do not want to go back over the whole debate we had on this, but there is a range of ways in which the bus sector is very different in London, not least the fact that Londoners pay millions of pounds in congestion charges, which support the bus network. That is one of the major reasons why bus services in London are different from those in the rest of the country; it is not necessarily the regulatory structure that makes the difference.

Andy Burnham: That is, if I am honest, the kind of London-centric argument that gets this House a bad name—“London’s different and therefore it needs different rules and all the extra attention.” If the system works in London, why can it not work in a city region like the west midlands, Merseyside or, indeed, Greater Manchester? If the principles are good ones that deliver a good bus service for people here, then surely they should be extended to the other major cities of our country, and those decisions should be devolved.

If I am to be in a position to use the powers in this Bill, I would use them to bring fares down. Fares are much more expensive in Greater Manchester than they are in London, for instance. I would use them to improve and increase disability access, including audio-visual provision. I would use them to pave the way for an integrated ticketing system. We are currently denied an Oyster-style system. Because of the free-for-all, all the operators use different ticketing systems and cannot provide an integrated system. I would use the powers to give every community a decent, reliable service. I would use them to introduce a free bus pass for all 16 to 18-year-olds.
Ian Mearns: Will my right hon. Friend muse for a moment on why companies are making twice as much profit on routes that they operate in places like Tyne and Wear and Greater Manchester than on routes that they operate in London? They are the same companies, but the operating profit on the routes that they run in those two places is twice as much as it is in London.

Andy Burnham: It is simple, is it not? We have, in effect, an unregulated system, and because of that companies are able to increase fares outside London faster than they have been increasing in London. That is how they make those profits. There are good bus operators out there, and I would not want to punish them. I have a smaller operator, Jim Stones Coaches, in my constituency—a brilliant bus operator. We would want those good operators to be part of the new regime. It is time to call time on the profiteering off the backs of the travelling public in places like Greater Manchester.

The decline in quality and the rise in the cost of bus travel in places like Greater Manchester has, over the 32 years since buses were deregulated, put more and more cars on the roads, to the point where conurbations like Greater Manchester are becoming increasingly congested. As I said earlier, it is cheaper for young people in some parts of Greater Manchester to get a taxi than to use a bus service. That cannot possibly make sense. It tells us that something is seriously wrong with the way that the system is operating. I say to the right hon. Member for Chipping Barnet that the people of Greater Manchester deserve a bus system as good as London’s, if not better. That is what, using this Bill, we will now seek to deliver.

Question put and agreed to.

Bill accordingly read the Third time and passed, with amendments.

Alison Thewliss (Glasgow Central) (SNP): On a point of order, Mr Deputy Speaker. On Monday last week I asked for an emergency debate under Standing Order No. 24. I do not seek to reapply for that debate, but last week Mr Speaker said that he would “hope and anticipate that the usual channels would find time for it to be debated.”—[Official Report, 20 March 2017; Vol. 623, c. 655.]

Business collapsed at 4.35 pm last Tuesday and it is finishing at 7.43 pm tonight. This is completely illogical to me and to everybody else watching elsewhere. Can you advise on how I could get a debate on the significant concerns that I still have about the Tories’ two-child policy and rape clause before it is implemented in 10 days’ time? If now is not the time, when is?

Mr Deputy Speaker (Mr Lindsay Hoyle): That is not a matter for the Chair but it is a matter for the Government. The main thing is that it is definitely on the record, and I would hope that the usual channels would have picked up on the comments that have been made.

Business without Debate

DELEGATED LEGISLATION

Mr Deputy Speaker (Mr Lindsay Hoyle): With the leave of the House, we shall take motions 2 to 7 together.

Motion made, and Question put forthwith (Standing Order No. 118(6))

EMPLOYMENT AND TRAINING

That the draft Industrial Training Levy (Engineering Construction Industry Training Board) Order 2017, which was laid before this House on 23 February, be approved.

IMMIGRATION

That the draft Immigration Skills Charge Regulations 2017, which were laid before this House on 20 February, be approved.

MENTAL CAPACITY

That the draft Public Guardian (Fees, etc.) (Amendment) Regulations 2017, which were laid before this House on 9 February, be approved.

EMPLOYMENT

That the draft Prescribed Persons (Reports on Disclosures of Information) Regulations 2017, which were laid before this House on 20 February, be approved.

ELECTRICITY

That the draft Electricity and Gas (Energy Company Obligation) (Amendment) Order 2017, which was laid before this House on 8 February, be approved.

CAPITAL GAINS TAX

That the draft Enactment of Extra-Statutory Concessions Order 2017, which was laid before this House on 6 February, be approved.

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith (Standing Order No. 119(11)).

EU-TURKEY COOPERATION ON MIGRATION AND THE IMPACT ON THE SCHENGEN FREE MOVEMENT AREA

That this House takes note of European Union Document No. 15429/15, a Commission Communication: Eighth biannual report on the functioning of the Schengen area 1 May-10 December 2015, European Union Document No. 15397/15, a Proposal for a Regulation amending Regulation No. 562/2006 (EC), also known as the Schengen Borders Code, as regards the reinforcement of checks against relevant databases at external borders, European Union Document No. 6798/16 and Addendum, a Commission Communication: Back to Schengen—A Roadmap, European Union Document No. 5985/16, a Council Implementing Decision setting out a Recommendation on addressing the serious deficiencies identified in the 2015 evaluation of the application of the Schengen acquis in the field of management of external borders by Greece, European Union Document No. 7183/16, a Commission Communication: Next operational steps in EU-Turkey cooperation in the field of migration, European Union Document No. 8175/16 and Addendum, a Commission Communication: First Report on the progress made in the implementation of the EU-Turkey Statement; and supports the Government in continuing to work alongside EU partners as part of a comprehensive approach to global migration issues.—(Mr Syms.)

Question agreed to.
SITTINGS OF THE HOUSE

Ordered,

That, notwithstanding the provisions of Standing Order No. 10(2)(b), the sittings in Westminster Hall on Tuesday 18 April and Tuesday 2 May shall begin at 11.30am, shall be suspended from 1.30pm to 4.30pm and may then continue for up to a further three hours.—(Michael Ellis.)

Tyne Marine Office

Motion made, and Question proposed, That this House do now adjourn.—(Mr Syms.)

7.44 pm

Mrs Emma Lewell-Buck (South Shields) (Lab): South Shields has a proud maritime history, present, and, I hope, future. The shipping industry is a major employer in South Shields, its contribution to the industrial and social history of the region being well documented. As one seafarer commented to me, South Shields used to be the centre of the universe for the maritime industry.

The Tyne marine office was previously based at Compass House inside the port of Tyne. It provided seafarers and our local area with a range of vital services, including managing and issuing seafarers’ documentation, and conducting oral exams and eye tests. Our surveyors fulfilled the UK’s legal obligation to conduct port state control inspections of foreign-registered vessels working from our ports in the UK, as well as providing a public counter service for advice and complaints from ship owners, seafarers, and members of the public.

The Maritime and Coastguard Agency’s consultation on the future of the Tyne office stated that it would close by September this year, yet it closed on 6 March, with the lease expiring just a week later—a move that was supported by the Government’s maritime growth study. I accept, of course, that some alternative provision has now been made at South Tyneside College for an initial period of five years, but the move has seen a depletion in crucial parts of the service. Not only was the office closed ahead of schedule, but what is in its place does not, quite frankly, fit the bill. The new office will not have on-site surveyors, nor a counter service. The 18 surveyors have been redeployed in the “flexible, customer-focused” way the Government believe to be an essential strand in their plans for maritime growth. The consultation proposed “to put in place a remote, IT-enabled working regime to minimise any adverse impact. This would be based around our surveyors working remotely, from other suitable MCA or Government locations or from home.”

This is now in practice. However, can the Minister advise me on when the new IT system for remote working will begin to be used by MCA surveyors? It is important that ports and ship owners in the north-east, but also taxpayers, know how much the IT procurement exercise will cost, in order to balance it against the estimated £330,000 total annual savings that the MCA will make from the marine office closures.

The loss of the Tyne marine office has left a 350-mile stretch of UK coastline between Aberdeen and Bridlington with no physical base for MCA surveyors who are required to inspect and, if necessary, detain a diverse range of UK and internationally registered shipping. Its loss has increased the prospect of the private sector carrying out port state control work at ports where an MCA surveyor may not be available at short notice. This was recognised by some local RMT members in the north-east who made their feelings clear to the Government and to the MCA, stating that “the closure of the Port of Tyne office and opening an office in Bridlington will open the North East coast to be exploited by shipping companies when inspectors are working from home and do not have a centre to coordinate their inspections and monitor shipping movements along the North East coast.”
In November 2013, a Panama-registered ship called the Donald Duckling was detained in the Tyne by MCA surveyors. This cargo vessel of over 46,000 tonnes was found to be unsafe and crewed by 18 Filipino seafarers who had run out of food. The vessel owners then abandoned the ship and the crew, who were stranded on the vessel, without pay and reliant on international freight transport and our brilliant South Shields Mission to Seafarers and assistance from our port of Tyne to survive. The crew had to wait nearly a year before receiving any pay or safe passage home. Moving MCA survey work away from a physical base may compromise response times when a substandard vessel of concern is in the north-east ports, even if only for a relatively short period.

The other change is the loss of counter service. Marine offices traditionally provide that service to cater for matters such as discharge books, training record books, seamen’s cards and other certification, including duplicates of lost certificates. As our marine office covered Berwick to Whitby, this is a loss not just for my constituents but for the whole north-east and parts of Yorkshire. Seafarers now have to travel to Hull or send their documents by post, all at increased cost and risk. Providing the service is an administrative task, and I am led to believe that the same number of administrative staff are to be retained at the college, so I am completely at a loss as to why the service has been removed, especially when the range of certification required to work at sea is extensive and subject to regular updates.

Just this January, the key convention on standards of training, certification and watchkeeping, which sets out basic requirements for all seafarers, was subject to changes, and the MCA is in the process of reforming its fee structure, including for the basic medical certificate, without which a seafarer cannot work at sea. Marine information notice 541, issued by the MCA earlier this month, states that the Hull marine office will offer a number of services previously provided in the Tyne marine office. The Hull office, which was under threat, is to remain open, but that does not take away the fact that the counter office for seafarers in South Shields and in the north-east will be 100 miles down the coast.

The number of seafarers at work or in training in the UK shipping industry is in long-term decline, with records showing that there has been a 60% decline in the number of merchant seafarers over the last 30 years. We are seeing a decline in offshore supply activity in the North sea following the collapse in oil prices, and there is a constant threat, especially for ratings, of being replaced by low-cost crew from overseas. In that context, I cannot see how the loss of the Tyne marine office will encourage my region to recover jobs and skills in this industry. The Government speak of wanting to recruit and train more British seafarers, but surely taking steps such as the closure of this office and the removal of the counter service will have exactly the opposite effect.

Mr Alan Campbell (Tynemouth) (Lab): My hon. Friend will be aware of the planned merger between South Tyneside College and TyneMet in my borough. With our history of seamanship and engineering excellence, should we not be encouraging young men and women who seek a career at sea, rather than discouraging them?

Mrs Lewell-Buck: It will come as no surprise that I agree completely with my right hon. Friend. In an era when our seafaring industry is declining, we should be doing everything we can to encourage growth, so I would like the Minister at least to commit today to restoring the counter service in South Shields.

The seafarer projections review published by the Department for Transport in January forecasts big increases in the demand for seafarers from the UK shipping industry over the next decade. If UK ratings and officers are to fill those jobs, the Government have to go beyond the maritime growth study to tackle the effect of the low-cost crewing model in constituencies such as mine. I understand from the maritime unions that the Government are taking encouraging steps on applying the national minimum wage for seafarers. We need significant reforms such as that, not the closure of marine offices, to revive our traditional seafaring communities.

I am pleased that South Tyneside College will retain responsibility for conducting seafarers’ oral exams, because the Tyne marine office conducted the highest number on the national network. Between 2009 and 2016, it carried out nearly 7,700 seafarer oral exams. The total number of UK seafarers working today is just over 23,000, so a significant number will have been through the marine office in my constituency. I sincerely hope that the Minister will be able to offer some assurances that that service will remain firmly in place in South Shields for the long term.

I am a little confused about why, in all those changes, the office has retained the ensign unit, which carries out services for the large or super-yacht sector. I think all my constituents will agree that South Shields is not an area awash with super-yachts. It is, however, awash with seafarers. Can the Minister explain the rationale for keeping that service but not the much-valued counter service that my constituents wanted us to retain?

It is short-sighted to cut the marine office network, particularly in traditional seafaring centres such as South Shields. Marine offices such as that on the Tyne should be seen as assets in an industrial strategy that strengthens the links between maritime communities and seafaring jobs and skills, particularly for women, who remain poorly represented in the seafarer workforce domestically and internationally. The loss of the Tyne office in my constituency will save the MCA only just over £100,000 per year. Its closure tells my constituents that the Government do not value seafarers in the north-east, and I fear that the long-term effects of these changes will far outweigh the short-term and short-sighted financial gain.

7.56 pm

Ian Mearns (Gateshead) (Lab): I will not detain the House for long, but I want to put on record the fact that I agree with every word that my hon. Friend the Member for South Shields (Mrs Lewell-Buck) has just said. The UK maritime workforce continues to diminish, and important skills are being lost to the industry. We must never forget that we are a maritime nation. We seek to increase our trade significantly beyond the confines of the European Union, but we are reducing our protective infrastructure for looking after the interests of UK-based seafarers in a growing international market.

The offshore oil and gas industry along the North sea coast has been in the doldrums, and many ships and vessels are tied up in ports along the north-east. Yet we
are losing our regulatory capacity to make sure that the people who work on those vessels are the right people and of the right nationality, and that they have the requisite skills and work permits to do so. I find it beyond belief that the Government are taking the measures that my hon. Friend has talked about in this important Adjournment debate. We need to reverse this retrograde step for an industry that needs the Government to act on its behalf rather than abandoning it.

7.57 pm

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): I start by congratulating the hon. Member for South Shields (Mrs Lewell-Buck) on securing this debate about the closure of the Tyne marine office. The second thing I should do is to offer a bit of an apology, because I am not the maritime Minister. My right hon. Friend the Member for South Shields (Mrs Lewell-Buck), who has responsibility for maritime, is away on important Government business in China. It may well be that I cannot answer all the hon. Lady’s questions in my speech, but I undertake to go through the questions back to the Department to ensure that she receives the answers that she seeks. I wanted to clarify that before we went any further.

Before I talk specifically about the recent closure of the Tyne marine office, it might help the House if I set out some background to the decision. The House will recognise our people’s strong connection to the sea and our impressive maritime heritage. The British have always looked beyond our shores and built strong trade links with the rest of the world. Ships and the related maritime industries have historically been crucial to our economic wellbeing, and that remains as true now as it has ever been. We are an island nation, and the UK relies on shipping for 95% of its trade by volume. Maritime industry directly contributes at least £11 billion to the UK economy each year. Those maritime industries are expected to grow significantly in the next decade, and the public needs the assurance that commercial ships visiting our ports, whether or not they are actually registered in the United Kingdom, are operating safely.

Jim Shannon (Strangford) (DUP): I apologise to the initiator of the debate, the hon. Member for South Shields (Mrs Lewell-Buck) that, although I rushed to get to the Chamber—I actually ran very fast—I was a wee bit late, for which I also apologise to the House. Does the Minister agree that the closure will undoubtedly cause a wee bit of an apology, because I am not the maritime Minister. My right hon. Friend has talked about in this importantAdjournment debate. We need to reverse this retrograde step for an industry that needs the Government to act on its behalf rather than abandoning it.

Andrew Jones: I am not sure I can agree with the hon. Gentleman, but I will come on to discuss that very point later.

Operational safety matters for the sake of the seafarers on ships, and for protecting our cherished and highly prized marine environment. That is why we need a robust, strong and effective ship survey and inspection regime. Within my Department, the Maritime and Coastguard Agency is responsible for providing the broad safety regime. In that effort, the agency and its staff are guided by its mission statement: “Safer lives, safer ships, cleaner seas.”

The ship survey and inspection regime we have established must be capable of ensuring the safety of the shipping industry, while at the same time being supportive of the industry it serves and commercially attuned to what the industry needs. That view is shared by the industry itself, and it was highlighted in the “Maritime Growth Study” report published in September 2015. Lord Mountevans’s report set out a number of recommendations to support the growth of the whole maritime sector. The Government and the industry have been working tirelessly, in unison, since the report’s launch to put into effect its excellent recommendations.

For the Maritime and Coastguard Agency, we have implemented some of the recommendations by separating the UK ship register into a bespoke, commercially focused directorate. We have appointed Doug Barrow, formerly the chief executive of Maritime London, as the new director of the UK ship register. He has been supporting the MCA on a part-time basis since January, and will take up his appointment full-time on 10 April. Mr Barrow brings with him an expert and forensic understanding of the commercial needs of the shipping industry. The MCA’s leadership has also been bolstered by the appointment of its first non-executive chairman, Michael Parker, who will fill that role, brings with him over 40 years of experience and knowledge. He, too, will support the MCA’s greater commercial awareness and responsiveness, which is critical to what I will come on to talk about shortly.

Another transformational change for the agency, which is linked to balancing its role as a regulator with the need for greater commercial responsiveness—this recommendation was at the heart of the “Maritime Growth Study”—is the modernisation of our ship survey and inspection arrangements. Ship survey and inspection is at the heart of the Government’s responsibilities as both a flag state, running a shipping register, and as a port state, with many ships visiting UK ports and harbours daily. Both roles are about balancing safety and the protection of the environment with facilitating legitimate commercial activity and trade.

The safety of shipping, ports and the marine environment is dependent on effective and proportionate regulation, robust technical standards and the comprehensive oversight and inspection of national and international merchant shipping fleets. Effective survey and inspection is key to compliance, and it must be robust if it is to support the level of growth in the maritime sector envisaged by the “Maritime Growth Study”. Overseeing shipping and protecting the marine environment carries a degree of risk that needs to be properly managed. A failure in regulatory governance by those operating ships could—very sadly, as we all know, it sometimes does—result in serious accidents, with damaging consequences for those involved and for our environment.

The MCA carries out its ship survey and inspection regime for the UK through a frontline cadre of some 30 marine surveyors located around the UK. The marine surveyors are experienced seafarers, many of whom are master mariners, chief engineers or qualified naval architects. The frontline marine surveyors are supported by experienced and equally qualified colleagues
working in policy, technical and in-house advisory positions, providing oversight and advice, and monitoring technical and professional standards.

Notwithstanding its strong global reputation for competence and its positive influence on worldwide safety standards, the MCA has struggled in recent years to meet its remit and its ability to discharge its statutory obligations for maritime safety. In part, that has been because it has proved difficult to attract qualified marine surveyors in what is a highly competitive marketplace. The marine surveyor cadre has been operating with some 30% vacancies, and has for the past few years found it very difficult to attract and retain high-quality staff.

Recognising the need for change, the agency carried out a comprehensive review of the way in which it delivers its ship survey and inspection obligations. By listening to the needs of customers and the industry, and by considering the Government’s estate strategy and optimising the potential benefits of technology, the MCA has identified a number of areas where improvements can be made. With the support of the trades unions, new terms and conditions have been agreed for the agency’s frontline marine surveyor workforce. The modernised terms are designed to improve availability, deployability and responsiveness to industry and wider demand, while at the same time retaining and attracting new talent to the workforce.

A key element to the new terms and conditions is the concept of remote working, which is made increasingly possible by modern technology. The hon. Lady asked about new IT systems, and I can tell her that they are already in place. Marine surveyors will no longer be required to work from one of the relatively few marine offices around the UK. They can instead work remotely anywhere, serving a much greater proportion of our customers in and around the UK’s ports.

Mrs Lewell-Buck: Will the Minister share with the House the cost of the new IT programme?

Andrew Jones: I cannot do so, because I do not have that information with me, but I will find out and write to the hon. Lady.

The key is to build on remote working, which is made possible by modern technology, to provide a more customer-oriented service. With frontline marine surveyors based closer to their customers, the MCA can simply respond quickly to customer needs. That ability is a further direct response to an industry that increasingly needs support at all times of the day. The changes address particular industry concern and call for change. That is the background: a more customer focused and responsive sector driven by technology, and the needs of a sector that we wish to see grow.

That brings me to the specific issue of the closure of the Tyne marine office. As part of the overall package of change, the MCA consulted last year with the public and industry on the new proposed estate footprint. Following the consultation, the agency concluded that there should be nine marine offices across the UK. The proposal to close the Tyne marine office was confirmed. The Tyne marine office has played a key role in maritime safety, alongside others, in the north-east for many years. That point was made by the hon. Lady. It is without question. Its close relationship with local industry and with South Tyneside College has seen over 1,000 seafarers, both new and experienced, visit the marine office every year to sit their seafarer examinations.

Recognising that local need, I can inform the House that the same number of marine surveyors will continue to be located in the Tyne area to meet demand. The Tyne marine office has closed, but the MCA has opened a bespoke examination facility in the area to respond to the needs of the customers and industry. The new examination centre, which has MCA branding, is situated within South Tyneside College. As I am sure the hon. Lady is aware, it opened on 13 March 2017. The MCA’s commercial large yacht unit, known as Ensign, will operate from the same examination centre. It might not be a venue for that many super yachts, but it is a venue for expertise within the MCA. That is why the unit was there in the first place. Remote working marine surveyors based in the Tyne area will be able to use the facility as a remote office when required.

The hon. Lady raised concerns about there no longer being a counter service on the Tyne. There is no longer a counter service, but I would highlight that the MCA still has in place service provisions to provide documents, such as discharge books and seamen’s cards, in line with other Government services. Applications for these documents can be made online or via the post. It is worth noting that over the past two years, there have been approximately two visits per week to the Tyne counter. That is in contrast to the 1,200 exams and over 100 port state control inspections per year. The provision of a counter service fails to take into account the direction of technology, the lack of demand and the need to consider providing services in a way required by customers.

Mrs Lewell-Buck: I thank the Minister for giving way again. He is being very kind. I am aware of the figure of two people a week going to get papers and documentation, but does the Minister have figures for how many people came into the office for help, advice or discussions about future careers? That service mattered to my constituents and they would want it to be brought back.

Andrew Jones: I can pick up that point, along with some of the other points raised. The need to have a presence in the area is understood, with the link to, and the base at, South Tyneside College, which will deliver 1,200 oral exams and over 100 port state control inspections a year. It is important to emphasise that the MCA and its excellent marine surveyors have not in any way abandoned the north-east of England. They are still very much there. They are talking about the same number of people providing the same services. They will be supporting their local customers. What we are trying to do is deliver that service in a way that is more responsive to customer need. That is the feedback from industry. We need to make our service more attuned to its needs, so we no longer continue to see maritime decline. They are just working differently and from a different base at the South Tyneside College.

This was the first step in a national restructure intended to secure a robust survey and inspection regime that aims to deliver a more efficient service. It is a service that can meet the needs of customers and industry. It is a modernised service that will help to attract new ships to fly the flag and join the UK ship register. I can assure
Andrew Jones said to the House that our modernised ship survey and inspection arrangements will mean that we retain our place as one of the most respected maritime nations in the world.

Question put and agreed to.

8.12 pm

House adjourned.
House of Commons

Tuesday 28 March 2017

The House met at half-past Eleven o’clock

PRAYERS

[Mr Speaker in the Chair]

BUSINESS BEFORE QUESTIONS

New Writ

Ordered,

That the Speaker do issue his Warrant to the Clerk of the Crown to make out a new Writ for the electing of a Member to

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): Thank you, Mr Speaker.

In Zimbabwe, presidential and parliamentary elections are due to take place in 2018, but time is running out to implement the necessary preparations to allow voter registration to be completed. We regularly raise our concerns and the importance of free and fair elections, and this was done most recently on 21 March with the deputy Foreign Minister.

Kate Hoey: I congratulate the right hon. Gentleman on his honour.

Are the Government aware that the opposition parties and human rights groups are all saying that the rigging of elections has now commenced in Zimbabwe? Rural chiefs are being forced to take ZANU-PF cards and food is being used as a weapon, and if we do not get the United Nations, the African Union and particularly the South African Development Community to do something about the electoral registration system, we will not have free and fair elections. Can Her Majesty’s Government do even more to impress on those agencies that something must be done to keep the flame of hope alive for the Zimbabwean people?

Mr Ellwood: The hon. Lady, who has deep experience in the country, is absolutely right to point to the worries about the electoral registration process and the prospect of unfair elections taking place. She is aware that we do not have the access we would like. We are concerned about the misuse of biometric data even now and about registration kits going missing and then being used. We are working with our counterparts, including the United Nations, as well as multi-donor programmes, to improve access to justice and for the media so that, hopefully, the elections can take place in a fairer atmosphere.

James Duddridge (Rochford and Southend East) (Con): My right hon. Friend will be aware that Chinese, Russian and Israeli money is flooding in, buying influence in anticipation of a post-Mugabe—probably ZANU-PF-led—environment. With that in mind, what are the Government doing to meet their manifesto pledge to uphold the rule of law in Zimbabwe, which could again become the centre of sub-Saharan Africa?

Mr Ellwood: My hon. Friend is right to point to our manifesto commitment. Given the fact that Mugabe is still in place, he will understand that there are limits to what I can say, but I can assure him that we are working on this very hard indeed.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): I congratulate the right hon. Gentleman on his actions last week.

There have been disturbing reports in which six women allege they were targeted for refusing to follow instructions to feign illiteracy, blindness and physical injury, which would have allowed someone else to assist them by marking their ballot. Will the Foreign Secretary urge the police officer in command of Mashonaland central province to investigate these disturbing reports?

Mr Ellwood: My right hon. Friend will be aware that Chinese, Russian and Israeli money is flooding in, buying influence in anticipation of a post-Mugabe—probably ZANU-PF-led—environment. With that in mind, what are the Government doing to meet their manifesto pledge to uphold the rule of law in Zimbabwe, which could again become the centre of sub-Saharan Africa?

Mr Ellwood: Yes, we have done so, and continue to do so. I will be visiting South Africa in the very near future, and this will be on the agenda. We are also working with the African Union to place pressure on Zimbabwe.

Geoffrey Clifton-Brown (The Cotswolds) (Con): May I, too, on behalf of those on the Conservative Benches, pay tribute to my right hon. Friend for his actions last week?

Has my right hon. Friend made any representations to Zimbabwe’s SADC neighbours—South Africa, Botswana, Mozambique and Zambia—to try to put pressure on the Zimbabwean Government to ensure free and fair elections?

Mr Ellwood: Yes, we have done so, and continue to do so. I will be visiting South Africa in the very near future, and this will be on the agenda. We are also working with the African Union to place pressure on Zimbabwe.

Israel Settlement Goods

2. Andy Slaughter (Hammersmith) (Lab): What representations he has made to the Israeli Government on that country’s ban on visitors who have advocated boycotts of Israeli settlement goods. [909509]
The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): The British deputy ambassador met Israel’s Europe director on 13 March to discuss the new immigration rules, and we continue to push for clarification from Israel on the impact on UK nationals. We have updated our travel advice for Israel.

Andy Slaughter: UK citizens such as Hugh Lanning, the chair of the Palestine Solidarity Campaign, have already been refused entry because of this ban, which has been widely condemned, including within Israel itself. The advice on the Foreign Office’s website says that people should contact the Israeli embassy. Should not the Foreign Secretary be contacting the Israeli embassy to say that people should not be restricted from travel to Israel and Palestine simply because they wish to enforce international law due to the ban on goods from settlements?

Boris Johnson: We have of course offered to provide consular assistance to Mr Lanning. He did not in fact request our support, nor did he seem to need it. As the hon. Gentleman will know, Israel’s immigration policy is a matter for Israel. We firmly oppose boycotts—the boycott, divestment and sanctions approach—against Israel, as I am sure he does too, although clearly it is a two-way street.

Sir Eric Pickles (Brentwood and Ongar) (Con): Is there not a need to be even-handed? Many countries have banned people from entering and are indeed deporting people. Does not this underline how right the Government were to warn the UN Human Rights Council of its disproportionate bias against Israel?

Boris Johnson: My right hon. Friend is absolutely right in his verdict on the UN Human Rights Council. I thought it was absolutely preposterous that there should be a motion condemning Israel’s conduct in the Golan Heights when, after all, we have seen in that region of Syria the most appalling barbarity conducted by the Assad regime. I think that was the point the UK Government were rightly making.

Richard Burden (Birmingham, Northfield) (Lab): The Foreign Secretary says that he is seeking clarification from the Government of Israel. What questions is he actually asking them? In particular, has he asked what kind of activity would lead to someone being denied entry, particularly given that the Foreign Office’s own website discourages financial and commercial dealings with settlements? Is he saying that someone who advocates that is likely to be denied entry to Israel? Has he asked that question?

Boris Johnson: We are of course seeking clarity about exactly how the law would be applied in practice, although, as the hon. Gentleman will appreciate, the Israeli Government, like our Government, already have very wide discretion about how to apply their immigration laws.

Crispin Blunt (Reigate) (Con): What is our policy on goods and services produced in the settlements in the occupied Palestinian territories?

Boris Johnson: Our policy, as my hon. Friend will know, is that consumers should have the right to judge for themselves whether they wish to purchase them. That is a policy that this Government have pursued for many years.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): A Foreign Office Minister has previously described the situation in Hebron as apartheid and settlement endorsement as a form of extremism. Can the Secretary of State tell the House whether the Minister for Europe and the Americas, the right hon. Member for Rutland and Melton (Sir Alan Duncan), would fall foul of the new law if he attempted to travel there?

Boris Johnson: I do not believe that my right hon. Friend has said anything of the kind or called for any such boycott, and nor do I believe for a second that he would be interrupted if he chose to go to Israel. I must stress that the policy of the Government is unchanged. We remain opposed to illegal settlements and we believe that they are an obstacle to peace. I have said that many times already in this House, but I am happy to repeat it to the hon. Lady.

Mrs Theresa Villiers (Chipping Barnet) (Con): The main aim of the boycott movement is to delegitimise the state of Israel, so will the Government continue to strongly oppose it?

Boris Johnson: We certainly shall.

Tom Brake (Carshalton and Wallington) (LD): Has the Foreign Secretary had any indication that such a ban might be extended to those who advocate a ban on goods from the occupied Golan Heights? Does he agree that the UK Government’s refusal to support a resolution at the UNHRC condemning the occupation of the Golan Heights increases that likelihood?

Boris Johnson: With great respect to the right hon. Gentleman, I have made very clear what I thought was the profound absurdity of denouncing Israeli conduct in that region at a time when we are seeing absolute barbarism conducted by the Assad regime against the people of Syria.

Bilateral Relations: Poland

3. Ben Howlett (Bath) (Con): What recent assessment has he made of the strength of relations between Poland and the UK.

13. Caroline Ansell (Eastbourne) (Con): What recent assessment he has made of the strength of relations between Poland and the UK.

The Minister for Europe and the Americas (Sir Alan Duncan): British-Polish relations are strong and getting stronger. The inaugural intergovernmental consultations last November were a firm demonstration of our commitment. I was delighted to launch the first Belvedere civil society forum earlier this month in Warsaw with the Polish Foreign Minister and many others.

Ben Howlett: Given this Government’s proud record of tackling modern slavery, does my right hon. Friend welcome the UK, Poland and Lithuania modern slavery
conference, held in Warsaw in March, as a signal of how we can work together to strengthen the fight against human trafficking and modern slavery?

Sir Alan Duncan: The Prime Minister has rightly called this “the great human rights issue of our time”.

The Home Office-funded conference to which my hon. Friend referred, and the workshop that went with it, was the culmination of an intense period of Government activity. As a result of the workshop, we have strengthened regional co-operation to tackle modern slavery in central and eastern Europe.

Caroline Ansell: Does my right hon. Friend agree that the Belvedere forum is a sign of our high-level engagement with Poland and a signal that it is entirely possible to have constructive and cordial discussions with our European friends, even as Brexit is being discussed?

Sir Alan Duncan: It was exactly that. I am pleased to say that more than 120 people attended, including leading representatives of UK-Polish businesses, along with representatives from universities and think tanks, Parliaments, media outlets, cultural institutions and, indeed, the Polish diaspora from the UK.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): In the wake of Brexit, I have been left deeply concerned by the rise in hate crime and the subsequent insecurity felt by our Polish communities. I was very saddened to read a report in a local newspaper of a Polish-born mother in the north-east saying that when she speaks Polish to her daughter, “I can’t guarantee I would feel safe.” Will the Minister clarify what steps he is taking with his Polish counterparts to reassure Polish communities that hate crime is not acceptable and will not be tolerated in the UK?

Sir Alan Duncan: Following an absolutely deplorable spike just after the referendum, I am pleased to say that the number of reported crimes has significantly declined. We have been working very closely with our Polish counterparts, reassuring them at every conceivable opportunity. Indeed, we did so very publicly at the Belvedere forum.

Alex Salmond (Gordon) (SNP): The Polish community constitutes the largest component of EU nationals in the UK and by far the largest percentage in Scotland. The Minister of State and, indeed, the Foreign Secretary have in previous incarnations been known for their cosmopolitan, pro-immigration attitudes. Can the Minister think of anything on the eve of Brexit that would better enhance the relationship going into negotiations than to unilaterally and immediately consolidate the position of the 3 million EU nationals in this country? Is not that something the Government should do now?

Sir Alan Duncan: I am confident that when the starting gun for Brexit is fired tomorrow, the issue mentioned by the right hon. Gentleman will be an essential part of the negotiations that will then follow.

Dr Julian Lewis (New Forest East) (Con): Does the Minister believe that Poland deserves congratulations, as a frontline state against an increasingly fractious Russia, on being one of only five NATO members to meet the minimum level of 2% expenditure of GDP? Does he think it would send a good signal to Russia if the Foreign Secretary were to throw his considerable weight behind perhaps a Polish candidate to be the next Secretary-General of NATO, rather than a member of the comfortable club of the usual suspects?

Sir Alan Duncan: If I might say so, the manner in which my right hon. Friend expressed his views was characteristic of him. I am confident that, even though we are going to leave the European Union, the United Kingdom will remain a force for good in the defence and security of eastern Europe, and we will increase our engagement on all levels.

Mr Khalid Mahmood (Birmingham, Perry Barr) (Lab): Has the Minister received the same representation as we have from the Polish and other European embassies on the difficulties that many EU nationals are having with the 85-page form that they have to complete in order to apply for permanent residency in the UK? Has he relayed those concerns to the Home Office?

Mr Ellwood: The Secretary of State does not even know about it. In that case, will the Minister, the Secretary of State and perhaps my right hon. Friend the Member for Islington South and Finsbury (Emily Thornberry), the shadow Secretary of State, accept my challenge and try to fill in the form and see how they get on?

Sir Alan Duncan: I have to say that I have not received such representations, but I look forward to raising the matter myself when I next see the Polish ambassador, as I do on regular occasions.

Yazidi Captives: Daesh

4. Maria Caulfield (Lewes) (Con): What steps his Department is taking to help secure the release of Yazidi women held captive by Daesh.

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): As the House will know, significant progress has been made in liberating the city of Mosul, which will be a symbolic landmark in defeating Daesh in Iraq. We are extremely concerned for all those held by Daesh, including members of the Yazidi community. Ultimately, the only way of protecting minorities is by defeating Daesh and establishing strong governance and lasting peace.

Maria Caulfield: I thank my hon. Friend for his answer. What support will be given to Yazidi women when they are released? Can he confirm that evidence will be taken from them so that we can accurately record the genocide of the Yazidi people?

Mr Ellwood: My hon. Friend makes an important point. In the short term, we are providing refugee assistance and resettlement schemes, including Gateway, Mandate and Children at Risk, as well as putting funds into United Nations programmes. For the long term, my right hon. Friend the Foreign Secretary and his
Iraqi and Belgian counterparts have launched a global campaign to bring Daesh to justice. The campaign is designed to support all victims, including Yazidis.

**Mr Ellwood:** The hon. Lady illustrates just one example of how Iraq needs to step forward and move on from the period in which minority ethnic groups and others were not represented in the country. If we are to make a success of the situation once Daesh is removed, it is important to have facilities such as this in place to support those who have been affected. Most importantly, there needs to be an inclusive Government to ensure that ethnic groups are not isolated or persecuted as they have been.

**Robert Jenrick** (Newark) (Con): It has been almost a year since the House of Commons voted to express its desire for the atrocities against the Yazidi people to be described as genocide. At the time, the Government said that they would not rush to judgment but would allow the legal process to take its course. Could the Minister give us an update on the process of those legal proceedings and when the Government anticipate that the genocide against the Yazidis will be recognised as such?

**Mr Ellwood:** I have said that I believe that war crimes have taken place. However, it is not my judgment that counts, but that of the International Criminal Court, and when this was put to the International Criminal Court in 2014 we were vetoed by Russia and China. It is important that we continue to make the case, and it is important that we hold the perpetrators to account.

**Danny Kinahan** (South Antrim) (UUP): I congratulate the Minister on his actions last week.

I have been lucky enough to visit northern Iraq and to meet Yazidis in some of the internally displaced persons camps. What resources and preparation are we putting in place to make sure that they and others can get back to their homes once we have defeated Daesh?

**Mr Ellwood:** The hon. Gentleman raises two important points. On the work that is happening in northern Iraq, we have put forward an extra £40 million to provide assistance to the displaced people. We should make it clear that despite their urge to return to their original houses—their original dwellings in their original communities—that must be done in line with the Iraqi authorities, because we are concerned about IEDs that have been placed there causing all the more stress, harm and, indeed, death.

**Emily Thornberry** (Islington South and Finsbury) (Lab): May I pay tribute to the Minister for his extraordinary courage last Wednesday? As PC Palmer’s family said this weekend to the Minister and to others who rushed to help:

“There was nothing more you could have done. You did your best and we are just grateful he was not alone.”

Yazidi women, including girls as young as nine, have been raped, kidnapped and sold into slavery by Daesh terrorists. If proper mechanisms are not established to investigate these crimes, crucial evidence and witnesses will be lost and the victims will never have their day in court. What are the Government doing to prevent that, and will the Minister tell us how he is ensuring that the perpetrators of these heinous crimes will be brought to justice as quickly as possible?

**Mr Ellwood:** I am very grateful to the right hon. Lady for her kind remarks. I make it clear that I was one of many who stepped forward on that dark day. Our thoughts and prayers remain with the families and friends of the victims, including our own PC Keith Palmer.

The right hon. Lady raises an important point. We have not announced or trailed the exact details of the work we are doing to collect the evidence because there is a fear that there are those who would try to interrupt that process. Organisations are working quietly behind the scenes to collect the forensic evidence that they need, to preserve the evidence, as she said, and to collect testimonies. It will take time, but that is not broadcast in the way other things are for fear that people could try to disrupt it.

**Hezbollah**

5. **John Howell** (Henley) (Con): What recent reports he has received on the expansion of Hezbollah’s weapons arsenal.

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): We are aware of reports that Hezbollah continues to amass
an arsenal of weapons, which is in direct contravention of UN Security Council resolutions 1559 and 1701. In addition to Hezbollah’s interference in Syria, there is also a risk of the conflict between Israel and Hezbollah returning. If what happened in 2006 were repeated, it would not just devastate Lebanon but be hugely destabilising for the region.

John Howell: I thank the Minister for his response. Earlier this month, Iran’s Defence Minister said that Hezbollah is now capable of producing rockets that can hit any part of Israel, and reports have emerged that Iran has established rocket factories under the control of Hezbollah. What steps is he taking to stop Iran’s unconstrained financing of terror?

Mr Ellwood: The involvement of Iran through proxy influences across the region is of huge concern, not least in Lebanon, and we are looking at these reports very carefully indeed. I should also say that Hezbollah, which has a political involvement as part of the Government in Lebanon, needs to move forward and be more constructive. It is thanks to disruption by Hezbollah and its blocking decisions in the Lebanese Government that the country was without a president for two years.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): But what urgent action can be taken to counter Iran’s malevolent involvement in destabilising the middle east? We have already heard reference to Hezbollah being armed by Iran, but Iran is also arming Hamas in Gaza with rockets aimed specifically at Israeli communities within Israel, across the border from Gaza. What action will be taken to stop this?

Mr Ellwood: We are now engaging with Iran at a level that we have not done for over a decade, thanks to the nuclear agreement that has been made. That allows us to have more forthright and frank conversations, and we have made it very clear that if Iran wants to join the international community—we want stability in the middle east—it must desist from having an influence in the areas to which the hon. Lady referred.

Sir Julian Brazier (Canterbury) (Con): I welcome my right hon. Friend’s earlier answer, but does he accept that Israel’s decision in 2006 to bomb all parts of Lebanon, including those represented by people who had been fighting Hezbollah for more than a generation, catapulted Hezbollah from a sectional group of extremists right into the heart of the powerbase of the Government of Lebanon?

Mr Ellwood: I visited the country right after those attacks had taken place and the devastation was indeed huge. It is in all our interests not to go down that road again. I pay tribute to the United Nations Interim Force in Lebanon, UNIFIL, which has done an amazing job in reducing tensions between the two countries.

Jim Shannon (Strangford) (DUP): One way to reduce the supply of weapons to Hezbollah is to stop them at source. What discussions has the Minister had with, for instance, Egypt on the tunnels and the access they provide for bringing weapons in? If they can be stopped there, we can stop them being used.

Mr Ellwood: The hon. Gentleman is absolutely right: we need to work together on this with our partners across the middle east. We are engaging not just with Egypt, but with other countries too.

Anglo-American Relations

6. Nigel Huddleston (Mid Worcestershire) (Con): What recent discussions he has had with his US counterpart on strengthening the diplomatic relationship between the UK and the US.

11. Mims Davies (Eastleigh) (Con): What recent discussions he has had with his US counterpart on strengthening the diplomatic relationship between the UK and the US.

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): I had a series of excellent meetings last week at the White House, the State Department and elsewhere with Secretary of State Tillerson, Vice-President Pence and others. We discussed areas of common interest and shared objectives on Syria, Russia, NATO, global free trade and other questions.

Nigel Huddleston: There are 212,000 Americans living in the UK and 715,000 Brits living in America. Americans, when visiting the UK, spend more than visitors from any other nation. Does the Foreign Secretary agree that this shows that the special relationship is very much alive?

Boris Johnson: This is a long-standing extraordinary relationship that goes from strength to strength. Hon. Members may know that last year exports to the United States rose by 20%. It is the absolute determination of the new US Administration to do a free trade deal that will take those trade figures even further forward.

Mims Davies: Visiting the Cabinet War Rooms this morning with youngsters was a timely reminder that the US is one of our closest allies and that a strong relationship between the two countries remains vital. Does the Foreign Secretary agree that it must be a key part of our new geopolitical role outside the EU?

Boris Johnson: I passionately agree with that. It is the function of the UK to be the intermediary between our European friends and partners and the United States, and to campaign for the things that matter deeply to us all: the transatlantic defence alliance that has kept the peace in our continent for the past 70 years, and, of course, global free trade, which is of huge value to all of us.

Mike Gapes (Ilford South) (Lab/Co-op): Will the Foreign Secretary take this opportunity to praise the democracy of the United States? Its independent judiciary has rejected President Trump’s plans to bring in bans on refugees, while at the same time Congress has seen sense and not approved his proposals to abolish Obamacare.

Boris Johnson: It is not for me to intrude into the domestic politics of the United States, except to say that I think many people around the world who criticise and attack the United States and who are viscerally anti-American in their attitudes will look at the balance of
power represented by that decision and see that this is a mature democratic system in which we can confide our trust.

Mr Ben Bradshaw (Exeter) (Lab): But what damage is done by fantastical and ridiculous outbursts like those levelled at GCHQ by President Trump? Will the Foreign Secretary assure the House that our invaluable intelligence relationship with the United States is not compromised by the current incumbent of the White House?

Boris Johnson: The damage done by such remarks can be likened to that of a gnat against a rhinoceros or an elephant. They will not make any difference to a fundamental relationship that is, as I say, of great international importance. As for the assertion that there was some sort of collusion by GCHQ to bug the presidential candidate, I think that has been accurately described as absurd and ridiculous.

Mr Keith Simpson (Broadland) (Con): May I just bring the Foreign Secretary down to earth? The core element of the Anglo-American relationship is based on “Five Eyes” and intelligence. President Trump’s allegation, repeated from Fox News, was not like a gnat at a rhinoceros; it was deeply damaging, and I would be grateful if the Foreign Secretary told the House exactly what comments he made to the President or senior members of the White House to refute that.

Boris Johnson: I must respectfully disagree with my hon. Friend’s characterisation of the episode. I believe that it has done no lasting damage to our relationship, and certainly not to the special relationship or to intelligence sharing, which will of course carry on between our countries. As I say, that relationship is of huge value to the security of the west. As for the allegations themselves, let me repeat that they are utterly ridiculous and should be ignored.

Emily Thornberry (Islington South and Finsbury) (Lab): Let me welcome the Secretary of State back from his trip to Washington. More than ever, it is vital that Britain uses, in his words, our “extraordinary relationship” to ensure that America makes the right decisions on the world stage. The Secretary of State has consistently told us that we should be optimistic about the outcome. Indeed, two days ago, he told us: “They have an agenda very close to ours. The U.S. is back.” With that in mind, will he tell us specifically what impact he believes today’s presidential energy independence Executive order will have on the Paris climate change agreement? During his trip to Washington, what representations did he make about that Executive order?

Boris Johnson: The right hon. Lady will know that the UK Government have played a leading role in securing the Paris agreement on climate change. The United States remains a supporter of that. In the course of my conversations with the US Secretary of State on that issue, I received some encouragement—I do not want to exaggerate the outcome of the conversations—that, as in so many other dossiers, the US is moving from the position we saw during the campaign, when some remarks came across as being perhaps out of line with UK Government thinking, into a position that is much more closely aligned with our thinking, even on climate change.

Emily Thornberry: I thank the Secretary of State for that answer, but I am not sure that he really understands that by lifting curbs on power plant emissions, today’s Executive order will make it practically impossible for the US to hit the targets that were agreed in Paris. The right hon. Gentleman says that he received some encouragement, but to be honest one wonders whether he raised the issue in Washington and was just ignored, or did not raise the issue at all. One thing is certainly clear—

Boris Johnson: I did raise it.

Emily Thornberry: I am very glad to hear that the Secretary of State raised the issue, but it is such a shame that we have so little influence on the United States that today an Executive order is being signed—

Chris Bryant (Rhondda) (Lab): It is a gnat against a rhino!

Emily Thornberry: It is unfair to call the Secretary of State a gnat against a rhino, and I would obviously never suggest such a thing. If the Secretary of State claims to have influence, he needs to start showing us some evidence of it. He needs to learn that the only way he will get listened to by Trump is if he is prepared to stand up and challenge him. I ask him to begin today by condemning the Executive order and telling the Trump Administration that we will not stand by in silence while they wreck the Paris climate change agreement.

Boris Johnson: With great respect, I must say that I think the right hon. Lady is again being far too pessimistic. We were told by the US presidential candidate that NATO was obsolete; we now hear that he is 100% behind NATO. We were told that the JCPOA, the joint comprehensive plan of action on Iran, was going to be junked; it is now pretty clear that America supports it. We were told that there was going to be a great love-in between the new US Administration and Russia; they are now very much more in line. As for climate change, I think the right hon. Lady is once again being too pessimistic. Let us wait and see. We have heard the mutterings of the right hon. Lady; let us see what the American Administration actually do. I think she will be pleasantly surprised, as she has been, if she were remotely intellectually honest, in all other respects.

Eastern Ukraine

7. Sir Gerald Howarth (Aldershot) (Con): What assessment has he made of recent developments in eastern Ukraine.

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): The causes of the conflict in Ukraine lie very much with the Russians, who bear the overwhelming responsibility for the considerable loss of life there. I was pleased to be able to raise the matter with my Polish counterpart, Witold Waszczykowski, during a visit to Kiev a few weeks ago. What is crucial to progress in Ukraine is not just for the Russians to
Put an end to supporting military activity in Donbass and pull out of Crimea, but for the Ukrainians themselves to make the reforms that will increase international confidence in Ukraine.

Mr Speaker: We must hasten progress somewhat. Sir Gerald Howarth—briefly.

Sir Gerald Howarth: Is it not clear, though, that unless we do more to help our Ukrainian friends, Russia will continue with impunity to seek to destabilise Ukraine? Given that the western Ukrainian-owned businesses in Donbass have just been expropriated by so-called separatists, no doubt with the support of Russia, perhaps we should consider expropriating Russian assets in the United Kingdom, starting with football clubs.

Boris Johnson: I am grateful for that suggestion. This country already leads the way in imposing sanctions on the Russians for their actions in Ukraine, and we continue to insist on those.

Chris Law (Dundee West) (SNP): Does the Foreign Secretary agree with me, and with the Secretary General of Amnesty International, that the United States President’s Executive order implementing a travel ban on people from six countries—

Mr Speaker: Order. No, no. I thought that the hon. Gentleman was seeking to take part in an exchange about Ukraine, possibly in anticipation of our not reaching his question. We probably will reach his question, but I am afraid that, whether we do or not, he cannot talk about the travel ban purported to be applied by the United States in respect of an exchange about Ukraine. Does any other Member wish to take part, in an orderly way? Yes: Mr Chris Bryant.

Chris Bryant: It is clear that the Russians have behaved perversely and disgracefully in Ukraine. As the Foreign Secretary has said, their behaviour has led to many deaths, many people have been detained incommunicado, and terrible human rights abuses are going on, as well as the expropriation of assets. The Foreign Secretary regularly boasts about how well we have done in ensuring that there are sanctions in the European Union, but how will we be able to do that when we are no longer a member of the European Union?

Boris Johnson: The hon. Gentleman will know that there is to be a White Paper very soon, presaging a Bill on how we will continue to take part in sanctions jointly with our friends and partners across the channel.

Sudan and South Sudan

8. Mr Jim Cunningham (Coventry South) (Lab): What recent assessment he has made of the security situation in Sudan and South Sudan.

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): Despite some improvements, the security situation in Sudan remains concerning, particularly in Darfur and the Two Areas. In South Sudan the security situation is much worse as fighting continues across the country and the humanitarian situation becomes increasingly desperate.

Mr Cunningham: Sudan was recently appointed vice-chair of the Organisation for the Prohibition of Chemical Weapons, at a time when the organisation is considering investigating Sudan’s alleged use of such weapons. Does that not constitute a conflict of interests?

Mr Ellwood: There are a number of concerns about Sudan, one of which is the use of chemical weapons. The United Nations has looked into the issue in detail, and to date there is no firm evidence that that is taking place, but we will continue to investigate.

Kevin Foster (Torbay) (Con): I am sure that the Minister will share my concern about the recent attack on aid workers in South Sudan, which left seven dead. What support does he think the United Kingdom Government can give the United Nations to allow aid agencies to deal with the emerging famine in parts of the country?

Mr Ellwood: I had an opportunity to visit South Sudan at the end of last year. We are now deploying 400 British troops in one of our largest peacekeeping operations in the world. This is a complex conflict: not only is there conflict between the two major tribes, but numerous sub-conflicts are taking place throughout the country. It is important that we are able to support the work of the Church that is trying to reconcile local differences, which will then allow non-governmental organisations to get in and provide the necessary humanitarian aid.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): May I add my sincere tribute to those given to the right hon. Gentleman for his actions last week?

Is the right hon. Gentleman aware of allegations that both Salva Kiir and Riek Machar are currently using British passports to travel around Africa and elsewhere? Given that the terrible situation in South Sudan—both the famine and the security situation—is in significant part man-made, does he think that is appropriate, if it is true?

Mr Ellwood: I thank the hon. Gentleman for his comments. I will certainly look into this question. Both Salva Kiir and Riek Machar have huge responsibility for what is actually a man-made conflict—let us not mince our words. South Sudan, a mineral-rich country, could be one of the richest in Africa, but it needs to reconcile its differences. It is the youngest country on the planet, yet its first few footsteps have been absolutely dire because of poor leadership, mostly by these two individuals.

Mr Philip Hollobone (Kettering) (Con): Why do African nations and African regional organisations prove to be so ineffective not only in stopping the fighting but in relieving the misery?

Mr Ellwood: My hon. Friend makes an important observation, but I would say that they are getting better at recognising that countries in Africa must honour their constitutions, and that leaders cannot simply hand over power to their son or daughter. The best example of that was in Gambia, where the neighbouring countries stepped forward to make sure that there was a peaceful transition to a new President.
Liz McInnes (Heywood and Middleton) (Lab): I would like to press the Minister on the Amnesty International report that found strong evidence of the use of chemical weapons by Sudanese forces in Darfur, but which has been met, sadly, virtually by silence from his Government. Will the Minister explain which international partners he is working with, and how the Government will ensure that these deeply disturbing allegations are fully investigated and the perpetrators brought to justice?

Mr Ellwood: I am happy to look into this in more detail. Our understanding is that this came to the attention of the United Nations, and it has conducted investigations as well. But it is difficult to collect evidence, simply because we do not have full access to the country, as we would like. I will certainly redouble my efforts to see what more I can find out.

Belarus

9. Mrs Maria Miller (Basingstoke) (Con): What assessment he has made of the human rights situation in Belarus. [909516]

The Minister for Europe and the Americas (Sir Alan Duncan): Despite some positive steps, the human rights situation in Belarus remains of serious concern. We continue to raise human rights issues with the Belarusian authorities and use every opportunity to call on Belarus to establish an immediate moratorium on the use of the death penalty.

Mrs Miller: Will my right hon. Friend join calls led by the chairman of the Senate Armed Services Committee for the Belarusian President unconditionally to release all the many hundreds of people brutally arrested in Belarus over the last few days? Will he also consider asking the European Union to rethink its recent decision to lift the personal sanctions against the ruling Belarus elite?

Sir Alan Duncan: Following the demonstrations on 25 March, the Foreign Office issued a statement on 26 March calling on the Belarusian authorities to respect and uphold the right to freedom of association, assembly and expression, and to release all the peaceful demonstrators still detained. Among those originally detained were two British nationals, but I am pleased to say that they have since been released.

Executive Orders: United States

10. Chris Law (Dundee West) (SNP): What discussions he has had with his US counterpart on that country’s Executive order implementing a travel ban on people from six countries and on certain refugees. [909517]

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): We have been clear that the Government do not agree, as I have said previously to the House, with the recent changes to US immigration policy, and that that is not the approach the UK would take.

Chris Law: Therefore, will the Foreign Secretary agree with me and the secretary general of Amnesty International that the President’s Executive order implementing a travel ban on people from six countries and certain refugees is “unconstitutional, inhumane and illogical”?

Boris Johnson: I think I have made my position on the travel ban clear: “divisive, discriminatory and wrong” was the formula we came up with, after exhaustive research of the thesaurus. I think that was agreed among all members, and we will settle on that.

Death Penalty: United Arab Emirates

12. Fiona Mactaggart (Slough) (Lab): When he last discussed the use of the death penalty with his counterpart in the UAE; and if he will make a statement. [909519]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): The UK firmly opposes the death penalty in all circumstances. We have made that clear to all countries that still have it in place, including the United Arab Emirates.

Fiona Mactaggart: Jennifer Dalquez is an overseas domestic worker working in the Emirates to provide for her two children in the Philippines. In a struggle with her employer, who was trying to rape her, she killed him, and she now faces either execution or a fine of 100 camels’ value, over $60,000, which she has no prospect of paying. What can the Minister do to ensure that this barbaric justice system comes into the 21st century and respects the human rights of people, especially overseas domestic workers?

Mr Ellwood: I will certainly look into that consular case and get back to the right hon. Lady. Many countries in the Gulf and across the wider middle east are advancing their justice systems, but many of them have existed as independent centralised countries for less than 50 or 60 years. That is not an excuse for continuing to have outdated practices in the 21st century, but I will do my best to provide her with an update.

Bilateral Relations: India

14. Stuart Andrew (Pudsey) (Con): What recent assessment he has made of the strength of relations between India and the UK. [909522]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alok Sharma): The UK shares a long-standing and deep friendship with India, covering economic ties, defence and security, and people-to-people links. We want the strongest possible economic relationship with India post-Brexit. That is why my right hon. Friend the Prime Minister visited India in November—her first bilateral visit outside Europe.

Stuart Andrew: I am grateful for that answer. Strong relations between our two nations should be welcomed, particularly given the potential trading opportunities, but “good relations” means talking about concerns as well as successes. What discussions has the Foreign Office had with the Indian Government on Kashmir and human rights?

Alok Sharma: My hon. Friend raises an important point. We of course remain concerned about the reports of unrest in Indian-administered Kashmir. In fact, I raised the Kashmir issue with Indian Minister of State
for External Affairs Akbar during his visit to London on 16 March, and I will continue to monitor developments in this area.

Keith Vaz (Leicester East) (Lab): This year marks the UK-India year of culture, so will the Minister set out the Government’s plans to celebrate this important event?

Alok Sharma: A range of events are coming up this year to celebrate the year of culture. The right hon. Gentleman will know that we were visited by Finance Minister Jaitely in February, showing the strength of our relationship. He visited Buckingham Palace, where Her Majesty the Queen hosted an event celebrating the year of culture.

Topical Questions

T1. [909498] Mrs Cheryl Gillan (Chesham and Amersham) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): I want to pay my own tribute to my ministerial colleague and right hon. Friend the Member for Bournemouth East (Mr Ellwood) and to all those innocents who lost their lives or were injured last week. Over the centuries, many people have tried to attack this Parliament, but none has shaken our faith in our values of freedom and democracy, which inform our policies.

My immediate priority is to play my part in ensuring that article 50 is invoked smoothly and leading the process of building a new relationship and partnership with our European friends. In the past two weeks, I have visited east Africa, the United States and Turkey. Following that, I aim to take forward our campaign against Daesh.

Mrs Gillan: I join the Foreign Secretary in paying tribute to our courageous right hon. Friend. Because I believe, with maximum humility, that that is another example of how the United Kingdom’s influence is being felt in our conversations with our American friends and partners. There is strong support for NATO on Capitol Hill, and it is absolutely right that they should be moving forward with the integration of Montenegro into the north Atlantic alliance.

Alex Salmond (Gordon) (SNP): I am worried that the Foreign Secretary is now excluded from Cabinet decision making. When he told Robert Peston a week past Sunday that no deal from Brexit would be totally okay, his Cabinet colleague was simultaneously telling another station that it would be really bad for Britain and Europe. What estimates or forecasts, official or any, have led him to believe, and to say to Robert Peston, that no deal from Brexit would be “perfectly okay”?

Boris Johnson: The right hon. Gentleman will recognise that the Prime Minister is going into these negotiations in the spirit of optimism and positivity, from which he could learn a little. I have absolutely no doubt that there will be a great deal for this country, because a great deal for this country is ultimately in the interest of our friends and partners on the other side of the channel, who have a huge amount to gain.

T2. [909499] Will Quince (Colchester) (Con): Will the Secretary of State kindly set out what discussions he has had with his international counterparts in relation to the campaign against Daesh?

Boris Johnson: We had a counter-Daesh coalition meeting last week, and the House will know that huge progress is being made. Daesh’s territory in Iraq has been reduced by about 60%, and its territory in Syria has been reduced by about 30%. The UK is at the forefront of that effort, in concert with our American allies and a coalition of 68 other countries.

Catherine West (Hornsey and Wood Green) (Lab): According to the Basic Law of Hong Kong, the ultimate aim is for the city to select a Chief Executive by universal suffrage, yet two days ago a new Chief Executive was chosen by a committee comprising 0.03% of Hong Kong’s registered voters. As we prepare to mark the 20th anniversary of the handover, how can the House be confident that the Chinese Government are committed to progress towards genuinely democratic elections in Hong Kong?

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alok Sharma): The new Chief Executive, Carrie Lam, was elected by the Election Committee, and of course we respect the decision. However, we have consistently taken the view that the best way to secure the future of one country, two systems is through a transition to universal suffrage, which meets the aspirations of the people of Hong Kong, within the parameters of the Basic Law.

T5. [909502] Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): The Under-Secretary of State for Foreign and Commonwealth Affairs, my right hon. Friend the Member for Bournemouth East (Mr Ellwood), has made clear his concerns about Iranian state-sponsored terrorism destabilising the state of Israel and the whole middle east. As a consequence, will he please confirm that ensuring it recognises the right of the state of Israel to exist is first and foremost in future engagement with Iran?

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): My hon. Friend is absolutely right that this is an opportunity for Iran to re-engage following the nuclear deal and to show that it is meeting 21st-century standards. I am pleased we have had the Airbus deal, which is an example of how we can work together commercially, but we also need to work together on governance and on recognising the boundaries of states.

T3. [909500] Christian Matheson (City of Chester) (Lab): It is more than three years since my constituent Ray Tindall and the other men of the Chennai six were detained and subsequently imprisoned in India for a crime they did not commit. Will Ministers pick up the phone to their counterparts in India and suggest that...
the men are simply deported? The men do not want to be in India, and the Indians do not want them in India. It is an easy way out.

Alok Sharma: I know that the hon. Gentleman is incredibly concerned for the welfare of his constituent, as we are for all the men. The Prime Minister, the Foreign Secretary and I have all raised the case in meetings with our counterparts. We are providing consular support, as the hon. Gentleman knows, and my office has written to the families to say that I stand ready to meet them ahead of the verdict that is due.

Dr James Davies (Vale of Clwyd) (Con): Will my right hon. Friend the Foreign Secretary outline what his priorities have been during the UK’s 62nd presidency of the UN Security Council this month?

Alok Sharma: The theme of the UK’s presidency of the UN Security Council has been conflict prevention in Africa, with a focus on the Lake Chad basin, South Sudan and Somalia. The UK has also held an open debate on modern slavery. Throughout our presidency we have been action-oriented, transparent and consultative, and my right hon. Friend the Foreign Secretary has chaired two Security Council meetings.

T6. [909504] Stephen Kinnock (Aberavon) (Lab): Many hon. Members on both sides of the House have called for a ban on goods produced in the illegal settlements on the west bank. Does the Foreign Secretary think that those hon. Members should be banned from travelling to Israel?

Boris Johnson: I am sure that hon. Members who wish to travel to Israel will have absolutely no difficulties, but it remains up to the Israeli immigration authorities to decide whom they choose to admit.

Paul Scully (Sutton and Cheam) (Con): In light of the interim report and the recommendations of the Advisory Commission on Rakhine State in Burma, which were published this month, will the Under-Secretary join me and the United Nations High Commissioner for Refugees in working towards an international, independent investigation into what is happening in Rakhine state, especially against the Rohingya community?

Alok Sharma: Mr Speaker, I know that both you and my hon. Friend care deeply about Burma. The UK has helped to deliver a United Nations Human Rights Council resolution that sets up a fact-finding mission to investigate reports of human rights abuses, and it will be composed of independent, international experts.

Tom Pursglove (Corby) (Con): One forum where we foster our relationships with other European countries is the Council of Europe. As we leave the European Union, what role do Ministers see the Council of Europe playing? Can we deepen those relationships further?

The Minister for Europe and the Americas (Sir Alan Duncan): We continue to have important regard for the Council of Europe and we will continue to work closely with it. We consider it an important forum for the co-operation of the countries that attend such meetings.

Alison Thewliss (Glasgow Central) (SNP): UK firms have been granted 194 licences and made some £3.3 billion in arms sales to Saudi Arabia during the two years of war in Yemen, completely eclipsing the UK Government’s aid efforts. Can the Foreign Secretary really claim that the licensing regime is legally and morally legitimate? Will he put more efforts into peace than into war?

Boris Johnson: We have the strongest and most rigorous criteria—there must be a clear risk of a serious violation of international humanitarian law—of any country in the world. That remains the position.

Michael Fabricant (Lichfield) (Con): Following the walk-out this morning by members of the Brexit Select Committee, does the Foreign Secretary agree that, far from being gloomy, we should agree with Pascal Lamy and Wolfgang Schäuble that it would be more damaging to Europe than to the UK if a success were not made of Brexit?

Boris Johnson: I congratulate my hon. Friend on the spirit he is bringing to this, which is very much the one the Prime Minister is going to adopt in the negotiations. I believe she will be absolutely vindicated, because I think our friends and partners on the other side of the channel understand exactly what he sets out. It will be an opportunity to get rid of some of the burdensome regulation that has accrued over the past 44 years, and I applaud the campaign that I know he supports and which has been outlined in the pages of this morning’s The Daily Telegraph.

T8. [909507] Alan Brown (Kilmarnock and Loudoun) (SNP): While the UK Government make representations to the Israeli Government, we have seen an increase in demolitions, including of donor-funded structures; the land regularisation Bill; the possibility of construction in area E1; and the travel bans imposed by the Israeli Government. If the UK is really committed to doing all it can to achieve a two-state solution, is it not time to recognise Palestine, before it is too late?

Boris Johnson: Both the Prime Minister and I have raised this issue specifically with Prime Minister Netanyahu, and we will continue to do so. We are opposed to such demolitions and, as I have said many times this morning, we continue to believe that continued illegal settlements are an obstruction to peace.

Bob Blackman (Harrow East) (Con): The Pakistani Government have announced their intention to annex Gilgit-Baltistan, a sovereign part of India that Pakistan illegally occupies. What representations has my right
hon. Friend made to the Pakistani Government to say that this act is illegal and the UK Government will oppose it?

Alok Sharma: As my hon. Friend knows, we have very good relations with both India and Pakistan, but on issues of a bilateral nature it is for those two countries to reach a settlement; it is not for us to prescribe a solution or act as a mediator. Of course we encourage both sides to maintain good relations and we will continue to talk to them.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): What would the Foreign Secretary say to President Putin about his treatment of demonstrators if he got the chance today?

Boris Johnson: I am pleased to inform the House that I raised the matter with my Russian counterpart, Foreign Minister Sergey Lavrov—indeed, I raised the case of the mistreatment of a 17-year-old British national.

Dr Julian Lewis (New Forest East) (Con): Why does Saudi Arabia consistently feature in the backstory of terrorists, as in the case of the one who struck here last week? What representations do we make to that country about it?

Boris Johnson: The backstory of terrorists is of course a subject of continual analysis, and in respect of the individual who struck last week that analysis has yet to be completed. It goes without saying that in our discussions with our Saudi counterparts we make very plain our view that the struggle against terror is a struggle we face jointly.

John Cryer (Leyton and Wanstead) (Lab): Further to Question 10, is it not a bitter tragedy that the US, which has been a beacon of democracy and tolerance for so long, has produced a President whose comments and stance echo those of the Blackshirts of 80 years ago?

Boris Johnson: As I said to the House a few weeks ago, such analogies and comparisons trivialise that epoch and the tragedies of the 1930s. We have a very different situation today and we are working with our American friends and partners to produce the best outcomes for the security, stability and prosperity of the world.

Charlotte Leslie (Bristol North West) (Con): Will the Foreign Secretary join me in thanking the Libyan House of Representatives for their condolences after Wednesday’s tragic and traumatic event? Does he agree that urgent and active engagement with the House of Representatives is vital for a stable Libya and the ending of the mass export of migrants to their death by militia?

Boris Johnson: The fundamental thing has to be a rapprochement between the two sides in Libya. We certainly believe that General Haftar has to be part of the solution, but he cannot be the whole solution. There must be a political and constitutional resolution to the crisis in Libya.

Mr David Winnick (Walsall North) (Lab): Everyone wants to see territory liberated from the murderers of the so-called Islamic State, but is the Foreign Secretary aware of the deep concern over the recent air strikes, which have caused the death of so many innocent civilians, including children? There was no attempt to save the children. Is he aware of how important it is to try to minimise civilian tragedies, and will he make representations accordingly?

Boris Johnson: I believe the hon. Gentleman is referring to air strikes by the Americans—he did not spell that out. Of course, there have been innumerable barbaric air strikes by the Assad regime, the Russians and others, as I am sure he would acknowledge. The United States has said that it is investigating and will produce a full report.
Northern Ireland: Political Developments

12.36 pm

The Secretary of State for Northern Ireland (James Brokenshire): With permission, Mr Speaker, I would like to make a statement on recent events in Northern Ireland.

Since the Northern Ireland Assembly election on 2 March, I have been engaged in intensive talks with the political parties and the Irish Government, in line with the well established three-stranded approach. There has been one clear purpose: to re-establish an inclusive devolved Administration at Stormont, in accordance with the 1998 Belfast agreement and its successors.

Progress has been made on a number of issues, including on a budget, a programme for government, and ways of improving transparency and accountability. We have seen further steps forward on agreeing a way to implement the Stormont House agreement legacy bodies to help to provide better outcomes for victims and survivors of the troubles. In addition, progress was made on how the parties might come together to represent Northern Ireland in our negotiations to leave the EU, which is so important in the context of article 50 being triggered tomorrow. That said, it is clear that significant gaps remain between the parties, particularly over issues surrounding culture and identity. Throughout the process, the Government have been active in making positive proposals to try to bridge those gaps and help the parties to move things forward.

In law, the period allowed to form an Executive is 14 days from the date of the first sitting of the Assembly after an election. That 14-day period expired at 4 pm yesterday with no agreement, and therefore no Executive. This is a source of deep disappointment and regret to me and many others, and I know that there is widespread dismay throughout the country. From all my extensive engagement across Northern Ireland with business, civil society and members of the public, I am in no doubt that inclusive devolved government is what the overwhelming majority of the people want to see, working for them, delivering on their priorities, and continuing the positive progress we have seen in Northern Ireland over recent years. They want to see devolved institutions up and running and serving the whole community. Yet following the passing of yesterday’s legal deadline, Northern Ireland has no devolved Administration. That also means that other elements of the Belfast agreement, including the north-south bodies, cannot operate properly. The consequences of all of this are potentially extremely serious, the most immediate of which is the fact that we are rapidly approaching the point at which Northern Ireland will not have an agreed budget.

From tomorrow, a civil servant, the permanent secretary at the Department of Finance, will exercise powers to allocate cash to Northern Ireland Departments. This is an interim measure designed to ensure that services are maintained until such time as a budget is agreed. We are keeping in close contact with the head of the Northern Ireland civil service on these matters, and I understand that the Department of Finance will be setting out more details later today.

Let me be very clear: this situation is not sustainable and, beyond a short period of time, it will impact on public services such as the health service, schools, voluntary groups and services for the most vulnerable in society. That is not what people voted for on 2 March. During the course of the past 24 hours, I have spoken to the leaders of the five main Northern Ireland parties and the Irish Government. I am encouraged that there remains a strong willingness to continue engaging in dialogue with a view to resolving outstanding issues and forming an Executive, and that must absolutely remain the priority. However, the window of opportunity is short. It is essential, therefore, that the intensity of discussions is stepped up with renewed intent and focus. A positive outcome remains possible.

To that end, I will, over the coming days, continue to work closely with the Northern Ireland parties and the Irish Government as appropriate, and I will need to keep the situation under close review. If those talks are successful, it would be my intention, quickly, to bring forward legislation after the Easter recess to allow an Executive to be formed, avoiding a second Assembly election for which I detect little public appetite.

I am also determined to take forward the legacy bodies in the Stormont House agreement in accordance with our manifesto commitments, and I will be involving a range of interested parties, including the Victims’ Commissioner. In the absence of devolved government, it is ultimately for the United Kingdom Government to provide for political stability and good governance. We do not want to see a return to direct rule. Our manifesto at the last election stated that “local policies and services should be determined by locally elected politicians through locally accountable institutions.”

Should the talks not succeed in their objectives, the Government will have to consider all options. I therefore want to give the House notice that, following the Easter recess, as a minimum it would be my intention to bring forward legislation to set a regional rate to enable local councils to carry out their functions and to provide further assurance around the budget for Northern Ireland.

It is vital that devolved government—and all the institutions under the successive agreements—is returned to Northern Ireland as soon as possible, and the Government’s unrelenting focus is on achieving that objective. Northern Ireland needs strong devolved government to deliver for teachers, doctors and nurses, businesses, industry and the wider community and to ensure that it plays a full role in the affairs of our United Kingdom, while retaining its strong relationship with Ireland. It must continue the work of the past two decades to build a stronger, peaceful and prosperous future for all. That needs to be the focus of everyone as we approach the crucial next few days and weeks. I commend this statement to the House.

12.43 pm

Mr David Anderson (Blaydon) (Lab): I would like to take this opportunity to send my condolences to the family of PC Keith Palmer, who gave his life in the protection of all who work in this building.

I thank the Secretary of State for advance notice of his statement. Things have changed dramatically since he last gave a statement to this House and called an election. The result of that election reflects the real worry on the ground that the political institutions—not just at Stormont, but at Westminster and the Dáil—have not delivered in the way the public expect. We need a significant change in direction that includes both
Governments as well as the parties on the ground. The Irish Government must have more direct engagement. They are not just interested observers, but the co-guarantors of an internationally endorsed agreement that brought to an end the sad episode in the story of these islands. We need direct and continuing intervention from representatives of the Irish Government.

This House must end the hands-off, “Let them get on with it”, “It’s all done and dusted” attitude that prevailed under the Cameron-led Governments. We need the Prime Minister to show greater leadership and encouragement in the process, and to show all in Northern Ireland that the Government want to make this work. The people of Northern Ireland have spoken, and they have said very clearly that there are no longer any minorities in the place that they call home. They want to be treated fairly and equitably. They demand that we—the political classes—get our act together now, and move forward on things pledged to them many years ago. Failure to do so is fraught with danger.

As the Secretary of State said, the budget has not been signed off, and that could soon start to have an impact on the day-to-day lives of businesses and the general public. It is not fair to expect the Northern Ireland Office to run Northern Ireland again. Brexit negotiations in Northern Ireland are the most sensitive of all parts of the United Kingdom. Michel Barnier, the European Commission’s lead negotiator, has identified the implications for the peace process as one of the three main priorities for him entering these negotiations, but we do not even have properly elected spokespeople attending the talks under the Joint Ministerial Committee.

In the background to all this is the worry that any vacuum could be filled by those who prefer the bullet to the ballot box. We all have a stake in this process. We cannot turn our backs on the situation, as many advocated through the dark days of the 1970s and 1980s. Our collective future is at stake, and nothing should get in the way. The parties on the ground need to take a long, hard look at themselves, and stop saying, “This is what we want”—no matter how legitimate they believe those demands to be—and start saying, “What can we give to move forwards?” It is not easy, but it is the only chance we have to resolve this.

I have not even mentioned the farce that was the final straw in Northern Ireland: the debacle of the renewable heat initiative. Will the Secretary of State look at whether the financial burden placed on the people of Northern Ireland by this failure is limited and reasonable? None of us envies him, or the job he faces. We all want this to succeed and we should use all avenues to reach that goal. To that end, I have some questions. Will the Secretary of State consider whether external support would help to reach an agreement? History tells us that this is sometimes necessary. I can assure him that recent talks with good friends of the peace process from the USA show that they remain ready to help at any time. Will he ensure that the Irish Government have hands-on involvement in the talks, and that the Prime Minister is fully engaged in the process? History has shown us the real difference that that can make. Will he ensure that, unlike so far, multilateral all-party talks are set up as soon as possible in the coming days?

I said earlier that no one wants this to fail, and that is especially true of my party. We have a great deal invested in this process and we do not want it to collapse. Hopefully, we can all use all our efforts to reach a deal as soon as possible. This process has to be built on partnership, genuine compromise and consensus if we are to build up and hold that confidence not just in the institutions, but, much more importantly, across the whole the population of Northern Ireland. That cannot be done unless politicians on all sides are prepared to move from their entrenched positions.

This is not just abstract debate for me. For the 12 years from 1993, I had the great privilege to represent 30,000 public sector workers in Northern Ireland. Many had spent years clearing up the fallout of the actions of failed politicians and terrorists: the ambulance personnel ignoring the risks to their lives to save the lives of others; the nurses dealing with the mutilated, traumatised and dying; the porters dealing, at the sharp end, with the follow-through from yet another sectarian shooting; the social workers dealing with the bereaved, those suffering from addiction and those who were simply lost; the housing officers trying desperately to find homes for those who were burned or bombed out simply because of their religion; and the community workers trying to convince young men and women facing a life on the dole that putting on a balaclava and picking up a gun was not the way forward. It is these people and their kids who we are letting down. Every time we say, “No”, “We can’t” or “We won’t”, we betray the trust they put in us that we had put all that behind us. These people did their duty. It is time for us all to do ours.

James Brokenshire: I am grateful to the hon. Gentleman for his clear comments on what is at stake. Yes, this is about those very individuals he spoke to in the last part of his contribution—those in the health service and in education—and the progress in Northern Ireland that we have seen in such a positive and constructive way. We all have that shared determination and commitment to ensure that that progress continues, and that young people growing up in Northern Ireland can look to that future with a strong, positive intent of fulfilling their dreams, ambitions, aspirations and hopes. We can all agree on that message as we look to the days ahead.

The hon. Gentleman asked a number of questions on the process, but I should tell him that there is no hands-off role for the Government in relation to Northern Ireland. We take our responsibilities very seriously in relation to political stability and governance, and, fundamentally, to that sense of devolved government serving the people of Northern Ireland. That is profoundly what we want to be restored at the earliest opportunity.

On the various different roles of people and organisations, I can say to the hon. Gentleman that the Irish Government have been actively involved over the last days. I pay tribute to the work of Charlie Flanagan, the Irish Foreign Minister, who has worked alongside me, consistent with the three-stranded approach that governs these discussions and the framework. He has played an extremely important part, and has underlined the Irish Government’s continued support for the restoration of the devolved Administration, and for the broader institutions set out in the Belfast agreement and its successors functioning effectively and properly—the devolved Government sit at the heart of seeing that structure fulfilling its intent.

The Prime Minister has been fully engaged in the process and remains so. She has had a number of conversations with the Taoiseach. I have kept her very
closely informed and she has very much been there, understanding the need to see progress and supporting the process. She will continue to do so.

The hon. Gentleman highlighted the issue of others providing support. The important thing to recognise is that, fundamentally, this is about the parties themselves coming together and devolved elements of agreement. Therefore, the scope for what outside partners can support and achieve is limited. It is important in that context to consider the issues, and how best we can find that way forward and that positive outcome.

Yes, we are considering the intensification and the strengthening of the process, working with the parties. I will continue to discuss that with the parties in the immediate hours and days ahead to ensure that we have the process in place to get the positive outcome that they have said they want—they want that return to devolved government, and they want an Executive performing for the people of Northern Ireland. We need to support and galvanise them in that work and give them all assistance to achieve that outcome. That is what the House would endorse, and that is the work that the Government intend to bring about.

Several hon. Members rose—

Mr Speaker: Order. In an attempt to accommodate the extensive interest in this subject, I appeal to colleagues to ask brief questions without long preamble, and to the Secretary of State to offer us characteristically pithy replies.

Mr Laurence Robertson (Tewkesbury) (Con): I thank the Secretary of State for supplying an advance copy of his statement, and for engaging with me as Chair of the Northern Ireland Affairs Committee regularly during the process.

When people turned out to vote in greater numbers, they expected politicians and not civil servants to run affairs in Northern Ireland. Given the way we are going, could those people be forgiven for becoming disillusioned with the whole process of devolution if we are not careful? Should we not therefore remind all the parties in Northern Ireland that power sharing means working together and devolved elements of agreement. There needs to be support and galvanise them in that work and give them all assistance to achieve that outcome. That is what the House would endorse, and that is the work that the Government intend to bring about.

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James Brokenshire: I absolutely agree, and I recognise and commend my right hon. Friend for the contribution she has made in that process. Yes, there are issues of legacy and identity, which have been hugely challenging over so many years, but I strongly discern that the will and commitment are there to find the way forward. As she rightly said, that would have such an impact on generations to come.

Mr Nigel Dodds (Belfast North) (DUP): Yesterday, the Democratic Unionist party was at Stormont, ready and willing, along with other parties, to set up the Executive. Neither during the election, previously nor now have we set preconditions or set down red lines. We made the Executive work until November, and we are determined to continue to try to make devolution work, because we need a budget and functioning devolution. When Sinn Féin walked away and collapsed the Executive in January, it left us without that budget and a functioning Executive at a very challenging time. It did the same yesterday. While we are determined to create the conditions for devolution and we want to make it work in partnership with Sinn Féin and others, we need a willing partner that will work realistically within the parameters of a Northern Ireland with devolved government, within the United Kingdom but within the institutions as agreed, and with Brexit a reality. Some of us fear that Sinn Féin has now decided that the time for devolution is over and that it is moving on to a different phase, where its main ambitions lie southwards.

James Brokenshire: I welcome the statement the right hon. Gentleman has just made of his party’s commitment to continue to engage and work to see devolved government get back on its feet, and that is an important point to underline as we look to the days ahead. Yes, there is a real challenge with the budget, and that is why I made the comments that I did in my statement. We need to continue the dialogue to give effect to what the right hon. Gentleman has said, and I would certainly encourage him to maintain that focus and that progress. A positive outcome is absolutely attainable, and we all feel a duty to ensure that we reach that positive outcome and create an Executive that deliver for the people of Northern Ireland.

Mr Owen Paterson (North Shropshire) (Con): I thank my right hon. Friend for his measured and balanced statement and for the manner in which he has conducted the negotiations so far—we all know this is not easy. He is absolutely right to say that the vast majority of people in Northern Ireland, and the vast majority of Members of this House, want to see these institutions up and running and the Executive formed from the elected Members. Does he agree that one measure that could put pressure on the parties to come back to the talks and that might crystallise minds would be to make it clear that, should the elected Members not form the Executive after a lengthy period of negotiation, their salaries and expenses will not be paid from the public purse?

James Brokenshire: I welcome my right hon. Friend’s contribution and his work. We will be keeping all options under consideration, but the focus has to be on looking to the positive—looking to the outcome that sees parties coming together and getting devolved government back on its feet at the earliest opportunity, because that is what people voted for.

Mr Alistair Carmichael (Orkney and Shetland) (LD): I share the frustration at the lack of progress in forming an Administration, but, as my noble Friend Lord Alderdice has observed, the absence of an Administration should not be a barrier to having a functioning Assembly, which is more important now than ever. If the renewable heat incentive issue remains a barrier to progress, will the Secretary of State use his best offices to ensure that Judge Coghlin’s inquiry comes to the earliest possible conclusion and that we do not have to wait six months to see its outcome?

James Brokenshire: As the right hon. Gentleman will know, the RHI inquiry is now up and running and starting to take effect, and everyone wants to see the answers and conclusions from it at the earliest opportunity. It obviously crystallises a lot of the situation we find ourselves in at the moment, and it is important that it reports as soon as possible. Obviously, public inquiries set their own timeline, procedures and processes, but the right hon. Gentleman powerfully makes his point about the need to see the inquiry’s conclusions and to ensure we move things on and are demonstrably seen to do so.

Bob Stewart (Beckenham) (Con): Because of its bloody recent history, Northern Ireland has earned the absolute right to have a decent future. Does my right hon. Friend agree that a solution to the current impasse is crucial to the economic and social, as well as the political, welfare of the children of Northern Ireland, most, if not all, of whom never knew the dark days of the last third of the 20th century?

James Brokenshire: Yes, I do agree on the positive outcome we should be looking for for young people growing up in Northern Ireland at the moment. That is what the Government should be delivering on—fulfilling those young people’s hopes, dreams and aspirations. We have seen increases in employment and prosperity in Northern Ireland, and that is at the heart of what everyone would want to see continuing.

Dr Alasdair McDonnell (Belfast South) (SDLP): I thank the Secretary of State for his statement. He says progress was made on how the parties might come together to represent Northern Ireland in negotiations to leave the EU. Does he accept that the impact on Northern Ireland of leaving the EU was a key issue in creating instability and in the election but a peripheral issue in the talks, and it must be addressed directly and urgently? Can he tell us exactly what progress was made in the talks, and where progress sits today? Will he immediately convene the first roundtable talks—my understanding is that there has not been a roundtable of all the parties—to establish a common approach and a strategy for Northern Ireland, as many of us see the country plunging over the cliff of sanity on the European issue?

James Brokenshire: I do not agree with the hon. Gentleman’s assessment in relation to the European Union and the steps that lie ahead. Again, I underline my sense of continued engagement and focus in ensuring
that the voice of Northern Ireland continues to be heard and helps to shape the best possible outcome for Northern Ireland as we look to our departure from the EU. The hon. Gentleman speaks about the process moving forward, and I can assure him of the focus on intensification and on seeing that we get a more inclusive approach to the talks ahead, because that will provide the strongest possible foundations in getting that positive outcome and getting the Executive back on their feet again.

Maria Caulfield (Lewes) (Con): With article 50 to be triggered in the next 24 hours, and the impact of that on Northern Ireland being quite significant, will the Secretary of State outline what representations have been made on behalf of Northern Ireland at the Joint Ministerial Council so that the people of Northern Ireland are not left behind in the Brexit negotiations?

James Brokenshire: My hon. Friend properly highlights the role the Executive have played to date, and I would again point to the joint letter signed by the then First and Deputy First Ministers about the priorities for Northern Ireland, which has helped to shape our response and thoughts on this issue. Yes, there are significant issues in respect of the border, and there are other issues, such as the single electricity market and agrifoods. There is a range of issues that the Executive have underlined, and those have been very much in our thoughts as we prepare for the days ahead.

Vernon Coaker (Gedling) (Lab): How will the talks to come be different from the talks we have had so far? What fresh initiatives is the Secretary of State proposing, and will one of them be to get the Prime Minister to Belfast as soon as possible and to involve the Taoiseach as well?

James Brokenshire: I outlined the fact that the Prime Minister and the Taoiseach have been involved in this process. The two have mandated Charlie Flanagan and me to lead the work on their behalf. When we look at the issues that are relevant to the parties coming together in that devolved space, we see it is about how we support them to get a positive outcome. I have already spoken about the intensification and the inclusive nature of the talks, and that is precisely the approach I will be taking alongside the Irish Government and Charlie Flanagan, the Irish Foreign Minister, to achieve that outcome. The Government have the absolute intent to do all we can to get devolved government back on its feet again, and we will do our utmost to achieve that which can be done.

James Cleverly (Braintree) (Con): Will my right hon. Friend give a commitment to ignore the siren song we are hearing from the Opposition about dragging the Prime Minister to Northern Ireland? It would be perverse, would it not, to reward intransigence on the part of some political parties in Northern Ireland by having the Prime Minister pulled across to the Province on a tight leash?

James Brokenshire: It is important that we keep focused on the issues at hand, which are about the parties coming together and finding a resolution to the issues that sit very firmly within the devolved space, and the work that we can do as the UK Government to support them alongside, appropriately, the Irish Government too. That remains our absolute focus. I believe that a positive outcome can be achieved with good will and with good spirit, and that is the environment we are determined to secure.

Danny Kinahan (South Antrim) (UUP): It is good to hear the Secretary of State speaking of an inclusive devolved Government. However, since the St Andrews agreement we have had a bit for one side, a bit for the other, and it has been polarisation all the way through. We need to go back to the spirit of the Belfast agreement whereby people worked together to find the way forward on health and education. Will he look at a new way forward that gets all of us working together on a voluntary foundation—something different from doing the same thing again and again?

James Brokenshire: I know that the hon. Gentleman has raised on a number of occasions this point about the nature of the devolved settlement and the legal structures that are in place. There may well be the scenario, in due time, to have that wider debate, but at the moment we are about the here and now—about getting the devolved Government back up on their feet again and seeing parties engaging in such a way that an Executive can be formed under the current structure. That needs to be where our focus lies.

Sir Julian Brazier (Canterbury) (Con): In supporting and sharing the vision that my right hon. Friend so passionately advocates, may I bring him back to the previous question and suggest that if intransigence continues for long enough, there may come a point for some fresh thinking, and that local government in Northern Ireland, to which he briefly alluded at the end of his statement, might play a larger role?

James Brokenshire: My hon. Friend raises an interesting point about the role of local government, which has continued to make progress and is fulfilling its emerging responsibilities. I am sure that over time that should be encouraged further. However, it is now about getting the Executive in place to be able to support this work, and that is where all our efforts must lie in the short term.

Ms Margaret Ritchie (South Down) (SDLP): Political engagement, power sharing and partnership government, working on an all-Ireland basis, are vital for the future of Northern Ireland in order to deal with the issues presented to us by Brexit. What steps are being taken to secure the presence of the Prime Minister and the Taoiseach at such talks? What is the format and timescale for such talks, which will hopefully break the logjam and bring people together in a spirit of power-sharing government?

James Brokenshire: The hon. Lady is talking about Brexit and the EU. There have been discussions between the Taoiseach and the Prime Minister in relation to those very issues, recognising that Brexit will have an impact across the island of Ireland. We can point to various different areas where we have shared commitments with the Irish Government in that regard. This is about
getting the parties back around the table and looking at ways of bridging the gaps. We are determined to support that in every way we can to get a positive response.

Nigel Mills (Amber Valley) (Con): Can the Secretary of State confirm that the solution to this latest impasse is not more money from Westminster?

James Brokenshire: I would point to the fact that in the last Budget the Chancellor announced an extra £120 million for Northern Ireland's priorities, and obviously we will want to see an Executive in place to be able to use that money effectively.

Mr Ivan Lewis (Bury South) (Lab): Does the Secretary of State agree that the people of Northern Ireland deserve better from their political leaders? The institutions have teetered on the brink for years, and now they have collapsed. The formula to prevent that from happening was clear: it was for the Prime Minister of the United Kingdom, the Taoiseach and representatives of the United States Administration to work hand in glove with Northern Ireland's politicians to prevent the collapse of these institutions. Why does the Secretary of State not understand that he alone does not have the necessary authority to resolve these issues?

James Brokenshire: I simply do not accept the hon. Gentleman's analysis. Again, I underline the issues that are at stake in relation to the parties and the devolved elements. I can assure him of the seriousness and significance that we attach to the position we now find ourselves in, with the whole issue of getting devolved government back on its feet and delivering for the people of Northern Ireland—all the things that so many have mentioned in this Chamber this afternoon about the future and what that means for real people and for public services. It is therefore with renewed intent that we approach the short period ahead in order to get the consensus and build the bridges that need to be built to get a positive outcome. That is the resolve that this Government have shown and will continue to show to deliver for Northern Ireland.

Mr Andrew Turner (Isle of Wight) (Con): Does my right hon. Friend agree that England, Wales and Scotland have limits on expenditure for political purposes but that there are little or none for Northern Ireland? Could these limits be extended to Northern Ireland?

James Brokenshire: I am sure that we can look to a range of measures for elections. One of the issues is having greater transparency in political donations—something that has been at the forefront of some of the discussions that have taken place over the past three weeks. I earnestly want to see progress made in that regard.

Sir Jeffrey M. Donaldson (Lagan Valley) (DUP): As a party, we have found the Prime Minister to be very engaged in this progress. I do not know what others are complaining about. I welcome the Secretary of State's commitment on legacy, but it is essential that he does not take a partial approach. We do not want to see money given over for legacy inquests and no progress made on the historical investigations unit. If that happens, we will withdraw our support for his proposals.

James Brokenshire: It is important that we deliver for all victims. That has been the consistent approach of this Government in wanting to see, yes, reform of legacy inquests, but also progress made on establishing the Stormont House institutions, because there are families, survivors and victims who are still living this, day in, day out, and we have a duty to them to have a comprehensive approach that provides a way forward for all of them. That earnestly remains my intent.

Craig Whittaker (Calder Valley) (Con): My right hon. Friend has already said several times that there is very little appetite on the doorstep for another election so soon after the last one. Will he therefore explain to the residents of Northern Ireland what other tools in his arsenal he may be considering to get agreement without the need to call a second election?

James Brokenshire: As I indicated in my statement, we are obviously focused on getting a positive outcome through a renewed talks process and legislating as necessary to enable an Executive to be put in place. As I have already said, I will keep all options under consideration, and therefore how we address some of the immediate short-term issues in relation to the budget and the regional rate is at the forefront of my mind.

Mr David Hanson (Delyn) (Lab): As one of the last direct rule Ministers for Northern Ireland, may I remind the Secretary of State that managing five Departments from Westminster is not a good form of government? History shows that when the Prime Minister and the Taoiseach engage with matters of crisis—when they clear their diaries and spend four or five days engaged with those issues—crises are solved. Will he reflect on that as he determines not to have direct rule?

James Brokenshire: As I have already indicated, the Prime Minister and the Taoiseach are actively involved. I share the right hon. Gentleman's view of direct rule. We do not want to contemplate this, because I see it as a step backwards, not a step forward. That is why we must all redouble our efforts to get the positive outcome, get the agreement between the parties, and see an Executive formed.

David Rutley (Macclesfield) (Con): What processes have been put in place with the head of the Northern Ireland civil service to ensure that local public services have the funding that they need in the weeks ahead?

James Brokenshire: We have been working very closely with the head of the Northern Ireland civil service, Sir Malcolm McKibbin, as he works with his own Departments to ensure that the appropriate resources are in place. As I indicated in my statement, the reserve statutory provisions will be used to ensure that Departments have the money to maintain public services, but that can only be in place for a relatively short period, and the need to have political direction in place to set the priorities remains urgent. That is why the work ahead is such a significant priority for all of us.

Lady Hermon (North Down) (Ind): Sitting as an independent Member, I am a very interested participant in, and bystander to, these talks. From my experience of past negotiations, I think it could be really important,
at this crucial stage, for the Government to try to change the dynamics of the talks. There is no point in heading into them with the same repeated arguments.

Will the Secretary of State give serious consideration to bringing back to Northern Ireland a senior American diplomat, who is well known to all the parties, so that she can chair the talks? Her name is Barbara Stephenson. I have not spoken to her about this—she is being volunteered without her knowledge—but it strikes me that she was the American consul in Belfast for a long time, and she is well known to the parties and highly regarded in Northern Ireland.

**James Brokenshire:** I have met Barbara Stephenson. The issues in question relate primarily to strand 1 of the Good Friday agreement structure. In previous discussions and talks, outside parties have never been directly engaged in those strand 1 issues. Although obviously we will maintain contact with all interested parties, that is where the focus lies and where the UK Government have primacy and priority. Of course we will engage in all sorts of different ways, but this is about how we build bridges between the parties. I look forward to discussing some of the issues with the hon. Lady, perhaps outside the House, where she may be able to share more of her thoughts.

**Robert Jenrick** (Newark) (Con): Does my right hon. Friend agree that the lasting image of the funeral of Martin McGuinness was that of Arlene Foster in a Roman Catholic church, with a coffin draped in the flag of the Republic, paying tribute to the body of the leader of the IRA who had attempted to kill her father? Will my right hon. Friend urge all parties in Northern Ireland to show similar acts of bravery—personal bravery—to restart the peace process?

**James Brokenshire:** That event was a powerful way for so many people to demonstrate a sense of reaching out and the need for all of us to reflect on some of the bigger issues at stake in Northern Ireland. Equally, Sinn Féin has shown symbolism in different ways over the years, too. Looking at the bigger picture and to the future—the shared, inclusive future—of Northern Ireland is at the heart of the solution. I hope that that spirit will be maintained and strengthened in the days ahead, such that we are able to get a positive conclusion.

**Conor McGinn** (St Helens North) (Lab): Opposition Members only ever want to support the Government in their efforts to bring a resolution to these matters. In that spirit I gently say to the Secretary of State that the perceived laissez-faire approach of the Prime Minister does him no favours. The Prime Minister was in Wales last week and in Scotland this week. She should go to Northern Ireland with the Taoiseach, convene these talks and find a resolution sooner rather than later.

**James Brokenshire:** I respect the way in which the hon. Gentleman made his point, but I do not accept his characterisation of a laissez-faire approach. The Prime Minister and the Taoiseach have been actively engaged in this and will continue to be so. As a Government we will do all we can to get the positive outcome that I know the hon. Gentleman earnestly wants to see, in the best interests of Northern Ireland.

**Kevin Foster** (Torbay) (Con): I am sure that the Secretary of State shares my view that if the solution needed were as simplistic as the Prime Minister getting on a plane, that would already have happened. Will he reassure me that what we will not allow is for one party, in particular Sinn Féin, to use elements of the UK security forces and historical inquiries as bargaining chips and hold them hostage in the negotiation process?

**James Brokenshire:** As a Government we have a primary responsibility in relation to national security, and that is a responsibility that I feel very keenly. We need to achieve a way forward for the investigations of the past. We have made comprehensive proposals that I want to see emerging into a broader public debate. That is my earnest intention and I believe it can be achieved in the weeks ahead.

**Sammy Wilson** (East Antrim) (DUP): Will the Secretary of State confirm that Sinn Féin’s refusal to accept his legitimate role in these negotiations has led to a protracted process; that its refusal to have roundtable meetings with all the parties has meant that only its agenda is being pursued; and that its demand that, when dealing with the past, the focus should be on the security forces, rather than on the murders for which it has been responsible in Northern Ireland, illustrates that it had no intention of reaching an agreement or coming to any compromise? It simply wishes to pursue its own agenda, to the cost of people in Northern Ireland, who are being denied devolution.

**James Brokenshire:** I am clear that we need a fair, balanced, proportionate and comprehensive approach to those issues of the past, and I think that the Stormont House agreement allows us to find the way to achieve that, as well as other reforms. I have spoken about that to the Victims’ Commissioner and others over many weeks, and we will continue to re-energise that process. What we need is that intensification of the talks, that sense of good will and a real intent to see devolved government back up on its feet again. All the parties have publicly stated their intent to seek that outcome, and we must do all that we can to create the environment where that can succeed and where we can get the inclusive, devolved Government that will serve the people of Northern Ireland and for which they voted.

**Margaret Ferrier** (Rutherglen and Hamilton West) (SNP): We all want a bright future for Northern Ireland, and I wish all parties well in the continuing talks to achieve a fully functioning Executive. Can more be done to ensure that there is representation for Northern Ireland in the Brexit process, given the current circumstances?

**James Brokenshire:** The obvious answer is that we can achieve that by getting an Executive in place who can advocate for Northern Ireland and ensure that its voice is heard not only by the UK Government, but in Europe directly. I will continue to do my work by going out into communities, listening to business, to the community and to the voluntary sector, and doing my absolute utmost to ensure that, in my role and responsibilities, we get the best possible outcome for Northern Ireland in the Brexit talks ahead. I certainly believe that that is eminently achievable, and that is the work that I will continue to do.
Owen Smith (Pontypridd) (Lab): I was a special adviser to the last Labour Government when direct rule was last introduced, and it took us four years to try to resolve that. The Secretary of State has said that he wants to intensify the talks, but he has failed to tell the House what he means by that. History shows that the engagement of the Taoiseach and the Prime Minister is the way to intensify those talks and bring about resolution. Will he explain why the Government are so resistant to taking that step?

James Brokenshire: The Government are focused on getting the best outcome from this, which is the return of devolved government. The hon. Gentleman makes his point powerfully about issues and risks relating to direct rule, which is why I have already said that they are profoundly not what we want to see, but obviously we are keeping all options under review. There is a sense of the work that the parties themselves can do. The two Governments can play a part in that, which is what Charlie Flanagan, the Irish Foreign Minister, and I have been doing. We will continue to play an intensive part, but as I said in my statement, we need to move to a new phase and see the work of the parties come together in a more inclusive way. I have been talking to the parties already as to how we achieve that, and we will see that progress in the days ahead.

David Simpson (Upper Bann) (DUP): Legacy has been mentioned, as has history, but will the Secretary of State confirm that he will stand firm on the attempts by republicans to rewrite the past and the history of Northern Ireland?

James Brokenshire: It is important that we get a fair, balanced, proportionate and equitable outcome from the systems that we put in place, and that we recognise what happened in the past. That is why we proposed the setting up of, for example, an oral history archive, for people to be able to give their testimony and share their experiences. It is through that comprehensive approach that I believe progress will be made and that Northern Ireland will look to its future rather than its past.

Mike Kane (Wythenshawe and Sale East) (Lab): As someone who grew up on the Leitrim-Fermanagh border for large periods during the 1970s and ’80s, I worry that a generation is growing up who have forgotten what political violence and a hard border look like. Most change has come about when Prime Ministers have invested sufficient political capital in the process, but we have not seen any Prime Minister do that since Major and Blair. We need to get the Prime Minister over there as soon as possible to negotiate with all the parties.

James Brokenshire: I simply do not accept the hon. Gentleman’s analysis or the approach that he advocates. The Prime Minister has been, and will continue to be, actively engaged in the process. The UK and Irish Governments feel that they have a shared responsibility on the matter, and that informs our approach. We desire to see a devolved Government back up on their feet again, delivering for Northern Ireland, because that is what people want. It is our absolute intention to ensure that that is brought about.

Mark Durkan (Foyle) (SDLP): Notwithstanding your stress on the constraints of brevity, Mr Speaker, I want to take this opportunity, as MP for Foyle, to pay proper tribute to the late Martin McGuinness, with whom and against whom I worked for well over three decades in all sorts of contexts and roles. As his predecessor as Deputy First Minister, as a former colleague in the Government and as a counterpart in the negotiations, I would say that he was someone who went from opposing the very concept of the institutions in which he went on to serve to demonstrating a remarkable capacity for outreach and acknowledgment using those shared offices. He proved not just his own better character, in the democratic context, but the transformative value of the institutions that we are talking about.

The Secretary of State has indicated that legislation may be introduced after the Easter recess. Is he deliberately precluding the possibility of such legislation rectifying the defects in how the First and Deputy First Ministers are appointed—that process no longer conforms to what was laid down in the Good Friday agreement—or, indeed, rectifying the problems with the petition of concern, which has never operated consistently with what was laid down in paragraphs 11 to 13 of the Good Friday Agreement?

James Brokenshire: Questions about governance have formed part of the talks that have taken place over recent weeks. The hon. Gentleman highlights the petition of concern, and other issues were also discussed. With the legislation, my focus is on serving the people of Northern Ireland, where public services are challenged as a consequence of the budgetary issues that they face. I intend to deal with that in the legislation that will have to be introduced after the Easter recess. Fundamentally, this is about ensuring that the parties achieve an agreement, and the legislation will give us the opportunity to effect any legislative changes that may flow from the requirements of that agreement. That is why we need to use the few short weeks ahead to get an agreement such that an Executive can be returned to Northern Ireland, to deliver for the people of Northern Ireland.

Bridget Phillipson (Houghton and Sunderland South) (Lab): The Secretary of State talks of a new phase, yet he appears very reluctant to consider a more direct and active role for the Prime Minister in moving things to a conclusion. Will he set out why there is such reluctance to involve the Prime Minister and the Taoiseach directly in the talks to try to bring things to a conclusion? Surely, their involvement would make agreement more likely.

James Brokenshire: Dealing with the current situation is a question of resolving the outstanding obstacles that have led to this impasse. Ultimately, the two parties need to come together to achieve the outcome that we all earnestly want to see, and I do not believe that the escalation that the hon. Lady suggests is the appropriate way to achieve that. We will continue to keep matters under review, but there are other ways in which we can provide intensification and encourage an inclusive approach. That is why I will continue to hold discussions with the parties and support them to bring that about.

Jim Shannon (Strangford) (DUP): I commend the Secretary of State for his strength of character and his leadership in the talks. Sinn Féin’s irresponsible actions have left Northern Ireland without an agreed budget, and staff of Departments and the Northern Ireland Assembly are in a precarious predicament when it comes
to job security. There are also concerns in the community and voluntary sectors. If Sinn Féin continues to block the formation of the Executive, will the Secretary of State undertake to consult closely Members of this House who attend and participate in the Assembly about such decisions, and will he ensure that adequate funding is in place to deliver for the people of Northern Ireland?

James Brokenshire: I earnestly want to see a positive outcome from the current situation—the return of an inclusive devolved Executive, in which the principal parties deliver for Northern Ireland. I still believe that that outcome can be achieved but, as I indicated in my statement, the UK Government take their responsibility for governance and political stability hugely seriously. We will take all necessary actions, and we will continue to consult colleagues here and elsewhere about how that work is taken forward.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): Attention has rightly been focused on the attacks in Westminster last Wednesday, but Members of the House will not forget the fact that police officers could have been murdered in Strabane; nor will they forget the attack and murder in Carrickfergus in recent weeks. What plans does the Secretary of State have to ensure that funding for the Police Service of Northern Ireland continues, whatever the outcome of the negotiations between the different parties in Northern Ireland?

James Brokenshire: The UK Government have committed additional funding, over and above the core funding provided to the PSNI from the Executive, in respect of national security and combating terrorism. The hon. Gentleman underlines the real challenges and risks that officers from the PSNI have faced over recent weeks and years in doing their duty to serve the public and provide safety and security. Events here have brought into stark focus the risks, challenges and personal issues involved, and I commend the security service and all agencies that do their utmost—sometimes quietly and sometimes out of sight—to deliver safety and security for the public in Great Britain and Northern Ireland.

Gavin Robinson (Belfast East) (DUP): Sinn Féin selfishly brought down the Executive for Northern Ireland at the start of the year, and on Sunday it selfishly blocked the restoration of the Executive, but the consequences of and penalty for that decision rest on the shoulders of everyone in Northern Ireland. Will the Secretary of State confirm that, in looking at all the options open to him, he will consider proceeding with a voluntary coalition of the willing in Northern Ireland?

James Brokenshire: I still earnestly believe that an agreement between the parties can be achieved, and we must approach the days ahead with the intention of securing that positive outcome. The important thing is to build bridges and enable the DUP and Sinn Féin to create an Executive, and the UK Government approach the days ahead with that earnest endeavour and intent.

As I indicated in my statement, I feel very keenly our responsibility to serve the people of Northern Ireland and to ensure that they have public services that deliver for them. That underlying intent is firmly in my mind and it is why I believe that legislation will be necessary after the Easter recess to secure that outcome for the people of Northern Ireland.
Personal Independence Payments: Regulations

Application for emergency debate (Standing Order No. 24)

Mr Speaker: I now call Debbie Abrahams to make an application for leave to propose a debate on a specific and important matter that should have urgent consideration under the terms of Standing Order No. 24. The hon. Lady has up to three minutes.

1.38 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): I seek leave to propose that the House debate a specific and important matter that should have urgent consideration, namely, changes to personal independence payment regulations. As you are aware, Mr Speaker, on 23 February the Government issued new regulations to change the way in which disabled people or people with a chronic mental health condition would be assessed for eligibility for personal independence payments.

The Government’s own analysis estimates that the change will affect more than 160,000 people, the majority of whom have mental health conditions, who will not be able to access the full support that they would have been entitled to under the tribunals’ rulings—an effective cut of £3.7 billion. The regulations were laid before the House without any consultation with the Social Security Advisory Committee and, despite repeated efforts, without any debate in this Chamber.

In a letter to me dated 24 March 2017, the Secretary of State wrote that his Department became aware of the decision by the upper tribunal on 8 December, a whole two and a half months before the Government laid their emergency legislation before the House. The move to undermine and subvert independent tribunal judgments is unprecedented, and in my view marks very troubling behaviour by the Government on cases they lose that could weaken such social security tribunal judgments’ reach, influence and effectiveness in making independent decisions.

Since 8 December, the Social Security Advisory Committee and Parliament could have properly scrutinised any proposed changes. Instead, although the Leader of the House has belatedly committed to a debate at a date still to be determined, the Government have deliberately chosen not to have a debate before the 40-day praying against period comes to an end on 3 April. According to advice received from the Journal Office, if the regulations are not debated and voted on before 3 April, they will not automatically be revoked should the House vote against them. By delaying the debate, the Government are hoping that the objections to the regulations will be kicked into the long grass.

It is highly unusual for such a fundamental change to be introduced by a statutory instrument under the negative procedure in this way, bypassing debate and scrutiny in this House. This is a troubling subversion of democracy under this Government. Yesterday, the other place passed a regret motion, tabled by my noble Friend Baroness Sherlock, asking the Government to reconsider the regulations urgently. However, this elected House of Commons has not had the opportunity to do so, and I therefore believe that we owe it to those who will be affected, primarily people with mental health conditions, to hold this Government to account.

Mr Speaker: I have listened carefully to the application from the hon. Lady, and I am satisfied that the matter raised by her is proper to be discussed under Standing Order No. 24. Does the hon. Lady have the leave of the House?

Application agreed to.

Several hon. Members rose—

Mr Speaker: I am most grateful to hon. Members for their voluntary stand-up, but it is in fact superfluous. That is required only in the event of indications of opposition, but the position is extremely clear: the hon. Lady has obtained the leave of the House.

The debate will be held tomorrow, Wednesday 29 March, as the first item of public business. The debate will last for 90 minutes, and will arise on a motion that the House has considered the specified matter set out in the hon. Lady’s application.
Family Justice

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

1.42 pm

Suella Fernandes ( Fareham) (Con): I beg to move,

That leave be given to bring in a Bill to make provision for the enforcement of Child Arrangement Orders, including times within which enforcement action must take place; to establish a presumption in favour of shared parenting under Child Arrangement Orders; and to make provision for a commission to review and make recommendations on the operation of family justice; and for connected purposes.

David and Sally separated after 10 years of marriage in September 2014. They had two children, aged eight and five at the time. David was a good father, who did not want to stop being a dad just because his marriage had ended. However, nearly three years later, with more than £200,000 paid in legal fees, David is still fighting through the complex and bureaucratic family courts to see his children eight nights a month, instead of the six nights originally offered by Sally. Sadly, this is not a fictional story. It is one of the many sad cases of high-conflict divorces. Family breakdown is painful for all involved, and it is the state’s duty to support those going through this difficult experience. However, as in the case of David and Sally, not only have those two extra nights per month been financially and emotionally expensive for them, but on several occasions Sally has unlawfully stopped the children seeing David, breaking the court order and undermining the father-child relationship.

Child arrangement orders are made by the court to regulate the contact and residence of children on divorce. In the majority of divorces, the orders are complied with, but in many cases a defaulting parent—that may be the mother or the father—can generally act with impunity. The courts are slow to respond and reluctant to penalise, sending the damaging message that court orders are optional, not mandatory; that the relationship with the non-resident parent is meaningless, rather than crucial; and that the system is inherently inequitable, rather than robust. In the worst cases, a non-resident parent, usually the father, can be denied contact with their child for several years. If they do not have a spare £10,000 to spend on legal fees, they are essentially erased out of their child’s life, with no remedy whatsoever. How can this be humane for a child, and how can it be fair to the parent?

The welfare of the child is paramount—that is an abiding and unassailable principle of family law—and children are less likely to experience depression, teenage pregnancy and delinquency when relationships with both parents are safeguarded, while children without a father in their life often struggle to reach their full potential academically, socially and professionally, but the law does not reflect this because of the failure to crack down on intransigent parents, and because judges and social workers turn a blind eye to parental alienation.

Family courts make huge and life-changing decisions for parents and children, often on thresholds of proof that are far lower than those required to achieve enforcement, so it is no wonder that the criminal threshold for contempt is rarely met and that judges fail to assert their authority swiftly under the Children Act 1989, or subsequent legislation in 2006 and 2014, and attempts to bolster enforcement have not worked. Data from the Ministry of Justice reveal that a mere 1.2% of the 4,654 enforcement applications were successful in 2015. Although the letter of the law sets out discretionary penalties for breach, they are rarely applied in practice, and the rise in the number of unfounded allegations of domestic violence as a defence against enforcement is worrying.

A new approach is needed: a tougher three strikes approach is long overdue, under which residence should be transferred, if that is safe, and community service should actually, not theoretically, be imposed on parents who are in breach. The confiscation of driving licences or passports should seriously be considered by Parliament. Legislation that emphasises the importance of both parents in children’s lives, other than in cases of violence, is needed in England and Wales. Real enforcement is one way of doing this, and shared parenting is another.

A rebuttable presumption of shared parenting should be a key principle when determining the contact and residence of the children. To be clear, this would not be an explicit statement of an equal 50:50 time division, and it does not mean shared care. As Professor Patrick Parkinson, a former president of the International Society of Family Law has made clear, it should, as a minimum, mean the child has a right to a meaningful relationship with both parents as far as practicable, and as long as the safety of the child is not put at risk.

Such a principle is commonplace elsewhere around the world, and it operates without difficulty. It could assure the child of an opportunity for the maximum continuing physical and emotional contact with both parents, and encourage the parents to share the rights and responsibilities of raising the child, as the law states in Iowa. It could provide for frequent and continuing contact with both parents, as in California. It could go even further to “encourage the love, affection, and contact between the children and the parents”, as in Colorado. Any of these examples would be a more appropriate starting point for judges when setting child arrangement orders than the weaker form of “parental involvement...direct or indirect”, which has been on the statute book since 2014. Although that was an improvement on the previous position, parental involvement can amount to a birthday card or a Christmas card in the worst cases, and non-resident parents, mainly fathers, can be airbrushed out of the lives of their children by the current system. We cannot keep telling fathers that they have equal responsibilities, and then not give them equal opportunity to carry them out.

Shared parenting and robust enforcement form part of the package of reforms that is needed if we are to bring our family law into the 21st century. Our antiquated system reflects the norms of the 1950s and 1960s, rather than relationships of today, and many issues remain unresolved, leaving gaps for Parliament to fill. A commission, to last no more than one year, should be launched by the Government to inquire into the following issues and to report back with recommendations for reform.

First, as last week’s Court of Appeal case of Owens depressingly highlighted, England’s fault-based divorce law results in absurd outcomes. Despite being in a
loveless marriage, the petitioner was unable to divorce her husband because of the archaic rules requiring her to prove fault on his part. The reality is that not all marriages end because of fault. We therefore have a law that promotes the farce of allocating blame, setting parties on a needless confrontational path that fuels animosity and costs. A commission should report on whether it is now time for no-fault divorce.

Secondly, financial remedies and maintenance are rooted in a bygone era where women were entirely financially dependent on their husbands. The reality today is that many women are able to support themselves, so divorce should not mean an automatic entitlement to lifetime support from an ex-husband. Scotland and North America limit payments, so why don’t we? Unless Baroness Deech’s Bill on this subject secures Royal Assent, a commission should make recommendations on how to strike a better balance so that England can shed its reputation as the divorce capital of the world.

Thirdly, cohabiting couples with children are the fastest-growing type of family in the UK. Between 1996 and 2016, the number of couples in this position increased from 1.5 million to 3.3 million, yet they have no rights in the event of a split. Inquiry into what basic protections are justified would be valuable.

Fourthly, the enforceability of prenuptial agreements should be set out by Parliament. If we are to support marriage, we need to accept that people are getting married later in life, with assets earned before and during their union. They should be protected, if the parties agree, not put at risk, and a commission should look into this.

Fifthly, reform of the opaque way in which the family courts operate in public law needs wholesale review. Far too many children are taken into care for wholly inadequate and poorly argued reasons, according to Sir James Munby, president of the Family Division. Only the glare of publicity will enable this to stop, so we need to remove the cloak of secrecy and to open up our family courts.

Lastly, most family disputes need not see the inside of a courtroom. Instead, we need better incentives to use mediation or solicitor negotiation, for example by virtue of a costs penalty for parties who draw out the process. Saving costs, time and heartache should be priorities.

Madam Deputy Speaker, I am not married. It will not surprise you, therefore, when I say that I do not have the battle scars of having lived through a nasty divorce. My views are informed by my previous work as a barrister in the civil justice system for 10 years. Moreover, I speak today as an objective onlooker moved by stories of injustice, hopelessness and deep sorrow. Yes, divorce is traumatic, but it need not be a tragedy that befalls thousands of non-resident parents. I hope the Government will take the opportunity to begin the work of creating a family law system fit for the 21st century.

Question put and agreed to.

Ordered.

That Suella Fernandes, Mrs Cheryl Gillan, Andrew Selous, Tim Loughton, Robert Neill, Frank Field, Caroline Ansell, Mrs Anne-Marie Trevelyan, Lucy Allan, Mr David Burrowes, Kate Hoey and Mr David Lammy present the Bill.

Suella Fernandes accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 12 May, and to be printed (Bill 162).

NEIGHBOURHOOD PLANNING BILL (PROGRAMME) (NO. 3)

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

That the following provisions shall apply to the Neighbourhood Planning Bill for the purpose of supplementing the Orders of 10 October 2016 (Neighbourhood Planning Bill (Programme)) and 13 December 2016 (Neighbourhood Planning Bill (Programme) (No.2)).

Consideration of Lords Amendments

(1) Proceedings on consideration of Lords Amendments shall (so far as not previously concluded) be brought to a conclusion four hours after their commencement at today’s Sitting.

(2) The Lords Amendments shall be considered in the following order: Nos. 22, 12, 10,11, 13 to 21, 85 to 90, 1 to 9 and 23 to 84.

Subsequent stages

(3) Any further Message from the Lords may be considered forthwith without any Question being put.

(4) The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement.—(Gavin Barwell.)

Question agreed to.
Neighbourhood Planning Bill
Consideration of Lords amendments

Madam Deputy Speaker (Natascha Engel): I must draw the House's attention to the fact that financial privilege is engaged by Lords amendments 4, 5, 23, 40, 44, 48 to 50 and 54. I also remind the House that certain motions relating to the Lords amendments will be certified as relating exclusively to England, or to England and Wales, as set out on the selection list. If the House divides on any certified motion, a double majority will be required for the motion to be passed.

After Clause 12

Change of use of drinking establishments

1.54 pm

The Minister for Housing and Planning (Gavin Barwell): I beg to move, That this House disagrees with Lords amendment 22.

Madam Deputy Speaker: With this it will be convenient to take Government amendments (a) and (b) in lieu of Lords amendment 22.

Gavin Barwell: Before I get into the detail of the amendments, I would like to put on record my thanks to my noble Friend and ministerial colleague Lord Bourne of Aberystwyth, who ably steered the Bill through the Lords. I would also like to thank one of my distinguished predecessors as Housing Minister, Lord Young of Cookham, who led on the compulsory purchase provisions, which we will touch on in the third of the three groups we are discussing this afternoon. Finally, I thank all peers who contributed positively to the debate in the other place. The Bill has benefited from their constructive challenge and scrutiny. For my part, I am pleased that the Bill received a warmer reception than the Housing and Planning Bill did a year ago.

I wish to turn to permitted development rights for the change of use or demolition of pubs, and to update the House on the steps we are taking in respect of the permitted development rights for the change of use from office to residential. First, I will speak to the Government amendment in respect of permitted development rights for the change of use or demolition of pubs. Let me start by assuring hon. Members that we have listened to both Houses and to the support that Members have expressed for valued community pubs. They will see that we have accepted the principle of the amendment introduced into the Bill in the other place. Our amendments in lieu therefore set out the detail of how we will take that principle forward.

The amendment commits us to update the Town and Country Planning (General Permitted Development) (England) Order 2015 to remove the permitted development rights for the change of use or demolition of drinking establishments, including pubs. In tabling the amendments in lieu, I reassure hon. Members that we have continued to engage through the passage of the Bill with interested Members and bodies, such as the Campaign for Real Ale and the British Beer and Pub Association. I can confirm that we will remove the permitted development rights to change to a restaurant or cafe, financial or professional service, or a shop. We will also remove the permitted development rights to change to an office for up to two years and to a school for a single academic year.

In making these changes, the Government are keen to avoid any potential unintended consequences. As such, we are clear that the best way to support pubs is to retain the A4 “drinking establishments” use class for pubs, wine bars and other types of bars. Doing so will allow pubs to innovate and intensify their use, for example by opening a pub garden or starting to provide live music, without facing a risk that this will be a change of use that requires a full planning application. Our intention in retaining the A4 use class is to allow pubs to develop within this use class without having to seek planning permission, thus avoiding unintended consequences, and unnecessary cost and bureaucracy.

Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): CAMRA campaigners in my constituency have campaigned for the removal of permitted development rights for 10 years, so I welcome the Government’s new clause that will implement Labour’s amendment in the other place. However, the question of timing is crucial. If the time window before the regulations come in is too large, developers will simply bring forward their plans and pubs will continue to become car parks, retail or housing. Will the Minister make clear when the regulations will be implemented?

Gavin Barwell: If the hon. Lady bears with me for a few minutes, I will make that crystal clear and, I hope, provide the reassurance she is looking for.

The changes in respect of permitted development rights for the change of use or demolition of pubs mean that in future a planning application will be required in all cases. This will also be the case for premises in mixed use, for example as a pub and a restaurant. This addresses the long-standing call that there should be local consideration and an opportunity for the community to comment on the future of their local pub. It is important that local planning authorities have relevant planning policies in place to support this decision taking. Once we have made the changes, the current provisions, which remove permitted development rights for the change of use or demolition of pubs that are listed as assets of community value, are no longer necessary and will fall away.

John Redwood (Wokingham) (Con): Will there be any provision or requirement with regard to the viability of the pub in that premise, so there will be some kind of case that those who wish to change could mount?

Gavin Barwell: Clearly, those are arguments that could be made by an applicant in respect of a particular planning application, but the Government are not proposing to allow any permitted development rights in that regard. It would require the local authority to consider the planning application and to reach a decision. I am sure that in respect of what my right hon. Friend and others have said, those arguments will be considered when planning applications are being made.

2 pm

Importantly, we have listened to the points made about the need for pubs to be able to expand their food offer in order to meet changing market need and support their continued viability—the issue that my right hon.
Friend the Member for Wokingham (John Redwood) is concerned about. Therefore, at the same time as getting rid of the permitted development rights that allow for demolition or change of use, we will introduce a new permitted development right to allow drinking establishments to extend their food offering so as to become a mixed A4 pub and A3 restaurant. The Government believe that this will ensure that pubs have nothing to fear when it comes to requiring planning permission or enforcement against the change of use where a pub is extending its food offer. This will give them vital additional flexibility.

Toby Perkins (Chesterfield) (Lab): I am grateful to the Minister for giving way and to the Government for listening to the powerful case that was made by CAMRA and many other organisations. The new mixed A3/A4 class is an elegant solution to the issue raised in respect of the amendment in the other place. Will the Minister nevertheless clarify on the record that, in keeping with his proposals, the same removal of permitted development rights that is now going to operate in the A3 and A4 classes will also operate in the mixed use A3/A4 class, which has not been specifically clarified?

Gavin Barwell: If the hon. Gentleman will bear with me, I think he will get exactly the clarification that he is looking for—but the simple answer is yes. I shall come on to it again later in my speech. I am grateful to the hon. Gentleman for his kind words. The Government’s intent is very much to honour the principle behind the Lords amendment, but we believe we have a better solution that will provide pubs with more flexibility and do a better job of ensuring their viability in the long term.

John Mann (Bassetlaw) (Lab): I congratulate the Minister on his flexible approach to the Bill. Given that he has previously agreed to visit my Bassetlaw constituency, will he offer a date very soon, so that I can consider whether to include a pub in his itinerary?

Gavin Barwell: That has got to be one of the kindest invitations that I have received so far in my ministerial career. I have already given an undertaking and I very much look forward to visiting the hon. Gentleman’s constituency. I am trying to combine it with an event in the Sheffield city region, looking at housing. The hon. Gentleman served on the Public Bill Committee and he is a passionate advocate of neighbourhood planning. I know that he has worked hard in his own constituency to encourage neighbourhood planning. I am very much looking forward to meeting some of the community groups with him. Members of my private office are in the Box and will have heard that commitment. I hope that we can get the hon. Gentleman a date as soon as possible—with or without the benefit of a visit to a local pub.

At the same time as making these changes, we also want to protect local planning authorities from any compensation liability arising from the removal of national permitted development rights. We will do this by amending the compensation regulations to limit to 12 months the period of any potential liability on local planning authorities when the rights are removed.

Let me now take the opportunity to update hon. Members on the outcome of the debate in the other place in respect of the permitted development right for the change of use from office to residential. This was an issue debated at some length in Committee, and I know that there are differences of opinion in the House. Hon. Members will know that the permitted development right is making an important contribution to housing delivery, with over 12,800 homes delivered—thanks to this right—in the year ending March 2016. The Government have always recognised that in certain areas there have been concerns about the local impact of this right, so we have outlined an approach that provides flexibility for those areas that are meeting their housing requirements to have a greater say over where the permitted development right for the change of use from office to residential should apply.

For those areas that are delivering 100% or more of their housing requirement—the figure identified in their local plan—that can continue to do so after removal of the right, and that are able to demonstrate that it is necessary to remove the right to protect the amenity and wellbeing of their area, the Secretary of State will not seek to limit article 4 directions applying to that area. We intend to publish the first housing delivery test data in November. For those who are not familiar with it, this was one of the key reforms set out in the housing White Paper. We will now hold local authorities to account not just for producing a glossy plan, but for delivering the houses set out in the plan on an annual basis. This will indicate to local authorities in November whether this additional article 4 flexibility would apply to directions brought forward after that date. For those interested in further information about this change, it can be found in House of Lords Library in a letter from my ministerial colleague Lord Bourne, dated 18 March. We shall provide detailed guidance before November.

We are making a further change by bringing forward regulation to enable local planning authorities to charge planning application fees when permitted development rights have been removed by an article 4 direction. This recognises the resource commitments in those areas that have removed the permitted development right for sound policy reasons. The Government’s position remains that although the permitted development right makes an important contribution to delivering the homes that we desperately need, we have with these two small changes demonstrated a degree of flexibility to allow those local authorities that are delivering the homes that are needed in their area to apply an article 4 direction if they wish, and then to be able to charge planning application fees in the relevant areas.

Mrs Anne Main (St Albans) (Con): St Albans has lost 157,000 square feet of office space recently, a lot of that because demand in St Albans is so high. Does the Minister share my concern that this may provide a perverse incentive not to deliver on housing? If the area does not mind losing office space—I am not saying that this is the case—it seems a quick and easy win to allow offices to shrivel on the vine. I am very concerned to ensure that that does not happen in St Albans.

Gavin Barwell: I think my hon. Friend shares my concern that we need to ensure that St Albans gets an up-to-date local plan in place as quickly as possible to provide the housing that is so desperately needed in that part of the world. My hon. Friend has spoken to me about it several times, and I know that other Members who represent the local authority area share her concern. We need to avoid perverse incentives, and my reassurance...
Some hostility. It takes courage to change one’s mind.

For broadly adopting a motion to which there had been proved important in bringing about this change.

Member for Bristol North West (Charlotte Leslie) originated (Jim McMahon).

Committee that was subsequently supported by my West (Greg Mulholland), who proposed the motion in the important work done by my predecessor as chair the country to using the planning system to save pubs.

Table last week on the many different approaches across group on pubs, who held a really informative round and my fellow members of the all-party parliamentary such as CAMRA and the British Pub Confederation, such overwhelming cross-party support that the House of Lords and was very successful in ensuring people and groups in securing this important victory, as a real pub enthusiast.

Amendment 22. I think they will make a material difference to the fortunes of many of Britain’s 48,000 pubs; give certainty to investors in the pub trade; and, crucially, put communities back in control of decisions that have a real bearing on their community. I speak as chairman of the renamed all-party parliamentary pub group, and as a real pub enthusiast.

I would like to record my appreciation of many people and groups in securing this important victory, including Lord Kennedy who tabled the amendment in the House of Lords and was very successful in ensuring such overwhelming cross-party support that the Government were persuaded to adopt the amendment in lieu. I also thank the pub-supporting campaign groups such as CAMRA and the British Pub Confederation, and my fellow members of the all-party parliamentary group on pubs, who held a really informative round table last week on the many different approaches across the country to using the planning system to save pubs.

I would also like to acknowledge, as did the Minister, the important work done by my predecessor as chair of the APPG, the hon. Member for Leeds North West (Greg Mulholland), who proposed the motion in Committee that was subsequently supported by my hon. Friend the Member for Oldham West and Royton (Jim McMahon).

I also think it right to acknowledge that the hon. Member for Bristol North West (Charlotte Leslie) originated the process with an amendment to a different Bill. Although the case she made was unsuccessful, it has proved important in bringing about this change.

As I said a moment ago, I am grateful to the Government for broadly adopting a motion to which there had been some hostility. It takes courage to change one’s mind.

The Under-Secretary of State for Communities and Local Government, the hon. Member for Brigg and Goole (Andrew Percy), came to the CAMRA reception and assured us that the Government were listening, and the Government’s actions on this occasion suggest that he was as good as his word. All due credit should be paid to him.

There is nothing quite like the first visit to any British pub. I know that I am not alone in feeling that little frisson of excitement when I step through the door of a pub for the first time—pushing open that creaking door, and wondering what will be waiting for me behind it. It is, one might say, an adult and real-life version of an Advent calendar: behind every door is a different surprise.

As one of those doors creaks open, we wonder how the pub will be laid out. Will we be able to get a table? Who will be in there, and how many people will be in there? What will be on the walls, and what will the bar look like? Each pub is different. Will the bar steward’s face be a picture of welcoming joy—or maybe not? Will there be a log fire in the winter? Will there be a garden in the summer? Will there be a dartboard, a pool table, a pub dog or cat? Will a loudmouth be propping up the bar, commenting on topics on which he has assumed a level of expertise from a programme that he once saw on television? Will someone be commenting on the performance of his Member of Parliament and asking, inevitably, whether that Member of Parliament will be claiming his pint back on expenses? That one never really grows old.

Finally, of course, there is the question of what the pub will be serving. There is so much more to visiting a pub than having a drink, and that is the magic of it. I know my own favourite beers, and I can pop into Morrisons just down the road and buy as much as I like, for far more cheaply than I can in many pubs. However, the drinks are just a fraction of the experience: the magic comes from the entire ensemble. Just as there is a magic to visiting any pub for the first time, there is a joy in having a local where you really feel at home, and where the characters, the beers, the landlord or landlady and the décor seem almost as familiar as if you were indeed in your own home.

We live in different times, and—let us be candid—in difficult times for the pub trade. The days when a single publican, running a single pub for decades at a time, was a staple of every high street are long gone. The long-standing publican is now becoming a rarity, and our communities are the poorer for it. However, many of those communities still have long-standing connections and relationships with their local pubs. Whether they are regular attenders or occasional visitors, the pub is a part of their community—one that we all too often take for granted, and a feature that is only really missed when it is under threat or gone.

Let me assure the House that none of us is suggesting that unpopular or poorly run pubs have a right to exist. Communities that do not back their local pub cannot assume that it will always be there. When I bought my house back in 1998 the Terminus was my local pub, but after a string of landlords within just a few years, it is gone. The only reminders of it are a plaque on the wall that reminds us where it once stood and the local bowling
green, which is still called the Terminus Bowling Club although the pub from which it took its name is long gone.

In a small town like Chesterfield, I have to walk a mile to reach what you would call my local, and that, I think, is a comment on the times in which we live. If we do not get out and support our pubs, it is no good complaining when they are gone. Similarly, the industry knows that it is living in an ever more competitive world. The competition for the leisure pound has never been fiercer. From satellite television and a bottle at home to an array of takeaways and restaurants to suit every palate, the alternatives to a pint in the local are multitudinous.

Pubs will continue to close on occasion, but I think that it really sticks in the craw of communities when popular and well-used pubs—or even pubs that play a central role in a community—which may well be under poor management at a particular time are lost for good without the community having any say. The tenant in a pub is not just a business owner but the guardian of something precious in that community, and the duty of the pub-owning business to ensure that the guardians it appoints have the wherewithal to protect the precious assets that they are responsible for running is very important.

Greg Mulholland (Leeds North West) (LD): I thank the hon. Gentleman for his kind words earlier. The main purpose of the amendment that we are all supporting today is to tackle the scourge of predatory purchasing, especially by supermarkets. The Co-op is the worst in that regard. Does the hon. Gentleman think that it is time for CAMRA to look again at its agreement with the Co-op, and to say, “This must stop, because it has not worked”—as, hopefully, the amendment will?

2.15 pm

Toby Perkins: I certainly support the amendment, and I agree that it is necessary because previous measures were not working. I met representatives of the Co-op recently, and their approach was pretty constructive. They said that they would be making a planning application in every case.

Greg Mulholland: It is interesting that the hon. Gentleman met those Co-op representatives recently. As he knows, last year the Save the Pub group was misled by the Co-op, which gave a clear assurance that it would not take pubcos’ view of viability as fact, but, as has been made clear by local CAMRA branches and the British Pub Confederation, it has continued to do so. The Co-op speaks with forked tongue, as the Save the Pub Confederation, it has continued to do so. The Co-op speaks with forked tongue, as the Save the Pub group has proved before, and I hope that the hon. Gentleman will stick with holding it to account.

Toby Perkins: We certainly will stick with holding it to account. If the hon. Gentleman has evidence that, since those reassurances were given, the Co-op is going down that road without seeking planning permission, I will definitely support him in what he has said.

In Chesterfield, we organised a huge public campaign which, although it does not relate specifically to the Co-op, is relevant to the issue that the hon. Gentleman has raised. We campaigned to save the Crispin Inn in Ashgate Road when EI Group, previously known as Enterprise Inns, wanted to sell it to Tesco. The campaign was won and Tesco pulled out, only for a new developer to come along and demolish the pub, and then start consulting on what should happen on the land where it had stood. Eventually, housing was built there.

In my previous role as shadow pubs Minister, I met so many groups all over the country who were fighting so hard to save the pubs that they loved and on which communities depended. It was wrong that a developer could turn a pub into a supermarket without planning permission, but could not do it the other way round. It was wrong that a building that was potentially a precious community asset could be knocked down before the community was even able to have a say. The coalition Government did take steps to reinforce the right of communities to have a say, but, although well intentioned, their efforts were a bit like trying to catch a flood in a cup.

The great attribute of the amendment proposed by Lord Kennedy and subsequently adopted, with further amendments, by the Government is that it gives certainty to everyone involved in the industry. We must never forget that Britain’s pubs are a business, an industry with investors who need certainty. The danger of going too far down the localism route was that when a business was considering an investment decision, it was faced with potentially dozens of different legislative approaches and hurdles across its portfolio. That approach also left councils at the mercy of aggressive legislation, and they were expected to incur the legal expense of defending the measures that they had introduced to protect their pubs.

The “asset of community value” approach has given some communities a precious opportunity to fight for the pub that they love, but it did mean that often the only way to save a pub was to agree to become its owner. There is some value in that sort of community activism, but it should not be necessary to be willing to buy a pub in order to have a view on it.

Last week, the APPG heard from the community team that had successfully bought the Antwerp Arms in Tottenham, having used the ACV legislation to save their pub. We also heard from Wandsworth Council, which had placed a requirement for article 4 directions on about 220 of its locals. It deserves credit for its efforts, but the danger of using article 4 directions is that the landscape is different in each local authority. That led to some publicans having to obtain planning permission just to paint or decorate their pubs, which is a positive disincentive to improving or investing in the pub estate. The approach that is being advocated today will bring the certainty and clarity that everyone connected with the industry needs, and it will not prevent the owners of buildings from adopting the needs of their buildings to maximise new opportunities.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): While we commend local authorities for taking the trouble to exercise the procedure that my hon. Friend has outlined, it was difficult for a number of authorities in other parts of the country that did not have the necessary capacity or the ability to meet the potential costs that would have enabled them to build up the case for doing so. This measure will be enormously helpful in ensuring that local authorities need not embark on that potentially expensive route.
Toby Perkins: I could not agree more; it meant that different authorities with different priorities brought forward measures at different times, and some of them never regarded this as a priority, even though they might have had sympathy with the intentions of the legislation. What this measure does is ensure that, rather than local authorities having in effect to use legislation for an entirely different purpose than intended and place blanket conditions on all their pubs, there is a simple and clear method whereby developers will know that, quite simply, if they want to make a change to the use of a pub, they will have to get planning permission.

We know that pubs will open and pubs will close, and this Bill will ensure that all the evidence is considered before such decisions are made. As I have said, it is sensible of the Government to create the new A3/A4 mixed use class, and I am glad they have made it clear that it is their intention that the mixed use class should enjoy the same protections as the A3 and A4 classes.

I would be interested to hear the Minister’s response to the question of what might happen until the Bill is passed. He has set out the Government’s wish to have secondary legislation in place by July, which is a sensible timescale. However, there is a worry that this is going to lead to a rush of businesses or developers buying pubs and levelling them before the regulations are in place, so everyone must take all the steps they can to prevent a rush of conversions or demolitions. I shall be interested to hear the Minister suggest steps that the Government or local authorities and communities may take to prevent that from coming to pass.

I am very pleased to have been able to take a few moments to reflect on the value of the 48,000 British pubs to our communities. When visitors come to the United Kingdom, one of the things they want to do is have their first pint in a British pub. The British pub is a tremendously important asset to our country, and I will be very pleased to welcome the Government’s adoption of this amendment. I am pleased that this important step will be taken to help communities save and preserve the great British pub for many, many years to come.

Mrs Main: It is a delight to speak at this point in the debate, because I want to say to the Minister that the whole point of the other place is to make us think again, and he has thought again and he has listened. This is a wonderful solution that will protect areas such as mine.

I have the most beautiful constituency, and it is rumoured that I have the most pubs per square mile, although other areas dispute that. St Albans is an historical pilgrimage city and a coaching town, and we have pubs on just about every corner—if you can’t find a pub in St Albans, you’re not trying.

We have many historical pubs that have found it incredibly difficult to make their living in today’s hard times. I went to see the Chancellor about the effect of business rates on pubs. I am hugely glad that he listened, because many of the pubs in my constituency are incredibly small—almost the size of people’s front rooms—as they came along in a different era, and many are listed as well, which adds another dimension to the problem of making them viable. The owner of The Boot pub spent five years working with the planning system to try to get various alterations to his kitchen, because the pub’s list made it very difficult for him to get that work done. I therefore welcome enormously anything that can make our pubs more viable and give them a sounder footing for the future.

The headquarters of CAMRA is in Hatfield road in St Albans, and it has been wonderful in this matter. I pay tribute to CAMRA and all those who have worked with it to ensure that the Minister listened to the thoughts expressed in the Lords and the representations of Members of Parliament, and came up with a solution that is pragmatic and elegant, as I think the hon. Member for Bassetlaw (John Mann) described it. It now builds on the intentions expressed in the Lords, which is hugely important.

May I point out to any Members who have not visited my constituency that we are having a big tourism week from 31 March? One of my jobs that day will be to visit Ye Olde Fighting Cocks, an immensely historical pub. It is one of the pubs that claims to be the oldest pub, and they all contribute to the tourism offering. Not knowing that this elegant solution was going to come through today—which I am pleased to welcome and support—I wanted to make sure I went along and gave all my support to my pubs, which contribute enormously to our tourism offering. One of the pubs in St Albans, the White Hart immediately opposite the entrance to the cathedral, featured on “Most Haunted Live!”; another part of our tourism offering is that we have a very good ghost run, as St Albans is so historical.

I encourage people to go and visit their pubs. As the hon. Member for Chesterfield (Toby Perkins) said, they are so much more than a place to buy a particular beer; they offer a huge historical pattern, and if they were removed it would in some regards be the death of my constituency. I can honestly say that people come to my constituency again, and he has thought again and he has listened. This is a delight to speak at this point in the debate, because I want to say to the Minister that the whole point of the other place is to make us think again, and he has thought again and he has listened. This is a wonderful solution that will protect areas such as mine.

We in St Albans do have a lot of work being done online, and I also have a lot of small businesses, but AECOM in Victoria street has 70,000 square feet of office space already, with another 50,000 or 60,000 square feet of office space in the offing to go, and businesses are telling me that they cannot find alternative premises. When businesses’ leases are running out, they find that they cannot have certainty about renewing them, and there is a worry that offices will disappear.

We in St Albans do have a lot of work being done online, and I also have a lot of small businesses, but AECOM in Victoria street has 70,000 square feet of office space with the lease coming up for renewal, and if such companies cannot secure an article 4 direction because they in any way become rationed, that will be a worry to me. I understand why the Minister says a local authority needs to show that it has its housing allocation sorted before it can put on an article 4 direction, but, sadly, we in St Albans, with a 1994 district plan, have
2.30 pm

Mr Jim Cunningham (Coventry South) (Lab): I congratulate the hon. Gentleman on his campaign—he has been trying to get this measure through for years—and the Minister on accepting the amendment. My only concern is that the new business rates system could affect pubs and must be looked into. We also cannot forget working men’s clubs.

Greg Mulholland: I warmly thank the hon. Gentleman for his comments. He is quite right. Rates have been mentioned, and while we have had some positive news, more needs to be done about some of the extraordinary and damaging rises. Indeed, we need another system of taxing pubs altogether.

I thank the Minister for allowing us to get there in the end. Finally, we have been listened to. He has shown what an excellent Minister and gentleman he is. I thank him for his approach. He has engaged consistently on this issue, as has his colleague the hon. Member for Brigg and Goole (Andrew Percy)—the community pubs Minister and a good Yorkshire MP. He genuinely listened to me and—I have to call her an hon. Lady, but I can also call her a friend—the hon. Member for Bristol North West (Charlotte Leslie). There is something about MPs with “North West” in their constituencies when it comes to this issue. Her campaigning has been dogged over many years and also deserves commendation.

Charlotte Leslie (Bristol North West) (Con): While we are having this cross-party pubs love-in, I want to pay tribute to the hon. Member for Leeds North West (Greg Mulholland), who has been a staunch campaigner on this measure for many years. Back in January 2015, I made what I thought at the time was a distinctly career-limiting decision to table a similar amendment with him, and I want to put on the record my thanks for his work. I also thank my hon. Friend the Member for Croydon Central (Gavin Barwell), who has been an outstanding Minister. Many pints will be raised in his name and in the name of his colleague the community pubs Minister this weekend.

Greg Mulholland: I thank the hon. Lady for her support and echo her comments. The Minister has genuinely listened and was interested in looking for solutions when the hon. Lady and I met him on 30 January. He offered that meeting and we were delighted to have it. He actually went to the trouble of inviting me into his office last Thursday to hand me a copy of the amendment and to say exactly what the Government were going to do. That is an example of how Ministers can work with MPs from across the House to achieve things, and I warmly thank him for that.

Following my tabling of a similar amendment on 7 December, I thank Lord Kennedy of Southwark for taking up the baton excellently, ably and enthusiastically, and for showing his support by taking it through the House of Lords, which presented us with this great opportunity. I thank Protect Pubs, which is now the pre-eminent organisation campaigning for better protection for this country’s pubs. It is a member of the British Pub Confederation, which I also congratulate. I must declare an interest as I am the chair of the British Pub Confederation, and I am delighted to continue to work with all publicans and pub representative organisations within the confederation. I also thank the hon. Member for Selby and Ainsty (Nigel Adams), because he introduced a private Member’s Bill with the same aim back in 2010. That is sometimes forgotten, but I told him that I would mention him and thank him in the Chamber today.

Although I tabled a similar amendment back in December, it was also tabled during the passage of the Localism Act 2011. My point then was that localism is so strong if we continue to allow valued pubs to be demolished or turned into supermarkets or offices without the community having any say. That is all that we are changing today—no more, no less. We are not getting
[Greg Mulholland]

into pub protection in great detail. The amendment simply gives communities the right to have a say through a planning process, just as with anything else. It should have happened a long time ago—it is common sense—but I am delighted that it is happening now.

Echoing the comments of another pubs campaigner—the hon. Member for West Bromwich West (Mr Bailey)—I thank the brave pro-pub councils that have brought forward article 4 directions and other pub-protection policies. They have shown that they can do certain things, but we needed this change from the Government. I also thank the Otley Pub Club from my constituency. Again, I have to declare an interest in that I am the club’s honorary president. When Ministers wrongly rejected this change back in 2015 by not accepting the amendment tabled by the hon. Member for West Bromwich West, the club took Ministers at their word when they said, “If you value your local pubs and if you want protection against predatory purchasing by supermarkets, list them as assets of community value,” and listed all 19 pubs in the centre of Otley to show that that was the only way communities could protect them. Communities no longer have to list all their pubs simply to remove permitted development rights. If Otley Pub Club had not had the courage to go ahead and do that, and prove that Ministers were wrong in rejecting that amendment, we may not have been here discussing this today. Asset of community value status remains important, but it no longer needs to be used in all cases for all pubs simply to end permitted development rights.

I thank the wonderful CAMRA branches and members that have engaged in the campaign over many years. It was disappointing that CAMRA headquarters did not support the amendment in December. The reasons for doing so were rather strange—perhaps there had been a particularly good Christmas party—but we are delighted that the change has finally come through after many years of campaigning. It was slightly bizarre that CAMRA was still sending messages yesterday to its members, myself included, urging us to contact our MP about a vote when there was no vote. Several MPs have said to me, “Don’t worry. We’re going to vote with you,” but I have had to tell them not to. I even had one MP say that they were going to vote against me because of the email from CAMRA, so luckily there will be no vote. However, it is rather odd that CAMRA carried on lobbying after the event. I have mentioned the Co-op issue, but CAMRA really needs to look at the failed agreement with the Co-op, which has been an appalling predatory purchaser and destroyer of pubs up and down the country. CAMRA needs to dissociate itself from the Co-op in the interests of its members and of pubs.

I must put on the record and draw attention to a significant and brave decision by the Minister. When my amendment was considered in December, a false briefing was circulated by the representatives of the large pub companies. The reason they were lobbying so hard to stop communities having the simple right to have a say was that they wanted their large pubco members to continue to be able to sell pubs to supermarkets, while denying them the simple right to a say. People have been losing viable pubs as a result. I raised that matter on the Floor of the House and wrote to the Minister, and that was when I realised the kind of Minister he was. Rather than the usual response from civil servants, he wrote back to me, and I want to quote from the letter because it was so positive and refreshing to have an acknowledgment from a Minister I do not hate.

“I recognise that in doing so I referenced briefing that was made available more generally by the British Beer and Pub Association in relation to existing permitted development rights for pubs. You are right to point out that their briefing contained inaccuracies, and therefore I am pleased to confirm for the record that it is the case that the removal of permitted development rights for the change of use or demolition of pubs, as a result of the nomination or listing as an Asset of Community Value, has no effect on a pub’s ability to make internal changes.”

It was great to have that confirmation, but it is a serious matter that a clearly interested party was sending false information to hon. Members, misleading them about something that was extremely simple.

The Government have clearly decided not to accept my original amendment of 7 December, nor Lord Kennedy’s of 28 February, but I understand their reasons for doing so and have made it clear to the Minister that he has my full support for the new amendment and that I am delighted with the outcome.

The hon. Member for Chesterfield (Toby Perkins) raised the concern that the Government decided to include the mixed use category of A3/A4 because they did not want to stop publicans serving food. In actual fact, there is no need for the category because we know that food is served in many pubs in category A4 but not in others, and sometimes that changes from week to week. There is no need for the change, but the first concern that has been raised is whether the same permitted development rights will be in place for the mixed category. The Minister has made it clear that that will be the case, which is fairly clear in the Bill.

However, I flag up the genuine and very serious concern about article 4 directions because, to use the Minister’s words, there is an unintended consequence whereby many councils have decided to introduce important and impressive article 4 directions to bring in strong protections for pubs—stronger than will be offered by the amendment, as he knows—including stopping the predatory developers that the hon. Member for Copeland (Mrs Main) mentioned, but those protections apply only to A4. There is a real danger that it could create a loophole whereby unscrupulous owners or developers can seek a mixed use designation to get out of the strong pub protection that exists in some areas.

Now that is on the public record, and now it is understood in a way that perhaps it has not been by some organisations, I urge the Minister to consider introducing a statutory instrument, in addition to this amendment, to ensure that the new mixed use category, which is for pub restaurants that should clearly have the same protection, does not fall foul of another loophole by no longer being covered by existing pub protection policies. That should be easy to address with a statutory instrument, and then everyone will be happy with the amendment as a whole. In a sense, he has done something remarkable because, despite their opposition and misleading briefings, both the British Beer and Pub Association and one of its large pubco members, Punch Taverns, have said that they are perfectly happy with the amendment. He has done something significant but, now that it has been spotted, he needs to plug the potential loophole with a statutory instrument to ensure that it does not become a problem.
Finally, I thank the Minister and all hon. Members who have taken part in this campaign over many years. I raised the issue as far back as 2008, and it was one of the key aims when we set up the all-party Save the Pub group. It has taken longer than expected and hoped for, but we have got there now, with the caveat of closing the loophole that has been identified.

John Mann: Does the hon. Gentleman agree that organising such an open, accessible and cross-party campaign that has allowed all of us to be involved, with him taking the lead throughout, is a good model for securing change in this place?

Greg Mulholland: The hon. Gentleman is kind, and it is nice of him to say so. It has been a pleasure working with him, and with Members on both sides of the House, because that is how, as parliamentarians with an interest and a zeal for campaigning, we can change things. We can all do it in different ways, and I look forward to doing so in the future. The changes we have had, including on pub companies, show that we can succeed and that all-party groups and campaigning in this place, when done well, can be successful. I have been nearly 20,000 feet up a mountain with the hon. Gentleman, but I have never been to a pub in Bassettlaw with him, which we might have to put right. If he would like to do that, I would be delighted to join him.

There is a real threat from unscrupulous developers, owners, pub companies and supermarkets that seek to offload pubs, demolish them and get supermarkets in place before planning permission is needed, and I remind the House of the utter absurdity that communities currently have no right to object to the imposition of a supermarket and the loss of a viable pub, but have the right in the planning process to complain about the supermarket’s signage. The amendment is finally reversing that nonsense, but it will continue to happen until the amendment is enacted. Now that the Government have made clear their intent, which has the full support of both Houses—that is very unusual—and of all major parties, the Minister should seriously consider a moratorium on any demolitions or conversions. A moratorium would be extremely useful in stopping the continued loss of pubs.

2.45 pm

Toby Perkins: Will the hon. Gentleman expand on his suggestion? Many of us share the concern, which I raised a moment ago, about a rush towards demolition. He proposes a moratorium, but is he proposing that the industry commits to such a thing or that the House passes something to bring it about?

Greg Mulholland: I am asking the Minister and the Secretary of State for Communities and Local Government. The Secretary of State’s name is on the amendment, so I take this opportunity to thank him because he has clearly listened and accepted the proposal. As he knows, I also go to pubs in his constituency because I have family in Bromsgrove.

It is for the experts in the Department to consider the possibility of introducing a moratorium, because there is no possibility of it being done externally. This is not a matter simply for the industry. The Co-op is probably the worst pub killer of all the supermarket chains, others of which have been pretty bad. The supermarket chains are not part of the pub sector, and they see pubs as fodder for imposing their unwanted stores on communities. The supermarket chains will clearly not jump to do this, and nor will developers that are seeking to exploit high land values in London, St Albans and other parts of the country. From that point of view, it would be great if the Minister said that there should be a moratorium and, in the spirit of this change, called on people not to pursue such conversions now that they are deemed by Parliament to be wrong.

This is not the end of the matter. Ultimately, it has not been about securing great protection for pubs; that is one of the things that has been rather misunderstood and misrepresented, sometimes by both sides of the argument. It is simply about giving communities a say and about removing absurd permitted development rights that created a loophole that has been exploited by large pub-owning companies and large supermarkets for too long. There will still be predatory developers, and pub companies will still seek to undermine pubs to secure development or to go through the planning process for building a supermarket.

As I have said, the assets of community value scheme remains important, but it is now time to consider strengthening it. Giving communities a genuine right to buy, as communities in Scotland have, is long overdue and would represent genuine localism. I have had a conversation with the Minister, and it is now time to consider a separate category in the planning and tax system for community pubs, which are the ones that we really care about. They are the ones that have the community value, which many Members have mentioned, in a way that other licensed drinking establishments do not.

CAMRA has so far said that it does not want to engage in this, but it is now time to crack the nut of defining a genuine community pub that does the things we have talked about and that has value to the community. The British Pub Confederation and Protect Pubs certainly wish to do so. If we do that, in addition to creating the extra layer of genuine planning protection for those pubs, and only those pubs, against predatory development, and only when the pubs are viable, we can crack the nut of having a different system of taxation, and we will never again see the disastrous headlines for the Treasury such as of one pub in York facing a 600% increase in its rateable value. I was in that very small pub, the wonderful Slip Inn, a couple of weeks ago during the Liberal Democrat conference. As I did at the meeting with the hon. Member for Bristol North West, I offer to work with the Minister to find a way of doing that, which could offer the security we need for our hugely important, viable community pubs.

This wonderful news is the start of a conversation, and I thank the Minister and all those involved. This is a hugely significant day in pub campaigning. As this is English Tourism Week, I know that every Member here today, and many more who are not, will want to raise a glass to this win for pubs and to the Minister for listening to all the campaigners who have helped to make it happen. They will want to toast this victory and the importance of the great English and great British pub.

John Redwood: I, too, am happy to support the Minister on his amendments. Like other Members, I have been lobbied by constituents who think that they should have the right to intervene, with a proper planning
process, in the unique case of a pub. It will be a great pleasure to write back to them to say that we have a listening Minister who has heard their representations and the strong lobbying by colleagues here who have been campaigning on this issue for a long time. However, when we make this legislative change, we must also remind people that it does not save every pub. As the hon. Member for Chesterfield (Toby Perkins) made clear, those who are keenest to save their local pub need to make sure that enough people use it. The only ultimate guarantee that it can continue to serve is that people like and support it, or that they in a friendly way influence the owner or manager so that it provides the service and range that they wish and it will thereby attract sufficient community support. This is a welcome legislative change but we need to remind people that local government will be no more able to save a pub than national Government if there is not that strong body of support in the local community and an offer that people want.

The Minister is right to give the pubs the maximum flexibility to change what they do. If pubs are to serve the evolving communities of our country, they sometimes need to move on what they offer by way of the balance between food and drinks, the ambience and the surroundings, because people's tastes and people change, community by community. I therefore welcome the extra flexibility he is giving.

The main point I wish to make relates to the wider issue of changes from offices to homes and other changes of use class. The Minister is right to say that he needs to preserve flexibility. Any Member visiting a high street or centre in their own or another community knows that an avalanche of change is taking place. The internet, digitisation, robotics and automation are making a huge difference to the way business is conducted and services are delivered. A lot of change to the shape of the high street and the adjacent streets, and some of the office areas, will be required to make sure that the property there is updated and flexible so that it can meet the requirements of these evolving businesses.

We need flexibility, as in some cases we will have too many shops or offices, and it would be much better if they were converted to housing, because there is considerable need in town and city centres, as well as elsewhere, for additional housing. If some of that could be at prices that young people can afford, that would be an excellent bonus, as we still face a huge problem, with a new generation of potential homeowners priced out of many parts of the country by the very high prices. We need to understand that many of the new businesses and the new service offers will be internet-based and will come from new service centres that do not have to be in the town centres, and that the kind of things that people do need physical property for in the town or city centre will be different from the more traditional uses to which we have been accustomed.

John Howell (Henley) (Con): Does my right hon. Friend think that the transformation of shops and offices into homes can regenerate town centres?

John Redwood: Yes, it can, with the right mixture. Some offices may need to be transformed into homes and a broader retail offer, with a higher proportion of coffee shops, restaurants and so on, may need to be made.

If more people are living in flats or smaller properties that they can afford in the town centre, they may well then make more use of the town in the evening, and the range of services and the life of the town is thus extended beyond the traditional shopping hours during the day. I am sure the Minister understands all that. I hope he will see how he can develop other ways to ensure that our planning system for commercial property is sufficiently flexible to allow residential use where that is the best answer and to ensure flexible use patterns in the commercial property that we have, as massive change will be needed.

The planning system of course has to protect the things that the community legitimately wants to protect, so we do not want non-conforming uses in certain areas and we certainly do not want bad or noisy neighbours, who may be regulated by planning or by other general laws on nuisance. Within that, we need maximum flexibility so that commercial owners and managers can adapt or change the use of their premises, or swap them for a more appropriate property for their use. If the planning system can facilitate that, it will greatly improve our flexibility as an economy, meaning that we can modernise more rapidly and move on to a more productive world, which is the main feature of the Chancellor’s policies for our economy.

Richard Graham (Gloucester) (Con): First, may I draw the House's attention to my entry in the Register of Members' Financial Interests as a shareholder of a small family business which for the past 40 years has included a single pub? Today, there has been a huge amount of agreement on the appropriateness of the Government’s amendments to Lords amendment 22, and I pay tribute to a lot of people who have been involved in that process. I pay particular tribute to the hon. Member for Leeds North West (Greg Mulholland), who is also, in effect, the Member for CAMRA in this House. I know how seriously he takes his duties in that respect. He rightly highlighted English Tourism Week, but even more importantly this weekend we have the Gloucester beer festival. It runs from 31 March to 1 April, which, appropriately, some may say, happens to be my wedding anniversary, and takes place in the historic setting of Blackfriars, the world's best-preserved Dominican priory. So I invite all Members to come to Gloucester this weekend, as there will be 100 beers, 30 ciders and perries, and an unbelievable atmosphere, in a great and noble old setting.

That deals with the preamble, so I come on to what I really want to say. I seek to strike a slightly different note, mild caution, and ask the Minister whether he has thought carefully about the possible unintended consequences of his amendment—I am sure he has. It would be a cruel irony if, in trying to protect pubs, this addition to the Bill triggered sales of pubs by small owners and increased the stranglehold on pubs of the large pubcos and very large brewers.

The Minister will know that there is a long history of unintended consequences in the brewing and pub sector. If we go back in time, we find that this House legislated against individual brewers owning more than 2,000 pubs, which inadvertently created large pubcos. The wheel has now almost come full circle, with Heineken proposing to buy back 2,000 pubs from a pubco. So there are times when, by trying to manage too finely what happens to our pubs, we end up with unintended consequences.
My concern, which I have also heard expressed by one or two small owners of pubs in my constituency, is that this sort of change could threaten the covenant with the banks that finance them. Lenders may lend more willingly on the understanding that in the unfortunate event of the pub failing there will always be value in the buildings for other uses, as that then underpins the security on which they lend to small owners. As in our pub, it is the small owners of pubs who tend to develop their own brewhouse and produce the real ale that CAMRA is all about. On the whole, the large pubcos and large brewers, who have their own entirely tied arrangements, are not going to produce the creative, small beers and the brewhouses which have regenerated this whole sector so effectively over the past 10 or 15 years.

Therefore, my question to the Minister is: has he thought carefully about the possible unintended consequences? Has he had any discussions with some of the individual owners of pubs or with their bankers and lenders? Will he reassure us that he believes that these changes are a compromise that do give enough flexibility to retain the support of those who lend to small owners of pubs and to provide that variety—what the hon. Member for Leeds North West was calling the “community pubs”? That is hard to define, but it is often when a pub is family-owned.

3 pm

All of us present for this debate are huge fans of pubs—probably of beer, too—and want to see them continue. We want to know that the listing of assets of community value matters, and we certainly do not want to see large supermarkets preying on pubs at the cost of the community. In my community, there is currently an issue with the future of the former Ridge and Furrow pub, which is on a site owned by Morrisons, the supermarket, but tenanted to Trust Inns. There has been an effective stand-off between Morrisons and Trust Inns, meaning that the building has been abandoned for some years and is a very unsightly contribution to the Abbey ward community in Gloucester. Situations such as that one cannot be resolved entirely through legislation and need heads to be knocked together and people to come to pragmatic solutions.

Generally speaking, I absolutely support all the intentions of this House and the campaigns led by CAMRA to ensure that our community pubs thrive and that we have lots of pubs offering all sorts of different real ales. The individual family owners of pubs have a crucial role to play. I just hope that the amendment will not inadvertently threaten that part of the sector.

Jim McMahon (Oldham West and Royton) (Lab): This is a topic very close to my heart, as it evidently is for Members from both sides of the Chamber. We know how important pubs are to the fabric of our communities. They are more than just a place that sells alcohol; they are a meeting place and a community heart. In many areas, they are the one bit of heritage of historical value in the local area in terms of architecture. In my own town, Oldham, where terraced streets were thrown up to house the millworkers, very little attention was paid to the architectural quality of the buildings. The architectural quality generally stands out in the local church and the local pub.

I sometimes drive round my town with a very heavy heart as I see some really inappropriate conversions, not only in terms of use but because the fact that they do not require planning permission often means that the important conversation about retaining heritage value in a building just has not taken place. Quite often, beautiful stained glass windows will be completely ripped out in favour of cheap, white, UPVC plastic windows. That might seem like a minor issue, but if that is the focal point of a community and it has had its heart ripped out, it affects how people feel about the place where they live.

I am pleased that the Government are acknowledging the role that pubs play in the local community, not only in the way I just described but through their economic value. Pubs are worth £22 billion a year to the economy, and £13 billion is raised from them in taxes and duties which, of course, funds our vital public services. They support nearly 1 million jobs. Just in the time I have been on this planet, since 1980, 21,000 pubs have closed, and 21 pubs close every week. It is urgent that we get the changes we are discussing, and quickly, because we do not want developers to try to move fast and aggressivelny in the knowledge that change is coming, looking to demolish or change use in the meantime. While we are having this debate, three pubs will close—every day, three pubs close in this country—so there is a sense of urgency about ensuring that community rights are protected.

I listened with great interest to my hon. Friend the Member for Chesterfield (Toby Perkins). I give him credit for the work he has done on the all-party parliamentary pub group to expose the importance of local pubs in giving a community a voice. I must admit that I had a smile on my face listening to his romantic description of that first experience of walking through a pub door. Depending on the pub’s proprietor, we do not always get a welcome—sometimes we feel as though we have walked into somebody’s living room—but at their best pubs are open and welcoming and they make us feel like part of the family, even if we are perfect strangers. That is why it is so important that they are maintained. We live in a time when people are becoming more socially disconnected and when families spend very little time together, so places where people come together are important.

This Friday and Saturday, I am sure Members will have the time on their hands to come up to Oldham, where we will be celebrating the Oldham beer festival, at which more than 60 real ales and ciders, many from the north-west, will be on display for people to test. There will be a fantastic example of local British produce. That is one way the community comes together.

The debate has been very positive, but if I may be slightly critical—though this probably goes beyond the current Government—we have not seen a compelling vision of what the British pub will be for this country and how the Government will offer support to the pub industry across different policy areas.

Greg Mulholland: The hon. Gentleman made an enormously important point about architecture and heritage. On the point that he has just made, I could not agree with him more. He has considerable expertise in local government, which he showed in a recent meeting on business rates, so we need him to contribute to this debate and it is great that he is doing so. Will he consider seriously the idea put forward by me, the British Pub Confederation and Protect Pubs, which is
that we should find a way to identify genuine community pubs, separate from bars, so that we can give them extra planning protection? We need to be clear that these changes to the Bill will not give them that protection. We should also look for a better way to tax pubs appropriately with regard to their community function. I would love to work with the hon. Gentleman and everyone to try to do that.

Jim McMahon: That is an important point. In the debates on the Local Government Finance Bill and business rates revaluation, Labour was clear in pressing for the need to recognise properly the role and value of community pubs and how they are often affected by a range of taxation, whether that is duties, business rates or rises in national insurance contributions, or by the increase in the national living wage. All those will affect a pub’s viability. It is important that we have one review to look to protect pubs. In many places, quite often when a pub provides that essential community facility, it is the only facility left in the area. Perhaps the church, post office and butcher have closed, along with other facilities, so it may well be that the pub is the only place where the community can come together. Residents will be rightly fearful that the response so far does not go across the whole of Government and they will want to see a plan.

We heard an announcement about permitted development rights and the change from office use to residential. The Opposition have been forceful in our view that the extension of permitted development rights should be reversed. There have been some extremely inappropriate developments, often against local community interests and against what the local community says it wants for the area. Developers are often looking for short-term gain at the expense of a community’s long-term sustainability. Will the Minister look seriously at the genuine impact of the policy change? There is no doubt that it has increased the number of units brought to market, but I would question the quality of those units, not only in terms of their size—many of them are very small indeed—but in terms of the attention to detail, the finish and the quality of life for people who live in converted office accommodation. Developers will quite often squeeze as many units into a premises as possible, bypassing the planning regime that any residential development would have to follow. The loophole needs to be closed at some point.

Mrs Main: The other matter that I am concerned about in areas such as mine is the lack of outside amenity space associated with offices. Like London, there are many families with children living in flats in St Albans, and there is very limited access to family friendly facilities in city centres.

Jim McMahon: That is a very important point. We recognise that many town and city centres have suffered from a decline in office accommodation, but as those towns and cities look to the future and to regenerate their centres, they will want to know that they can have a basic level of office provision in a redeveloped town centre. It is essential for footfall, which then means support for a range of ancillary services such as coffee shops, sandwich shops and retail units as well.

John Redwood: Does the hon. Gentleman accept that the most prosperous and dynamic town and city centres in our country have a phenomenal rate of change, with constant re-use, modernisation and updating of the properties.

Jim McMahon: I entirely accept that point, but I have a rather simplistic view—perhaps it is a naive view—that local communities should have a voice in that development. It is really important that local people have some sense of ownership and direction over their town, village or city. Many people feel completely excluded from that process. There is an issue with the extension of permitted development rights to cover office conversions. It could be that the local community has decided that such a move is right for their area and that it should therefore be supported, but that can be dealt with through a normal planning application. If the community is supportive of it and if the right accommodation has been chosen for the outdoor play area, for waste collection, for parking and for all the other amenities that are required, that will be facilitated through the normal planning process. I shall press the Minister to look again at that matter.

A compelling vision of what the British pub can be, and of what it can expect from our Government would be welcomed not just by the pub industry but, more broadly, by the whole community. I say to the Minister that, rather than waiting for someone else to come forward with such a vision or for Cabinet approval, he could pull the whole thing together himself. There are plenty of all-party groups that would absolutely be willing to contribute to that conversation. On the Labour Benches, I and others would want to play our part in doing that, because it is so important. When these pubs are gone, they are gone forever and they will never come back. For many areas, once that happens, it is development that has gone too far.

It would be remiss of me not to reflect on the fact that we are considering this amendment because of the fantastic work of Lord Kennedy in the other place in recognising how important this matter is and in bringing it forward. I am pleased with the Government’s approach to this amendment, but of course the amendment would not be here for debate had it not been for the work of the Members in the other place. I thank Lord Kennedy and the others who contributed to that debate for the work that they have done. Members who are involved in all-party groups should continue with their work. From the Labour Benches I say to the Minister that if there is anything we can do in policy development terms to support this work that is so critical to the fabric of our communities, he has our time, support and energy in seeing it through.

Gavin Barwell: This has been a very positive and productive debate. Let me respond briefly to a few of the points that have been mentioned. I must pay tribute to the hon. Member for Chesterfield (Toby Perkins) for the role that he plays in leading the pubs all-party group and for the lobbying that he has done on this issue. In referring to his numerous visits to pubs, he said that behind every door is a different surprise. That rather put me in mind of inspecting my children’s bedrooms after they have been told to clear them up.

The hon. Gentleman rightly paid tribute to the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Brigg and Goole.
(Andrew Percy), for the work that he has done on pubs. In particular, he expressed concern about the time between this announcement and the regulations being put in place. I will just reiterate what I said, which is that we intend to get them in place before July. We will do it as soon as possible. Clearly, it depends on when this Bill gets Royal Assent and when the regulations are drafted. We recognise the importance of moving quickly here. In the interim, there is the option of using assets of community value as a means of protection, and I will certainly look at whether we can make any other transitional arrangements. Clearly, those arrangements may have the same problem in terms of the time involved in drafting secondary legislation.

Toby Perkins: I am grateful to the hon. Gentleman for giving way. He is right that there are existing protections available. The hon. Member for Leeds North West (Greg Mulholland) suggested some kind of moratorium. I am not clear how legislative that might be performed. May I invite the Minister to join me in calling on all the organisations that might be tempted to show the worst of values and treat this as legislation that already exists, and to go through the proper planning processes for any decisions that they make between now and July?

3.15 pm

Gavin Barwell: I am happy to say that it is quite clear, both from the debate in the other place and this debate today, that Parliament has expressed a very clear will on this issue. Obviously, I hope that everybody in the industry will, in the intervening period, respect that the clear will of Parliament has been expressed in this debate.

My hon. Friend the Member for St Albans (Mrs Main) made the very important point that the Government have listened not just on this issue, but on the issue of business rates in the Budget. I note that she was one of those who was lobbying in that regard. She raised some concerns in relation to offices and residential permitted development rights. I cannot add a great deal more than what I said in my speech, but I can clarify one point, which is that her council is free now to look at an article 4 direction for a specific area of the city if there is a problem. What we are looking at here is our willingness to allow an article 4 direction over the whole of a local authority area. It is right that we allow that only where local authorities are delivering the housing that their communities need.

The hon. Member for Leeds North West tweeted me shortly after we tabled the amendment saying that everyone knows that he is uncompromising and robust, but that he is also fair. He demonstrated that in his kind words today. Obviously, I am the Minister standing at the Dispatch Box, but he was right to pay tribute to the Secretary of State, who played an important role in agreeing this policy change. It was good of the hon. Gentleman to put that on the record. I was going to do so myself. I also pay tribute to the excellent officials who have worked on the Bill team and in the relevant policy areas. The “elegance of the solution”—if I can use the hon. Gentleman’s phrase—is all theirs and not mine.

The hon. Gentleman raised two specific issues. The first was whether we can look over time at extra protection for community pubs. We can certainly discuss that with those who are interested. Some of those issues may be to do with planning, but they may spill over into other areas of Government policy. He also raised particular concerns about some of the planning policies of authorities that have put protections in place. Clearly, if there are local plan policies that explicitly refer to A4 drinking establishments, they can be updated to reflect the policy change that we are making today to cover the mixed A4-A3 use.

The hon. Gentleman raised a particular point about A4, which I did not entirely understand. He might want to explain that now, but it might be better if he wrote to me, because I can write back to him and give him the assurance that he needs.

Greg Mulholland: This is a really important point. As the Minister knows, he has had a letter about it from a leading pubs planning consultant. It is about article 4 directions. The concern is that the only way that article 4 will be anything but worthless for the new mixed use category is for the council to come up with an entire new article 4. The Minister says that local planning policies can be updated, but article 4 directions have to go through a certain process, so he will have to take responsibility for drawing up a statutory instrument in which, clearly, the intention is to protect all developments within the category which is now A4 and some A4/A3. They all need to be covered. He will need to look at that.

Gavin Barwell: I will certainly look at that issue and come back to the hon. Gentleman, as he raises a fair point.

My right hon. Friend the Member for Wokingham (John Redwood), perhaps predictably for those who know him well, made the very important point that, ultimately, the way in which we protect pubs in the country is through customers—through people using and supporting those local facilities. I was very grateful to him for his support on the issue of office to residential conversion. He is quite right to say that we need to ensure that our planning system is sufficiently flexible to ensure that local economies can adapt quickly to the changes that we are seeing in our society and in economic activity.

My hon. Friend the Member for Gloucester (Richard Graham) issued a warning about the potential downsides to this policy. He asked me whether we have considered them, and we certainly have. One reason why the Government initially resisted this change was the view that, clearly, where institutions have a permitted development right, it is reflected in the value of those institutions and that will affect decisions that lenders make. It will also reflect the values that people have on their books. There seems to be a clear will in both Houses of Parliament that, given the value of pubs as community institutions, we do not want people to be able to convert pubs for other uses or to demolish them without going through the planning process. We take this decision knowing that there is always another side to these issues, as my hon. Friend has pointed out, but the Government have looked at the matter and come to the view that there is a clear will in Parliament to take a different approach to the issue.

The hon. Member for Oldham West and Royton made a good point about the low quality over the years of some conversions or replacement buildings after
demolitions. I can think of examples in my constituency. We lost the Blacksmith’s Arms, which has been replaced by an unsightly building in a key district centre. Conversely, the Swan and Sugarloaf, which was a very recognisable building right on the edge of my constituency in south Croydon, has been converted to a Tesco Express. There was actually a renovation of the building’s architecture, significantly improving its appearance. Those examples can work either way, but the hon. Gentleman raised a valid point.

The hon. Gentleman talked more generally about the need for a vision for pubs. That vision has to come primarily from the industry, although the Government can clearly play a supporting role. He invited me to come forward, but I think that is the responsibility of the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Brigg and Goole. I know that he has engaged extensively with the all-party parliamentary group and with others in the House who have a passion for those issues. There is clearly a real wish on both sides of the House to see these vital community assets thrive and succeed in the modern economy. The Government have shown willing to look at these issues and see what we can do to support them.

The two sides of the House differ on the issue of office to residential conversion. I have been very clear since the Prime Minister gave me this job that there is a desperate need for more housing. Therefore, it is incumbent on the Government to support policies that drive a step change in housing supply. There is clear evidence, for anyone who wants to look at the statistics that are published in November each year on net additions, that this policy is adding about 13,000 extra units of housing. I accept that it is a blunt tool, and that not all of those homes are of the quality we would want. I would not necessarily agree with the hon. Gentleman’s view that they are universally of poor quality. There are some very good schemes in my constituency that have come about through permitted development conversions. None the less, in the situation we face—which was 30 or 40 years in the making, with Governments not ensuring that we built sufficient homes—the main focus has to be on getting supply up.

With the changes that we have announced in the other place and that I have run through today, we have sought to say that where local authorities are delivering the required level of housing and can prove that they can do so without this permitted development right, the Secretary of State will look kindly on authority-wide article 4 directions and will not seek to block them. For those who do not like this policy, there is a very clear message: if they have other policies through which they can deliver the housing that their local area needs, the Government are quite willing to be flexible. What we will not do is rescind this policy nationally when so many parts of the country are failing to build the homes we need.

The hon. Gentleman mentioned the noble Lord Kennedy and the role he has played in bringing forward this amendment. I also pay tribute to him. In the past couple of months of doing this job, the response from the Labour Front Bench in the other House, and from Labour local authority leaders around the country, to the strategy set out in the Government’s housing White Paper has been noticeably encouraging. I am grateful for the constructive way in which the other place looked at the measures in the Bill.

Lords amendment 22 disagreed to.

Government amendments (a) and (b) made in lieu of Lords amendment 22.

Clause 12

Restrictions on power to impose planning conditions

Gavin Barwell: I beg to move, That this House disagrees with Lords amendment 12.

Madam Deputy Speaker (Natascha Engel): With this it will be convenient to discuss the following: Lords amendments 10 and 11, 13 50 21 and 85 to 90.

Gavin Barwell: In contrast to the debate on pubs, which was really an issue that arose on Report thanks to the hon. Member for Leeds North West tabling his amendment, there have been extensive debates on the planning conditions clause during the passage of the Bill through both Houses. The Government have tabled a number of amendments seeking to address the concerns that have been raised in both Houses and in response to our consultation on the measures.

In particular, the Government have tabled two amendments to clause 12 that take forward recommendations in the 15th report of the House of Lords Delegated Powers and Regulatory Reform Committee. The first of these is Lords amendment 21, which would apply the affirmative parliamentary procedure to any regulations made under subsection (1). The Government accept the Committee’s view that the negative procedure is not an adequate level of parliamentary scrutiny for the exercise of the power, and have amended the Bill accordingly.

The second is amendment 14, which also responds to a recommendation from the Committee—namely, that the Secretary of State should be required to consult before making regulations under subsection (6). Provided this requirement to consult is put into place, the Committee said that it would regard the negative procedure as an adequate level of parliamentary scrutiny for this particular power. The Government agree with this recommendation, as it is important that consideration is given to the views of developers, local planning authorities and other interested parties before making regulations under subsection (6). Amendment 14 therefore places a duty on the Secretary of State to carry out such consultation before making regulations.

Lords amendment 18 responds to views expressed in response to the Government’s consultation on improving the use of planning conditions. A number of respondents across a range of sectors, including local authorities, developers and interest groups, called for guidance. They asked that, if the Government’s proposed powers under this clause come into force, updated planning guidance should be issued on the operation of the provisions. The Government agree with that view. We made a commitment in our response to the consultation to publish updated guidance to support the changes, if they are brought forward. In order to give assurance to
all parties, amendment 18 would place a duty on the Secretary of State to issue guidance to planning authorities on the operation of this clause, and any regulations made under it. This guidance would set out advice that may be useful and of interest to applicants, local authorities and other interested parties.

Amendment 12, which is not a Government amendment, seeks further to constrain the use of the proposed power in subsection (1). It is right that the Government do not intend to use the power to prevent local authorities from imposing planning conditions that accord with the national planning policy framework. However, section 100ZA already has this effect. Any regulations made under subsection (1) must be consistent with the test for planning conditions in the national planning policy framework. Subsection (2) provides that the Secretary of State must make provision under subsection (1) only if it is appropriate to ensure that conditions meet the policy tests in paragraph 206 of the national planning policy framework. Further constraints on the Secretary of State’s power in subsection (1) must be consistent with the test for planning conditions in the national planning policy framework. The Government’s case is very simple: Lords amendment 12 is unnecessary. More than that, by placing the policy test on the face of the Bill as we have done, rather than referring to the framework by name, the Government are making it clear in the legislation that the purpose of the power is to ensure compliance with those tests. Further constraints on the Secretary of State’s power in subsection (1) will be applied by Lords amendments 14 and 21, which I have covered—they require public consultation and the affirmative parliamentary procedure to any regulations made under the power.

On Lords amendments 10, 11, 13, 15, 16, 17, 19 and 20, and 85 to 90, clause 12 provides the Secretary of State with a power to make regulations about what kind of conditions may or may not be imposed on a grant of planning permission, and in what circumstances. The proposed power will apply in respect of any grant of planning permission. It had included permission granted by order of the Secretary of State, the Mayor of London, local authorities or neighbourhood planning groups. In the light of the responses we received to the consultation on the proposed new power, we have decided that it is not appropriate to apply the power to the making of orders, as opposed to applying it to the granting of planning permission. We have therefore sought to amend the clause to that effect.

3.30 pm

It is important that the order-making body can set conditions that frame the type of development that would be acceptable. That could include a condition that a development including a change of use is completed within three years. Such a condition may be unreasonable when imposed following the consideration of a planning application, but we do not believe it would be unreasonable in the very different exercise of granting permission by order. Consequently, we propose that the power will not apply to the grant of planning permissions by development orders, simplified planning zones, enterprise zones and development control procedures, meaning when the Government’s authorisation is required.

With those arguments in mind, I commend amendments 10, 11, 13 to 21, and 85 to 90. I also ask the House to disagree with Lords amendment 12 which, as I have said, is unnecessary given the clear safeguards in the Bill.

Lords amendment 12 disagreed to.
Lords amendments 10, 11, 13 to 21 and 85 to 90 agreed to.

Clause 1

Duty to have regard to post-examination Neighbourhood Development Plan

Gavin Barwell: I beg to move, That this House agrees with Lords amendment 1.

Madam Deputy Speaker (Natascha Engel): With this it will be convenient to discuss the following:

Lords amendments 2 and 3.
Lords amendment 4, and amendment (a) thereto.
Lords amendments 5 to 9.
Lords amendment 23, and amendment (a) thereto.
Lords amendment 24 to 84.

Gavin Barwell: The shadow Minister has caused confusion by not objecting to proposals that some anticipated he might object to. That is fine by the Government, and I will happily proceed. I am probably also right in saying that Members who wish to speak on this group of amendments might have anticipated the debate on the second group lasting longer. I will try to talk at a little more length to give my hon. Friends time to arrive in the Chamber to take part.

This is the third group of amendments and I want to provide the House with an update on the other amendments made to the Bill in the House of Lords—[Interruption.] My right hon. Friend the Member for Arundel and South Downs (Nick Herbert) is here. There we are.

First, on the amendments relating to neighbourhood planning, I thank all hon. Members and peers who contributed to the debate as the Bill has progressed through Parliament. It is clear that there is strong cross-party support for this important reform, which was introduced by the coalition Government. I very much welcome the positive and constructive debate we have had on the clauses. We are all seeking to ensure that neighbourhood planning—the quiet revolution, as described by my ministerial colleague Lord Bourne of Aberystwyth—continues to go from strength to strength. In that regard, I point the House not only to the important clauses in the Bill, but to my written ministerial statement, which we talked about on Report, and the further clarification provided by the housing White Paper.

The definition of a post-examination neighbourhood plan in clause 1 is clarified by Lords amendments 1, 2 and 3 to ensure that decision makers are in no doubt as to when they must have regard to them.

On Lords amendment 4, I committed on Report in the Commons to return to an important issue raised by my right hon. Friend the Member for Arundel and South Downs and others on the voice of communities in planning decisions. The Government have therefore brought forward Lords amendment 4, which will require local planning authorities automatically to notify parish councils and designated neighbourhood forums of any future planning applications in the relevant neighbourhood area. Automatic notification would apply once parish
councils and designated neighbourhood forums had in place a post-examination neighbourhood plan, as defined by clause 1. Parish councils and designated neighbourhood forums will be able to opt out of automatic notification or request that they are notified only of applications of a particular type. However, they will have the automatic right to be notified, exactly as requested by my right hon. Friend, and that is now on the face of the Bill. Rather than respond at this stage to the amendment that he has tabled, I might allow him to speak, if he intends to do so, and respond at that point.

Lords amendment 5 will allow the Secretary of State, through regulations, to prescribe further requirements that an examiner of a neighbourhood plan or a neighbourhood development order must follow in engaging with those with an interest in the examination. Subject to consideration of the outcome of the housing White Paper, which is still out for consultation, the amendment will allow the Secretary of State to make regulations that place a duty on the person appointed to examine a neighbourhood plan or a neighbourhood development order, or any alternative provision they have brought forward, to provide information to, and hold meetings with, parish councils, designated neighbourhood forums, local planning authorities and others, and to publish their draft recommendations.

I thank all hon. Members and peers who have helped to shape these amendments, and I particularly thank Baroness Cumberlege, who was heavily involved in shaping this amendment in the other place. The concern is that people often put a huge amount of work into producing a neighbourhood plan, which is then examined and the examiner requires amendments to be made without people having any opportunity to discuss those proposals or to understand the logic behind them. That is why we have introduced these amendments. We want to ensure that this process helps people who give up their spare time and put effort into producing neighbourhood plans to get the result they want in terms of how their local community develops. As I said, I am really grateful to Baroness Cumberlege and others in the other place for the time and effort they have put into these amendments and for the meetings they have had with me and my ministerial colleague Lord Bourne to try to get the detail right.

On Report in the Commons, my hon. Friend the Member for South Cambridgeshire (Heidi Allen), who is not in her place, raised the vital issue of planning for the housing needs of older people and the disabled. All hon. Members will appreciate the importance of this issue not only in ensuring that this group of people, which will grow over the coming years, has a range of housing provision suitable to its needs—many of us will have seen in our constituencies that that range of provision is not there at the moment—but in helping with some of the wider housing problems I am trying to deal with. Clearly, if greater alternative provision is made available, and people can downsize from their existing accommodation, that releases vital family housing on to the market. This is therefore a really important issue, and I made it clear that I was grateful to my hon. Friend for raising it. I committed to look at it carefully, and the Government subsequently brought forward amendment 6 in Committee in the Lords.

There was considerable cross-party support for the amendment in the other place. It amends section 34 of the Planning and Compulsory Purchase Act 2004 to require the Secretary of State to produce guidance for local planning authorities about how their local development documents, taken as a whole, should address the housing needs of older and disabled people. Page 62 of the housing White Paper sets out some of our key ambitions for this new guidance. In essence, without going into all the detail, the White Paper has two main areas that are focused in this direction. First, we are looking at our planning policies and how we can make sure that our local authorities are planning for a suitable range of alternative provision. There is definitely a partial solution to this problem in relation to planning reform. Secondly, we are asking whether people have thoughts or ideas about whether other measures are needed to incentivise people to downsize. In other words, is the problem just a lack of suitable provision in the area, or are there other barriers that we need to try to find a way to overcome to enable people to access accommodation that is more suitable to their needs? We are very much looking forward to seeing the responses to the White Paper as they come in so that we can consider these issues in more detail.

It is probably worth touching briefly on supported housing, which is clearly crucial in this regard. Hon. Members will be aware that we recently consulted on the new funding model that we have in mind for supported housing. We received a huge response to that consultation. We are analysing that at the moment, and we will come forward with a Green Paper later this year. Again, I thank my hon. Friend the Member for South Cambridgeshire, whose initiative ultimately lies behind Lords amendment 6.

Lords amendments 7, 8 and 9 to clause 11 will encourage early conversations between the local planning authority and its community about the future local growth and development needs of their area by allowing the Secretary of State to make regulations that set out the matters that local planning authorities must address in their statements of community involvement. We talked about this in Committee. For example, the regulations might require local planning authorities to set out the advice they would provide on the relationship between their local plan and neighbourhood plans in the area, and ensure that communities, including parishes and designated neighbourhood forums, are left in no doubt about when and how they will be able to get involved in the planning of their area.

Jim McMahon: On community involvement, there can be a conflict when mayoral plans—the strategic development plans for combined areas—are being developed in areas where no neighbourhood plan is in place, and local people at times feel that their voice is not being heard. In my area of Greater Manchester, there is a significant tension because the combined authority is proposing to build on green-belt land without an accurate or full brownfield register being in place. Where areas do not have a neighbourhood plan in place, and the local plan has been stalled pending the strategic plan, people feel frustrated that they do not have a voice in the process. Will the Minister give a bit of detail on how they might have a voice?

Gavin Barwell: I am obviously aware of the Greater Manchester spatial strategy. I need to be a little careful, for reasons I am sure the hon. Gentleman will understand, not to comment on the detail of that, because it may...
Mr Stewart Jackson (Peterborough) (Con): Will my hon. Friend give way?

Gavin Barwell: I will in a second, because I suspect that my hon. Friend has a very similar issue—potentially—in his area.

I will certainly reflect, in any regulations that we might bring forward, on what the issues might be when there is a wider strategic plan. If the hon. Member for Oldham West and Royton (Jim McMahon) wishes to talk to me informally about some of the things he has experienced, I would be very happy to have that conversation.

Mr Jackson: For once my hon. Friend is wrong, because I do not have a problem with my own devolution settlement. In fact, I am a sinner repenting: I was quite hostile to it, but now I think it is going to work out for me—having had experience.

May I take the Minister back to the amendment tabled by my hon. Friend the Member for South Cambridgeshire (Heidi Allen)? Will he ensure that any guidance, to ensure that communities that have been hostile to it, but now I think it is going to work out for them rather than their having an involvement.

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Mr John Mann: If I allow the hon. Gentleman to intervene, that will give me more time to think, so I will happily take another intervention.

John Mann: The Minister’s instinct is very good, in my judgment. I hope that he will think through, perhaps not at this very moment, a scenario whereby a district council that is on the verge of getting its development plan agreed and endorsed in law is not put in the position of having to use its veto against a wider authority that it has joined, because that veto might undo the work that has already been done. In other words, is there potential for hybrids that allow housing developments to proceed, rather than an absurd structure that, in essence, allows different processes to collide? It strikes me that that may be a possibility somewhat near to my home in future.

Gavin Barwell: That is not an easy question to answer in the abstract. Generally speaking—I am not an expert on this; I am sure the hon. Gentleman will correct me if I am wrong—in most of the devolution agreements that have set up a requirement to produce a spatial strategy, each of the individual constituent authorities in the combined authority has a veto. That is certainly the case in Greater Manchester, and I believe it is the case everywhere other than in relation to the London plan, the key difference being that that plan cannot allocate specific sites in the same way as the Greater Manchester spatial strategy. In that situation, I believe that the hon. Gentleman’s own local authority would have a veto over any wider strategic plan.

I think that the hon. Gentleman was also driving at the issue of transitional arrangements. In other words, if an authority is nearing completion of its own plan and work is about to get under way on a wider strategic plan, would that authority still be able to complete its work on its own plan? I am happy to reflect on that, but my instinct is that it should be able to do that, because there are clear advantages in getting a plan in place, in terms of protection from speculative development.

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I think that the hon. Gentleman was also driving at the issue of transitional arrangements. In other words, if an authority is nearing completion of its own plan and work is about to get under way on a wider strategic plan, would that authority still be able to complete its work on its own plan? I am happy to reflect on that, but my instinct is that it should be able to do that, because there are clear advantages in getting a plan in place, in terms of protection from speculative development.
can have a discussion about it outside the Chamber when I have had a chance to talk to my officials, but I have given him a steer on my instincts.

We have digressed a bit—with your forbearance, Madam Deputy Speaker—but we were discussing Lords amendments 7, 8 and 9, which, as I said, are about giving the Secretary of State the power to produce regulations about the matters that local authorities should cover in their statements of community involvement. Hon. Members will recall that my right hon. Friend the Member for Sutton Coldfield (Mr Mitchell)—I do not believe he is in his place today—highlighted this matter on Report. I am pleased that, as I promised, we have been able to table an amendment that reflects the intention behind his amendments.

I turn to Lords amendment 23. The White Paper highlighted the Government’s commitment to legislating to enable the creation of locally accountable new town development corporations. The existing institutions report to the Secretary of State, but there is a strong desire for locally accountable institutions. Lords amendment 23, which was tabled by Lord Taylor of Goss Moor and Lord Best, was entirely consistent with the White Paper and the Bill’s aim of further empowering local areas, and I am pleased that the Government were able to accept it. Several pieces of planning legislation have been introduced in recent years, and the White Paper left open the possibility for further legislation to follow. It is good that, by accepting Lord Taylor’s amendment to the Bill, we have been able to get into statute one of the measures that we set out in the White Paper.

In summary, the amendment would support the creation of locally led garden towns and villages by allowing the responsibility for any development corporation created under the New Towns Act 1981 to be transferred to a local authority or authorities covering all or part of the area designated for the new town. My right hon. Friend the Member for Arundel and South Downs has tabled amendments on the issue, and I think it might be best if I allow him to speak to his amendments before I tell him how the Government intend to respond to them, to give him the opportunity to persuade me of his case.

I turn to compulsory purchase. In the other place, the Government tabled a number of primarily technical amendments based on further engagement with expert practitioners to ensure that the compulsory purchase provisions will make the process clearer, faster and fairer. Lords amendments 24 to 62, together with amendments 76 and 78, deal with temporary possession to refine the new system so that it will work as intended.

Robert Neill (Bromley and Chislehurst) (Con) rose—

Gavin Barwell: I was just looking around to see whether my near neighbour, my hon. Friend the Member for Bromley and Chislehurst (Robert Neill), was there, and he is. I will happily give way to him.

Robert Neill: On behalf of those who have engaged with the Minister on this matter and I say how much we appreciate his time and courtesy? The expert practitioners in the sector whom he and I have talked to regard the amendments as valuable. They are not necessarily the sexiest amendments we will ever see, but they clarify a number of important pieces of procedure. I hope that, in that spirit, those of us who take an interest in such matters may be able to come back to the Minister in due course with further refinements, which may not require primary legislation. I am grateful to him for the way in which he has approached this aspect of the Bill.

Gavin Barwell: I am grateful to my hon. Friend for his kind words, and I have tried to approach the entire Bill in the same spirit. It is fair to say that the Housing and Planning Act 2016 had a rather difficult passage through Parliament, and with this Bill we wanted to build the broadest possible coalition behind the changes that the Government are making to try to drive up the amount of housing that we build. It has been pleasing to see, both in the other place and here today, the fairly widespread support for the way in which the Government are trying to take forward this agenda.

I will briefly describe, for those who do not have my hon. Friend’s expertise in such matters, Lords amendments 63 to 68. They deal with the no-scheme principle; that is the key principle that defines the world in which compensation is assessed when compulsory purchase powers are used. The amendments basically refine the provisions so that they will work as intended.

Lords amendments 69 to 73 extend the ability of the Greater London Authority and Transport for London to make a joint compulsory purchase order for a combined housing or regeneration and transport project. I think I am right in saying that both the GLA and TfL have these powers at the moment, but they are not allowed to use them together on a combined project, which is what we are seeking to allow. In particular, Lords amendment 72 would allow TfL to work with a mayoral development corporation as an alternative to the Greater London Authority.

I thank the experts at the Compulsory Purchase Association and Transport for London for their advice, and Members of this House and of the other place for their constructive contributions to the debate on a very technical area of law. As I said on the first group of amendments, when not so many Members were in the House, I thank one of my most distinguished predecessors as Housing Minister, Lord Young of Cookham, who ably steered these provisions through the other place.

Responding to concerns raised in the other place, the Government tabled Lords amendments 74, 75, 77, 79, 80 and 83, which replace the power within the consequential clause of the Bill so that the Secretary of State’s power to make consequential changes—in essence, when something is spotted after the legislation has gone through that has a knock-on effect on other legislation—is limited to part 2, or in other words only to the CPO provisions. We made those changes because of concerns in the other place about the broad scope of the consequential provisions. The possibility of things being spotted really arises in relation only to the CPO provisions, which is why we have limited this power to part 2.

Lords amendment 81 commences the regulation-making power in Lords amendment 4, and Lords amendment 82 commences the regulation-making power in Lords amendment 9. Lords amendment 84 will apply the same changes proposed by Lords amendment 5 to notifications that take place under the new streamlined procedure to modify a neighbourhood plan that is in force, as introduced by clause 3 and schedule 1.
I commend the Lords amendments in this group, and I will come back in later when I have had a chance to listen to the arguments of my right hon. Friend—and my very good friend—the Member for Arundel and South Downs.

**John Mann:** I will comment on three aspects of the amendments in this group and what the Minister has said on them. The first, briefly, is about changes to housing for the elderly. It is a question of whether a local community or a local council can actually designate specific pieces of land explicitly for accommodation for the elderly, which would open up the potential for planning gain, particularly on service sites. For example, saying that a specific piece of land within a larger development should be allocated for a few bungalows would precisely address rental need and possibly purchase need.

The other added key value that arises from the Minister’s comments about having an effective approach to accommodation for the elderly is equity release. There would be a boost to the local economy from large numbers of people wanting to downsize—both those who want to purchase smaller accommodation and those who want to move to social renting but are in essence excluded from doing so at the moment—by releasing the modest equity in the house they have spent their lifetime purchasing. They want to do so to be able to live in more comfort and more cheaply, but also to be able to assist their grandchildren to get on to the housing ladder. Spending that equity would be a huge boost to the economy in a community such as mine. Is the possibility of creating zones that could be serviced or, through planning gain, developed, a greater option as a result of the amendments?

4 pm

Secondly, on neighbourhood planning, the Minister has taken the right approach in listening to considerations. It is worth highlighting that there is often a myth that neighbourhood plans are designed purely in leafy, well-to-do areas, and that they are a way of stopping housing. However, in the authority with the highest proportion of population who have agreed, or are in the process of agreeing, neighbourhood plans, the reality is the exact opposite. The first and quickest to do so have been communities in Elkesley and in Harworth and Bircotes, which are both primarily former mining communities. Every single proposal for a neighbourhood plan has been for housing growth, including in communities that had previously objected to proposals for housing growth. In other words, the supremacy of power to the very local level is bringing forward significant amounts of extra housing, not restricting housing. I commend the Minister and hope for guarantees that his direction of travel will not in any way undermine the local democracy that has been crucial in areas such as mine to bringing forward new areas for housing.

Finally, it would useful if the Minister let us know in passing the progress of those requesting Government money to get housing on the move. With the Bill and the Government putting significant amounts of money into housing development, there is a potential win-win for communities if all the ducks are lined up effectively in a row, whereby local people see huge benefits from planning, as opposed to seeing planning as a problem if they ever want to change anything or as an afterthought if they are ever consulted. That is why I think the Minister’s approach is in exactly the right area, but further reassurance would be very welcome.

**Nick Herbert** (Arundel and South Downs) (Con): I am grateful to Madam Deputy Speaker and to my hon. Friend the Minister for giving me the opportunity to speak to two amendments that my right hon. and hon. Friends and I have tabled: an amendment to Lords amendment 4 on neighbourhood plan notification, and an amendment to Lords amendment 23 in relation to the powers that may be given to local authorities to set up new towns. I have two sets of concerns in relation to those amendments.

First, on neighbourhood plans, may I echo what the hon. Member for Bassetlaw (John Mann) just said about the value of neighbourhood plans in often producing more housing than anticipated? That is the case nationally and that was recognised in the Government’s White Paper. In my constituency, neighbourhood plans have, quite often unexpectedly, produced more houses than local villages were required to produce, because the incentives are turned around and people start to ask themselves what they want in their villages rather than what they do not want. The development of neighbourhood plans, giving local communities control over their own area, has been a very important and welcome localist reform introduced under this Government.

However, the last time we debated the Bill, I said, as I have on many previous occasions, that it is important for the neighbourhood planning process not to be undermined by speculative development applications which are then upheld either by the local authority or on appeal by the planning inspector. That has the effect of demoralising those who subscribe to the neighbourhood plan: those who are either in the process of drawing up plans but are at a late stage, or those whose plans have actually been made and are subjected to a referendum. There is then real local anger when it turns out that a neighbourhood plan which they thought would give protection to certain areas of their local community while allowing for housing in others does not give that protection at all when, because there is not a five-year land supply or for some other reasons, the development application is allowed. There is a real danger—I stress this to the Minister—of confidence in neighbourhood planning being undermined if the widespread perception is that the plans are not worth the paper they are written on. I believe that this is an important issue that the Government still need to address.

I recognise the considerable steps forward taken when the Minister agreed in Committee to measures that would give protection to made neighbourhood plans in relation to the five-year land supply issue. I was very grateful, but he will understand that I was utterly dismayed when, last Friday, I received a letter from the planning inspector informing me that a speculative application in the village of Hassocks in my constituency had been upheld against the wishes of the emerging neighbourhood plan. For whatever reason—the Minister might be able to explain why this happened—the welcome measures that he announced when we last debated this issue were of no help in that situation.

The parish council, which has worked very hard on its neighbourhood plan, is now demoralised and is seriously considering whether to bother going ahead
with its neighbourhood plan. Why should it bother if this plan can simply be wrecked by developers and, worse, those speculative applications are then actually upheld by the planning inspector, who of course sits in the Minister’s shoes? I take at face value and accept the Minister’s assurance that the Government are serious about protecting neighbourhood plans, but I tell him that the measures that he has announced so far do not go far enough to achieve that. Villages all over my constituency are now saying that they wonder whether the neighbourhood planning process is one they wish to continue with. We must stop that message getting abroad.

Greg Mulholland: I praise the right hon. Gentleman for the work and leadership he has provided to many right hon. and hon. Members who have had exactly the same experience as in Aireborough, for example, on this issue. We hear this nonsense that we are not even allowed to go through the neighbourhood planning process unless we entirely agree with the decisions that we have campaigned on and objected to for many years. Does he agree that, working with organisations such as Community Voice on Planning and others, the Minister and his officials now need to sit down and do this properly so that we get the kind of localism that we all thought we were voting for and that he and I supported in 2011?

Nick Herbert: I agree with the hon. Gentleman. I know that the Government have to square the circle in that they want to see a considerable increase in housing, which is the right ambition so that we can spread opportunity in a country in which house prices are out of the reach of so many young people now and rents are correspondingly high. As I say, the Government are right to seek to address that, but the whole point about neighbourhood planning is that it delivers more houses than was expected. This is not a measure to stop house building; it is a way to ensure that we have a system that is planning-led and not developer-led, so that we do not have a return to the unwelcome days of planning by appeal.

I tabled my amendment with the support of many right hon. and hon. Friends who are equally concerned about this issue, as the Minister will know. It states not just that the neighbourhood forum is entitled to give its views to the planning authority about a planning permission that will have an impact on its emerging or actual neighbourhood plan, but—this is the crucial wording—that the authority must “take into account” the views of the neighbourhood forum. It is very important that that happens.

Frankly, I would personally rather go much further. It is not within the scope of the amendment or the Bill to do so at this point, but I would give much more weight to emerging neighbourhood plans and I would make it very hard for neighbourhood plans to be overturned. The Minister will find that unless that happens in the future, the neighbourhood planning policy will start to be eroded. I hope that the Minister will nevertheless go as far as he can at this point to give the required reassurance to local communities that it is worth pursuing a neighbourhood planning process, that neighbourhood plans will be respected and that speculative developments will not normally be allowed. I would like to understand what I should say to the people of Hassocks about the decision that the Minister made, which has so dismayed them.

Let me deal with the proposed delegation of powers to local authorities to create new towns. I have no objection in principle, speaking as someone who has always advocated localism, to the delegation of these powers, but I want to talk about one possible practical effect that this House should consider when it comes to the making of the future regulations that would allow this to happen.

At the moment, the powers of compulsory purchase that are needed for the creation of new towns under the New Towns Act 1981 rest with the Minister, which I think is right because the compulsory purchase of land is a serious step. Essentially, the state is confiscating land from private ownership, and I think that that should be authorised by Ministers, after very careful consideration. If the power is handed to local authorities, we will risk the creation of serious blight all over the country when authorities, working with developers, consider that they may have designs on land that was previously not available for development or where developers have no options.

In my constituency, a proposal for a new town has been strongly rejected by the two district councils concerned, Horsham and Mid Sussex. Both councils are planning for the right number of houses to be built elsewhere in their districts, but this is an inappropriate location for a new town. The developer, Mayfield, owns very little of the land concerned, and has options on very little of it. A huge number of landowners, responsible for some 4,000 acres of the area, are saying that they do not want their land to be developed. The new town, therefore, could only be built in future in the event of compulsory purchase of the land.

The developer has sought to disrupt the planning process at every stage, arguing against the plans of Horsham and Mid Sussex district councils in an attempt to get its own way. I should point out that an adviser—a paid adviser—to this new town promoter is Lord Taylor of Goss Moor, who was the promoter of the amendment. He declared his interest properly, but it is nevertheless important for us to understand that Lord Taylor gave the game away when he moved his amendment. He said that what he wanted was a device whereby it would be possible “to capture the value of land in order to create supplements.”... [Official Report, House of Lords, 15 March 2017; Vol. 779, c. 1894.]

I want the House to understand what Lord Taylor meant. He meant that he wanted to give powers of compulsory purchase to local authorities so that local authorities could purchase land at below the market rate.

Huge blight has already been created in that part of my constituency because of the predatory activities of a developer that does not have sufficient options on the land for a new town in an area where it will never be built. Can the House imagine what would happen were we to give these powers to local authorities which, all over the country, could start to consider where, using powers of compulsory purchase, they might acquire at below the market rate land on which they simply had designs to build?
John Mann: Under the code of conduct on standards in public life, someone who has declared an interest—certainly in this House—is prohibited from moving an amendment in which that person has a pecuniary interest in relation to any organisation, as has been the case ever since the Nolan Committee reported in 1996. Does the right hon. Gentleman not think that the House should reflect on that?

Nick Herbert: I should emphasise that Lord Taylor made his interest clear when he moved the amendment. As for the rules in the other place, I am not aware of them, but it is the case that Lord Taylor has had in the past, if not currently, a commercial interest with one of the developers that would stand to gain from the transfer of powers that may be effected by the permissive legislation that the Government wish the House to accept.

I believe that this raises a question of principle, namely whether the powers of, specifically, compulsory purchase should ever be delegated to local authorities. I suggest to Members on both sides of the House that we should not allow that. While it might be appropriate to delegate other powers to make it easier for new towns to be established by local consent, I think it would be a grave mistake to delegate powers of compulsory purchase in a way that would cause Ministers to lose control altogether of the process whereby land may be compulsorily purchased. It would have the effects I have described in this area all across the country. The amendment would forbid such a transfer of power in this specific instance in relation to powers of compulsory purchase, and I seek reassurance from my hon. Friend the Minister that he will know that this is also of huge concern to my right hon. Friend the Member for Arundel and South Downs (Nick Herbert), who is unable to be here today but shares my concern about the impact of the Mayfields new town, which crosses both our constituencies.

4.15 pm

My hon. Friend is an excellent, conscientious and assiduous Minister, who is always willing to listen to concerns of hon. Members on both sides of the House; I know that from personal experience and the way he has responded to me before. Nevertheless, I am concerned about the decision he took on Friday and about this proposed transfer of powers, and would be very grateful if he reassured me on both counts.

Gavin Barwell: Let me briefly respond to the points made by the hon. Member for Bassetlaw (John Mann) and my right hon. Friend the Member for Arundel and South Downs (Nick Herbert).

The hon. Gentleman asked whether a council can designate particular sites for housing for the elderly, and the simple answer is yes, it can. They have powers to do that already, and in the guidance we issue we might want to look at the extent to which we allow that to be a matter for local decision making, or whether it is something we wish to promote.

The hon. Gentleman made two vital points in relation to compulsory purchase. First, neighbourhood planning is a powerful argument for doing so when we trust people to make decisions about their area and they respond in exactly the way we would want.

John Mann: That is a good socialist principle.

Gavin Barwell: Both sides of the House can lay claim to that good localist principle. The evidence is clear, and that is why the Government are keen to see neighbourhood planning turbocharged around the country. I will say a little more about that shortly, but first I want to respond to the points my right hon. Friend made, because the overall argument is relevant to both aspects.

I will deal with my right hon. Friend’s two amendments first, and then come on to the particular planning application he refers to. On amendment (a) to Lords amendment 4, the Government absolutely agree with him about the importance of neighbourhood forums and parish councils having sufficient time to consider planning applications when notified by local planning authorities, and, crucially, about the importance of their views being taken into account when local planning authorities make decisions. I can assure him and the House as a whole that we intend to update the secondary legislation to provide requirements for where forums and parish councils are automatically notified of planning applications under the new provisions.

The provisions will be consistent with the existing provisions in the development management procedure order relating to consultation on planning applications. They will include providing that a local planning authority must not determine any planning application where a parish council or designated neighbourhood forum has been notified and wishes to make representations before a minimum of 21 days has elapsed. It is already the case that a local planning authority must consider the representations received and whether considerations are raised that may be material to the application, but detailed requirements relating to the operation of the planning application process best sit in secondary rather than primary legislation, to ensure that we have the flexibility to keep procedures up to date. It would not surprise me if my right hon. Friend wanted to come back with further suggestions, and it is much easier to
make suggestions if the matters are in secondary legislation. Having provided him with all the reassurances he wanted, I respectfully request that he does not press his amendment.

It is not necessarily for me to defend amendment (a) to Lords amendment 23, but let me say what I think Lord Taylor was driving at and then reassure my right hon. Friend on his particular points. At the moment, when somebody owns a piece of land that is not designated as suitable for housing or any other use and then, through a local plan process, the council changes that designation, the landowner sees a significant uplift in value. If a company or individual then acquires rights over that land and secures planning permission, there is a further uplift, and that planning permission may be traded several times. At the end of the process, several organisations or individuals have made a great deal of money and there is not a great deal of value in the land for providing the infrastructure that all our constituents tell us is vital to go along with housing. I think Lord Taylor is considering the extent to which, when changing the designation of land, the public sector can try to secure that land early in the process, avoiding the long chain I described and ensuring that more value is available to provide the required infrastructure.

Having said that, it is important that I provide my right hon. Friend with clarification about the regulations that will be made. I reassure him that the functions that could be transferred would not include functions that are the prerogative of the Secretary of State. Under the New Towns Act 1981, any compulsory purchase order sought by a new town development corporation must be submitted to and confirmed by the Secretary of State. That is the case for compulsory purchase orders sought by all bodies, and there will be no change to that position. That will be clear from the regulations, which will, subject to the enactment of this Bill, come to this House for approval. On that basis, I hope that my right hon. Friend will withdraw amendment (a) to Lords amendment 23.

Jim McMahon: An important point that needs addressing relates to the conflict of interest of the Member in the other place. It is perhaps not something for now if the Minister does not have the information, but we need a commitment that it will be looked into seriously.

Gavin Barwell: It is not an easy question for me to answer, because I am not aware of the nature of Lord Taylor’s interest in this matter, so I cannot really respond to it at the Dispatch Box. However, I am sure that his attention will be drawn to the concerns raised on the Floor of the House and that he will make the record clear.

I want to say a few words about neighbourhood planning in general and address the specific point about the application mentioned by my right hon. Friend. He will understand that I must be careful about not saying too much about particular applications, even after a decision has been made, because the decision letter is the record of the decision, but the key point to draw the House’s attention to was that a relevant neighbourhood plan was not in place. Work was under way to prepare one, but that work was at a sufficiently early place to mean that I was unable to give the plan a great deal of weight in making my decision.

A clear lesson for when such decisions have to be made—if it is possible to spread this out to the generality—is the importance of two things. The first is that the relevant local council has a five-year land supply in place so that the presumption does not apply. The second is ensuring that the processes for producing neighbourhood plans are as streamlined as possible from the point at which people start work on them to when they receive examination. It is worth putting on the record that the Bill will give plans weight at an earlier stage in the process—as soon as they have gone through examination. We want to make that process as quick as possible, so that planning decisions that undermine what a community is trying to achieve are not being made during the preparation of plans.

I have a couple of general observations that will allow me to give my right hon. Friend the Member for Arundel and South Downs the clear assurance he wants. I am a real advocate of neighbourhood planning, in which I strongly believe. There are tensions in public policy, and it is important that Ministers are honest about that. If the Government were to give complete protection to all neighbourhood plans in all circumstances, there would be a danger that in areas with a large level of development, gain by one definition of planning gain, the planning authority does not have an adequate five-year land supply in place and is not delivering homes; we would have no mechanism for getting homes delivered. There has to be a balance, and I tried to strike the right balance in the written ministerial statement we published before Christmas, but the Bill will bring plans into force quicker, will make it easier to simplify plans and to change the areas covered by plans, and will put more pressure on councils to engage with neighbourhoods that want to produce a plan. We are taking a significant step forward from the written ministerial statement.

More widely, my main reflection having been in the job for eight or nine months is that it is a great privilege to serve in this position, but the thing I like least about my job is having to take decisions on planning applications for places I do not know. One of my main objectives is therefore to ensure that, across the country, we get local plans in place that are up to date, that have a five-year land supply and that are delivered by local authorities. I say clearly and categorically to my right hon. Friend from the Dispatch Box that if a council has an up-to-date plan, has a five-year land supply and is delivering the required number of homes each year, I do not expect my inspectors to be overturning the planning decisions of local communities in anything other than the most exceptional circumstances—I have to add that last caveat because all Members will know that sometimes councils take decisions on individual applications that are contrary to their plan because in a particular case there are pressing reasons for it being the right thing to do. If councils are doing the right things, the Government should generally leave the decisions to local authorities. That is where I am trying to get housing and planning policy to, and I know the Secretary of State shares that view.

Graham Jones (Hyndburn) (Lab): I share the Minister’s view that decisions should be taken locally. It is costing Lancashire constabulary an absolute fortune to police the fracking protests in Lancashire. Can be explain why that decision was taken by Lancashire County Council and then overturned by the Secretary of State, who
approved the planning application, which is now costing £14,000 a day to police? If local people know best, why was it not the case then?

**Gavin Barwell**: There are exceptions to every rule. Although I cannot get drawn into discussing that case, perhaps I can give some hypothetical examples. Certain types of application raise issues of key pieces of national infrastructure that have relevance beyond an individual local community. I invite hon. Members to imagine that a neighbouring local authority to their own were considering an application for a large out-of-town retail centre, which would clearly have implications for local high streets not just in that authority’s area but in neighbouring areas, too. There might therefore be an interest in ensuring that all those wider communities have a say, rather than in the decision being taken by a specific local authority.

**Graham Jones** rose—

**Gavin Barwell**: I will happily talk to the hon. Gentleman outside the Chamber, but there is a difficulty. I cannot discuss individual applications, so I will not take a further intervention. I am happy to have a separate discussion.

There have been no votes on the two areas on which the Government disagree with the Lords amendments, which I hope sends a clear message to the other place about the unanimity in this House on pubs and planning conditions. I hope this will be the last time I speak on this Bill.

I shall end my contribution by saying that the Bill, on its own, is not the answer to the housing problems we face in this country, but it makes an important contribution: by supporting neighbourhood planning, which is delivering more housing in those communities that adopt it; by speeding up our system, through the reform of planning conditions and compulsory purchase; and, vitally, by ensuring that we do a better job of getting up-to-date planning policies in place right across this country.

Finally, on my behalf and that of the Secretary of State, I wish to thank the outstanding officials in our Department for their work on this legislation. I also thank my hon. Friend the Member for Thurrock (Jackie Doyle-Price), one of the stars of the Government Whips Office—given my background, that is a very high compliment—and my hon. Friend the Member for Taunton Deane (Rebecca Pow) for their support during these proceedings.

**Lords amendment 1** agreed to.

**Lords amendments 2 to 9, and 23 to 84** agreed to, with Commons financial privileges waived in respect of **Lords amendments 4, 5, 23, 40, 44, 48 to 50 and 84**.

**Ordered**, That a Committee be appointed to draw up a Reason to be assigned to the Lords for disagreeing to their amendment 12.

That Gavin Barwell, Jackie Doyle-Price, Vicky Foxcroft, Chris Green, Jim McMahon and Rebecca Pow be members of the Committee;

That Gavin Barwell be the Chair of the Committee;

That three be the quorum of the Committee.

That the Committee do withdraw immediately.—(**Steve Brine**.)

Committee to withdraw immediately; reasons to be reported and communicated to the Lords.

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**Backbench Business**

**Yemen**

4.32 pm

**Keith Vaz** (Leicester East) (Lab): I beg to move,

That this House notes the worsening humanitarian crisis in Yemen; and calls upon the Government to take a lead in passing a resolution at the UN Security Council that would give effect to an immediate ceasefire in Yemen.

I am most grateful to all members of the Backbench Business Committee for granting this vital debate. I also thank my fellow officers of the all-party group on Yemen, the hon. Members for Portsmouth South (Mrs Drummond) and for Glasgow Central (Alison Thewliss), for leading this debate with me. I commend the Under-Secretary of State for Foreign and Commonwealth Affairs, the right hon. and gallant Member for Bournemouth East (Mr Ellwood), for the work he has undertaken on Yemen. He demonstrated to all of us last week what a brave, honourable and decent man he is. I am also pleased to see the shadow Foreign Secretary, my right hon. Friend the Member for Islington South and Finsbury (Emily Thornberry), and the shadow International Development Secretary, my hon. Friend the Member for Edmonton (Kate Osamor), in their places.

We meet today at a time when Yemen, one of the poorest countries on earth, stands on the precipice of an unprecedented tragedy. Two years ago this week, a Saudi-led coalition launched an intervention after the legitimately elected Government of the President of Yemen, Mansur Hadi, had been ousted in a coup by Houthi rebels. We welcomed the action of the coalition, which was mandated by the Security Council in resolution 2216. Earlier today in another part of this House, and thanks to the chairing of the hon. Member for Bristol North West (Charlotte Leslie), we heard from Major General Asiri, the spokesman for the Saudi coalition, on the coalition action so far and its aspirations for the future. The meeting was extremely useful.

This afternoon, we stand in a very different world from the one of two years ago. The latest figures from the humanitarian crisis in Yemen are unbelievable: 10,000 people have died; more than 1,500 of the dead were children; 47,000 people have been injured, many crippled for life; and 7 million are at immediate risk of starvation, including 2 million children. The United Nations has just announced that Yemen is only one step away from outright famine. In total, 21.2 million people require urgent humanitarian assistance—80% of the country’s population. We have become frighteningly numb to the figures. It should shock us to our very core: 21 million people is more than double the entire population of Scotland, Northern Ireland and Wales.

**Stephen Doughty** (Cardiff South and Penarth) (Lab/Co-op): My right hon. Friend is making a strong and appropriate speech, setting out the scale of the tragedy that Yemen is experiencing and what it potentially faces. Does he share my great concern that both sides in the conflict continue to frustrate humanitarian access? For example, at the port of Hudaydah, cranes that were supposed to unload crucial medical and humanitarian cargoes are not yet in place.
Keith Vaz: My hon. Friend is absolutely right. We are very concerned about the blockades by both sides and the inability to get humanitarian aid into the country. I know that other right hon. and hon. Members will, along with me, want to draw attention to the problem of access.

According to a recent YouGov poll, less than half the UK’s population even knows that there is a war in Yemen, a former British colony. It is the forgotten war, which is why the motion has only one objective: to secure an all-important, long-lasting ceasefire. I hope that in this debate we can show solidarity and unity in support of the people of Yemen. Members may of course wish to raise many issues, and rightly so, but the motion is clear, and its focus is on bringing peace to Yemen.

How did we arrive at this point? In the Arab spring of 2011, Yemen and Tunisia stood apart in the region as the sites of the only peaceful transitions to democracy. Particular praise for that goes to the current Minister for Europe and the Americas, who became the Prime Minister’s envoy to Yemen. The UK has maintained stronger links with Yemen than any other western country. Three Members of this House were born there: myself, my hon. Friend for Walsall South (Valerie Vaz) and the hon. Member for Portsmouth South. Members such as the hon. Member for Charnwood (Edward Argar), who is the vice-chair of the all-party group, have visited the country, and Members including the hon. Members for Beckenham (Bob Stewart) and for Tonbridge and Malling (Tom Tugendhat) have served there in the armed forces.

The past two years have wipped away at the Yemeni people’s historical good will for the United Kingdom. Last Friday, I met members of the Yemeni diaspora in Sheffield, with another officer of the all-party group, my hon. Friend the Member for Sheffield, Brightside and Hillsborough (Gill Furniss). At that meeting, the community’s message was one of disbelief that the United Kingdom had not acted more strongly to end the fighting. We continue to be one of the largest bilateral aid donors to Yemen, and the Department for International Development is contributing £100 million to the country. I commend the efforts of the Secretary of State for International Development, who has made additional funds available to Yemen as a priority for her Department and taken the lead on Yemen internationally. That work was begun under her predecessor, the right hon. Member for Sutton Coldfield (Mr Mitchell), who is in his place and has recently returned from Sana’a. He has described the “appalling scale” of the crisis there. I hope he will be able to catch your eye, Madam Deputy Speaker.

So far, we have had three failed opportunities for a sustainable end to the fighting: negotiations in April 2016 ended in failure; a UN-sponsored round of talks in Kuwait ended in failure in August 2016; and John Kerry’s initiative last November led to the Saudi-led coalition and Houthis agreeing to the UN special envoy’s terms, but the agreement collapsed when President Hadi refused to sign the deal. The intervention of the Foreign Secretary secured a three-day ceasefire in October, which allowed vital aid to reach the most desperate parts of the country, but that was just a drop in an ocean of despair. The political process has now ended. Talks have not been revived. Will the Minister confirm whether a new round of talks has been planned and what ongoing discussions he has had with the key players in the conflict? Many are now part of a very complicated game of thrones that is the crisis in Yemen, including the Hadi Government, the Houthis, former President Saleh, Saudi Arabia, the United Arab Emirates, Oman, Iran, the UK, and the USA. The only winners are Daesh and al-Qaeda in the Arabian Peninsula. Oman has now been invited into the “Quad” of nations seeking to resolve the crisis.

I travelled to Oman in February to meet the Foreign Minister, Yusuf bin Alawi bin Abdullah. I thanked the Omani Government for the assistance that they gave me locally. The Minister told me that there is hope. He said that the road map of the UN special envoy, Ismail Ould Cheikh Ahmed, was firmly on the table. He was also clear that the political road map can and should begin immediately, implementing a ceasefire while the economic and security issues are resolved. When the Minister replies, can he inform us whether, subject to the immediate obstacles being overcome, he believes the political road map can now be implemented?

George Kerevan (East Lothian) (SNP): On the urgency of the need for a ceasefire, is the right hon. Gentleman aware of a report in yesterday’s Washington Post that the United States Administration are now getting back into a Saudi project to invade and capture Hudaydah port?

Keith Vaz: I am not aware of that report. That would be extremely damaging to the process that I am talking about today, which is the need for all parties, including the United States, to support a ceasefire. I will certainly look at that report. Perhaps the Minister who has heard what the hon. Gentleman said will have an opportunity to reply.

When I was in Oman, I also had the opportunity to speak to President Hadi. The President, speaking to me from Aden, was focused on addressing the humanitarian crisis, but he was no closer to agreeing to the UN special envoy’s proposal. If President Hadi signs up to this agreement, he has an opportunity to be remembered as the man who brought peace to Yemen, and who stopped the suffering of his people. He should take it. I am grateful to him for accepting an invitation to address the all-party group in June. Can the Minister confirm whether President Hadi is any closer to agreeing to the terms of the special envoy’s road map?

The UK can and must be the honest broker. That means putting pressure on all parties, including those who receive British support. Can the Minister tell us whether the UK is prepared to sanction the Yemeni and Saudi Governments, if they allow the next round of negotiations to fail?

Tomorrow may be one of the most critical days in the history of Yemen. At 10am in New York, the United Nations Security Council will hold a full session on the conflict in Yemen, where they will hear directly from the special envoy. It will be chaired by our excellent ambassador, Matthew Rycroft. The United Kingdom is the current President of the Security Council, as we are, of course, the “pen holder” on Yemen at the United Nations, which means that we lead on all issues relating to Yemen. This is a unique opportunity to make a case to the Security Council, and to secure a new resolution that would enable a ceasefire.
as a result of this conflict, and that they now de facto control swathes of territory. My interest in Yemen is not political; it is deeply personal. Aden, the city of my birth, was once the jewel of the Arabian sea. It was once a centre of British influence and of global trade, as ships passed through the Suez canal. The people of Yemen do not deserve to be condemned to suffer one of modern history’s greatest human catastrophes. I see a crisis that is not intractable. I see that there is a path to peace.

I began by warning that Yemen stood on the precipice of an unprecedented tragedy. This is true, but we have the chance in New York tomorrow morning to save this beautiful country. We are part of this conflict, and the time for waiting, watching and failing to act must end. Nero fiddled as Rome burned. The presidency that we hold tomorrow gives us the opportunity to demonstrate leadership, and leadership is exactly what the Yemeni people need. Let us bring light back to a country that otherwise will be consumed by darkness, starvation and evil.

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. The House will be aware that this is a very short debate, finishing at 6 o’clock. Therefore, I have to impose an immediate time limit of four minutes.

4.49 pm

Mr Andrew Mitchell (Sutton Coldfield) (Con): The right hon. Member for Leicester East (Keith Vaz), with his customary eloquence, has put the case extremely well. The last time the House debated Yemen, I was in Yemen, visiting Sana’a and Sa’dah, so I have an opportunity to update the House on what is happening there. I pay tribute to the extraordinary work that the United Nations and its leader there, Jamie McGoldrick, are doing in Yemen, and to Oxfam, which, in the highest traditions of British international non-governmental organisations, is performing extraordinarily well and doing magnificent work.

It is good to see the Minister in his place. My submission to him is that the Government’s policy needs tweaking. We are supporting a coalition that is not going to succeed. We need to move towards neutrality, we need to try to engineer a ceasefire and we need to update UN resolution 2216. Because of the deep respect with which Britain is held in that part of the world, and particularly in Yemen, the adversaries, and particularly the Houthis, would be willing to accept British mediation. In my view, it is essential that we engage with all parties inside the structure of the United Nations to secure the ceasefire and Yemeni-Saudi Arabian talks.

The British Government’s policy needs tweaking because it is internally inconsistent. One part of the British Government is seeking to get development aid and vital supplies in through the port of Hudaydah, while another part is supporting the coalition that has been bombing the port. The coalition has put the cranes out of action when they are vital for unloading the ships that one part of the British Government is trying to get into the port.

Britain is seeking to help to de-mine ordnance—the British de-mining group up in Sa’dah, which has been heavily bombed, is led by a former British Army officer. We can see the inconsistencies in our position. Britain is supporting a malnutrition ward in a major hospital,
from which Médecins sans Frontières has withdrawn, in Sa’dah, yet it is seen as part of the coalition that is causing the problems.

Stephen Doughty: As ever, the right hon. Gentleman speaks with great eloquence and is informed on these matters. Does he agree that, in that inconsistency, there is a particular issue: the continued use of cluster munitions by the coalition? Human Rights Watch reports of an incident just this month. He mentioned landmines. These are instruments of war that predominantly kill civilians and leave problems for many months and years after conflicts have ended.

Mr Mitchell: The Minister will perhaps make this clear, but my understanding is that the Saudis have agreed not to use any of the cluster munitions that were sold by Britain to Saudi Arabia in 1986.

Another inconsistency is that, recently, we have heard that the Americans launched a bombing attack on al-Qaeda in Yemen, but al-Qaeda is fighting on the same side as us against the Houthis. The internal inconsistencies in the policy very much need to be addressed.

We know that the world faces four famines. Many of us had believed that, in the year 2017, it would be inconceivable that that awful biblical experience could be revisited on people, yet four famines are pending—in northern Nigeria, Somalia, southern Sudan and Yemen. However, the Yemenis are not starving: they are being starved by a blockade in which we are complicit. Although Britain has led the way in tackling those four famines, and although the Department for International Development is doing its best to ensure that steps are taken in Yemen to stop that starvation, the people of Yemen are being starved. The UN has made it absolutely clear from first-hand evidence on the ground what that means for the future of children in the country.

In my view, the Government must do everything they can to ensure that the ceasefire takes place, and that British policy is tweaked, using all the many instruments at our disposal, which the Minister knows so well, through the United Nations and elsewhere. We should try to make certain that the blockade is lifted, that the ceasefire takes place, and that there are Saudi-Yemeni talks. We then need the Yemeni-Yemeni talks, for which there is a basis—it has to be from the bottom up through all the different parties, governorates, tribes and so forth in Yemen. Britain has an important role to play in that.

We should bear it in mind that Yemen imports 90% of what it eats, and 80% through the port of Hudaydah. One effect of the blockade and the failure of the banking system is that the four major wheat importers cannot get the credits to put that right. Britain should help to lead in stopping that.

4.54 pm

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I congratulate my right hon. Friend the Member for Leicester East (Keith Vaz) and the other officers of the all-party group on Yemen on organising a timely debate, as we have just marked the third anniversary of the crisis in Yemen.

It is a particular pleasure to follow the right hon. Member for Sutton Coldfield (Mr Mitchell), the former Secretary of State for International Development, who kindly gave evidence to the International Development Committee recently, following his visit to Yemen. Today, he has again provided a thoughtful and important contribution.

This coming Saturday, in Liverpool, we will hold the monthly vigil for peace in Yemen, which is arranged by Liverpool Friends of Yemen, drawing on the large Yemeni community in Liverpool and on other friends. In advance of this afternoon’s debate, I contacted members of Liverpool Friends of Yemen to ask what they would like me to address if I were called to speak, and the major focus was the one reflected in the motion before the House: the sheer scale of the humanitarian crisis the people of Yemen face and the need for peace in that country.

Mr Jim Cunningham (Coventry South) (Lab): I am sure my hon. Friend would agree that, as my right hon. Friend the Member for Leicester East (Keith Vaz), who moved the motion, forcefully said, the United Nations decisions tomorrow will be very important, given what previous speakers have said about a ceasefire, and perhaps the blockade will be lifted as well.

Stephen Twigg: I agree absolutely, and let us all hope for progress as a consequence of the United Nations Security Council discussions tomorrow.

The scale of this crisis has been documented by the previous speakers and in previous debates. UNICEF tells us that more than 1,500 children have been killed since the fighting began, with a similar number being recruited to fight by both sides of the conflict. As my right hon. Friend said in his opening speech, the conflict has claimed the lives of at least 10,000 people, and some have put the level of civilian deaths alone as high as 5,000.

The United Nations has given the crisis level 3 status, putting it on a par with similar crises in Syria, Iraq and South Sudan. The president of the International Committee of the Red Cross has said that the intensity and severity of the fighting have left Yemen looking like Syria did after five years of conflict. Some 19 million people are in need of immediate humanitarian assistance—that is 80%, or four in five, of the population. Half a million children are suffering from severe malnutrition. Saleh Saeed, the chief executive of the Disasters Emergency Committee, who is originally from Yemen, has said that families are having to make the “unbearable” decision between buying medicine or food. This simply cannot be allowed to continue.

Stephen Doughty: My hon. Friend mentioned medicine. Does he agree that there is a crucial crisis in the health sector? The health Ministry’s workers have not been paid since August last year. There is a lack of medicines in many areas. Despite the amazing work of organisations such as MSF, many people cannot access the help they need.

Stephen Twigg: I thank my hon. Friend for his intervention. He anticipates the next paragraph of my speech, where I point out that there are 15 million people with no access to healthcare. Of course, 70 health centres have been destroyed as part of the conflict.
Today, the International Development Committee publishes its report on UK aid and the allocation of resources. The work DFID is doing in Yemen is a fine example of why the Prime Minister was right yesterday to say that UK aid is a badge of hope. This morning, the Committee took evidence on education, and we heard about the latest plans from DFID, working with other donors, to ensure that children affected by the conflict do not become a lost generation and that there is investment in the capacity of the Government and local communities in Yemen to ensure that children do not lose out on their education.

The right hon. Member for Sutton Coldfield talked about what many have described as the paradox of aid—the positive record we as a country have on aid, but the fact that our involvement is aligned with one side of the conflict. I am keen to hear from the Minister what the Government are doing to try to get the port at Hudaydah reopened. That issue has been raised by a number of colleagues during the debate.

Those of us on the International Development Committee have said consistently that there should be an independent UN-led inquiry into all alleged violations of international humanitarian law by both sides in the conflict. However, let us unite behind the motion. This important motion marks the third anniversary, but it also says, ahead of tomorrow, that we want to see a ceasefire, peace and justice, and that we commit to rebuilding Yemen once peace comes.

Seema Kennedy (South Ribble) (Con): I pay tribute to the right hon. Member for Leicester East (Keith Vaz) and my hon. Friend the Member for Portsmouth South (Mrs Drummond) for bringing the forgotten war back up to the Chamber again. Sadly, since the last time we all heard about the latest plans from DFID, working with colleagues, to say that UK aid is a badge of hope. This morning, the Committee took evidence on education, and we heard about the latest plans from DFID, working with other donors, to ensure that children affected by the conflict do not become a lost generation and that there is investment in the capacity of the Government and local communities in Yemen to ensure that children do not lose out on their education.

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On the appeal for $2 billion of funds, sadly, although we are a third of the way through 2017, only 6% of that money has been raised. The UK is in a good position on the list—we are third—but many of our European partners have not paid up yet. I ask the Minister to urge his colleague, the Minister for Europe and the Americas, to talk to European partners about how they can do their part as well.

I want to unpick the second part of the motion, which assumes that a UN Security Council resolution would give effect to an immediate ceasefire. Of course, that is what we all want. It is in the best interests of the Yemeni people, who are now suffering greatly through starvation, more poverty and drug addiction, but it is also in the British national interest, because we cannot afford to have this training ground for terrorists that washes up on our shores.

I applaud the efforts that the Government are making on the diplomatic front. We have been able to achieve that through our long-standing relationship with Saudi Arabia, which was mentioned by my hon. Friend the Member for Aldershot (Sir Gerald Howarth); through constituents of mine who have lived there for many years; through parliamentary visits; and through meetings of the Quad involving the US, Saudi Arabia and the

United Arab Emirates. I know that the Minister had a very good working relationship with Secretary Kerry, and I would be interested to hear what conversations he has had with Secretary Tillerson, particularly since the raid on al-Ghayil.

We need to think more broadly about the UN’s role in peacekeeping in the 21st century, because this war involves non-state actors. We did not have that as much in the 1940s and ’50s. On one side, we have the Yemeni Government of Hadi backed by the Saudi-led coalition with nations that are members of the UN; on the other, we have the Houthis. People say they are an Iran-backed Government. Yes, there are arms coming through from Tehran, but there is not the same level of boots on the ground as there is in Syria.

Mr Mitchell: It is hard to believe that many arms are getting through because the country is completely blockaded, by land, sea and air, by the Saudis.

Seema Kennedy: I accept that point.

Graham Jones (Hyndburn) (Lab): rose—

Seema Kennedy: I briefly give way to my Lancashire neighbour.

Graham Jones: In January, the UN panel of experts report reiterated that point. One of the reasons arms cannot get in is the embargo, which obviously has an adverse effect on aid, too.

Seema Kennedy: The hon. Gentleman, my right hon. Friend make my point for me.

We are dealing not with another state but with the Houthis, who are amorphous and do not play by the same rules. We need to be aware of that when we are looking for peace and a ceasefire, which is what the aim of all of us should be and what this debate is about. We need to have innovative thinking about nation states, about the role of diplomacy and about the role of the United Nations. I applaud the idea, on this anniversary, of having a UN Security Council resolution, but I am interested in how it will actually be enforceable. How do we bring the Houthis to the table? How do we get food through and how do we stop people fighting? What tools can we use, as parliamentarians, to give to our diplomats? What tools can we give to the Minister and his Foreign Office colleagues? What can we give to our soldiers, if that is what we need to do, in this multi-faceted modern conflict? We need to continue to engage with all parties. We need to be prepared to talk to the Houthis, the Saudis and everybody involved. We need to be able to back up our words with money and with actions, perhaps including military actions.

Along with many emails from my constituents in Glasgow who follow the situation closely, I have received many briefings from organisations for this debate. There are too many to name, but I am extremely grateful for
those briefings outlining the desperate situation on the ground. I also recently met the Norwegian Refugee Council, and the APPG had a valuable session with Yemeni-based non-governmental organisations. Yemeni constituents of mine have also shared their experiences of the situation in Yemen.

There has been a lot of talk about Yemen being on the brink of famine, with the International Committee of the Red Cross saying that there are only three to four months left to save Yemen from starvation. Jamie McGoldrick, the UN humanitarian co-ordinator for Yemen, concurs, saying that there is only about three months’ supply of food left in the country.

As I understand it, part of the issue with declaring famine is that there are not enough independent people on the ground to do so. People are starving, though—of that there is no doubt. The aid agencies know what they are seeing and they are all begging the UK Government to help to get food into the country as a matter of the utmost urgency.

Blockades at Yemen’s ports by the Saudi-led coalition have contributed to the situation. Hudaydah is strategically important. It used to handle 70% of food imports, as well as humanitarian aid. It has been under sustained attack, leading to the destruction of infrastructure and rendering inoperable the cranes that used to unload the cargo ships. Unloading must now be done by hand, which is an impossible task.

The frustrating thing is that the port could be operating at the moment. The World Food Programme has bought and paid for cranes to replace those destroyed by the air strikes. They are currently sitting in a port in the UAE, after being refused access by the Saudi-led coalition. That is utterly unacceptable.

**George Kerevan:** Is my hon. Friend also aware that one of the offshoots of the blockade is that the boats carrying refugees from Somalia to Yemen are being attacked and sunk by Saudi Apache helicopters?

**Alison Thewliss:** Yes, and that incident was absolutely appalling and shocking. Nobody can fail to be upset by the pictures of those Somali people, who have suffered enough without being bombed.

Ministers must make sure that the cranes, which have been bought and paid for, are installed in Hudaydah. That would turn on the taps: it would get aid and commercial operations flowing again, and get things moving.

Hudaydah’s strategic importance is recognised by both the Houthis and the Saudis. Aid agencies, including the UN, fear that the conflict in and around Hudaydah is ramping up, which must be prevented at all costs. Half a million people would be displaced and it would make aid efforts all but impossible. Yemen’s primary port cannot be a frontline in this conflict, and I seek the assurance of Ministers that they will pursue the matter.

**Brendan O’Hara** (Argyll and Bute) (SNP): My hon. Friend is making a very powerful speech. We have already heard about the ridiculous situation of the UK Government giving aid with one hand while arming the antagonists with the other. Does she agree that famine relief and a ceasefire can come about only with the immediate suspension of the Government’s selling of arms to the Saudi regime, which has already been found to be guilty of breaches of international humanitarian law?

**Alison Thewliss:** Absolutely. As I said in Foreign Office questions earlier, £3.3 billion has been made from arms licences over the past two years, which dwarfs the £85 million in Government aid, welcome though that is. The arms sales must stop now. Peace will not happen if bombs continue to rain down on the heads of people in Yemen.

The UK Government’s role in establishing the UN verification and inspection mechanism at the port of Hudaydah, inspecting the goods entering Yemen’s ports while they are still at sea, is welcome, but Save the Children told me yesterday that that has not prevented the Saudi-led coalition from carrying out its own inspections, thereby delaying vital aid shipments. That can mean a delay of up to three months in delivering aid and medical supplies, leaving aid workers making life and death decisions on the ground about who they can help with dwindling resources.

Some shipments have been diverted from Hudaydah and around the coast to the smaller port of Aden, meaning that convoys have instead to complete the dangerous journey overland, via checkpoints and across the frontline, adding at least another three weeks to the time taken for that aid to reach the people it needs to reach and risking the lives of everybody on the convoy.

Moving goods and people across the country also requires confirmation of deconfliction from authorities in Yemen, without which the convoy will become a target in the war, and nobody wants that to happen. Other Members will no doubt outline the grave mistakes and errors that have happened during air strikes. NGOs based in the country tell me that they are fearful for the lives of their workers at every single checkpoint where they get stopped. They become targets, regardless of the assurances given to them by the governing parties and their warm words.

All the organisations I have met have stressed the difficulty of moving around Yemen, the complications with visas and the delays caused by petty bureaucracy. Some agencies have not been able to make field visits to support their operations on the ground and to bring back evidence that will enable funders to encourage more people to donate to their campaigns. They are not being well enough supported by the Government agencies that should be facilitating aid.

There are increasing problems in getting to Yemen, with limitations on travel by land and sea. Sana’a airport is also closed and people cannot leave, including those who seek urgent medical assistance. I ask the Government to speak to the Saudis about removing that blockade so that people can get in and out by air and receive treatment.

All the delays are costing lives and leaving the population with long-term health problems as a result of severe malnutrition. For want of clean water and a suitable diet, people are less able to fight off disease and their immune systems are more susceptible to cholera. There have been a suspected 22,000 cholera cases in 15 governorates in the past six months alone, and at least 100 people have died as a result. Tragically, UNICEF estimates
that 63,000 children died in 2016 from preventable diseases linked to malnutrition. That is 8,500 more children than were born in the whole of Scotland last year. That is a generation. The future of Yemen hangs in the balance, and the Government must do more.

5.10 pm

Mrs Flick Drummond (Portsmouth South) (Con): I thank the Backbench Business Committee for allowing us to hold this incredibly important debate, and I thank my friend the right hon. Member for Leicester East (Keith Vaz) for organising it.

The situation in Yemen really is a forgotten conflict—or perhaps a better term would be an ignored conflict, in the UK. The humanitarian crisis is on a knife edge. Yemen has always been desperately poor, and 90% of its food and goods are imported, but it is surrounded by huge wealth, and there is no reason why it should not be a functioning country with help from its neighbours.

The war has left Yemen unable to make the best of its own resources. It has some reserves of oil and gas, but its inability to export them has crippled its foreign exchange reserves. The Yemeni central bank has no power to sustain the economy, and the move from Sana’a to Aden without its database or bureaucrats has not helped. There are 1.5 million public sector employees who are being paid only sporadically, if at all.

Yemen’s GDP has contracted a further 35% since 2015. A war economy is now in place, and tribal leaders who are being paid only sporadically, if at all. No longer able to make the best of its own resources. It has some reserves of oil and gas, but its inability to export them has crippled its foreign exchange reserves. The Yemeni central bank has no power to sustain the economy, and the move from Sana’a to Aden without its database or bureaucrats has not helped. There are 1.5 million public sector employees who are being paid only sporadically, if at all.

Yemen’s GDP has contracted a further 35% since 2015. A war economy is now in place, and tribal leaders who are being paid only sporadically, if at all.

Mr Mitchell: The point I was making is that in attacking al-Qaeda, the Americans attacked an element that was fighting the Houthis. They attacked an element that was, in that instance, on our side of the conflict.

Mrs Drummond: That may be the case, but al-Qaeda is still attacking the Yemeni security forces, and it is a grave danger to the rest of the region.

We are already supplying aid, which is limiting the impact of the humanitarian crisis, but I want to ask the British Government to be an honest broker in ending the political crisis. My right hon. Friend the Member for Sutton Coldfield recently visited as a guest of the Houthis, and they told him that they were happy to engage with the British Government on a peace process. Let us challenge them to see whether they really mean it, and whether they really understand UN Security Council resolution 2216, which asks them to lay down their arms and withdraw. We have much expertise in peace negotiations and a long history of engaging with everyone in this area, from Governments to tribal leadership.

On the humanitarian front, I urge the Government to continue to work to improve the flow of aid. We have already helped to ease the blockade on Hudaydah port for supplies of humanitarian aid, fuel and food, but the coalition recently refused access for four new mobile cranes, supplied by the World Food Programme, which would vastly improve the port’s capacity for unloading essential supplies. This is a UN body, and the coalition must accept the role of the UN as an impartial agent in this crisis. That includes acceptance of the role of the UN inspection and verification mechanism. I know there are doubts about this being in Djibouti, and there is concern that weapons are still being bought in.

Will the Minister report back to this House on whether the UN inspection and verification mechanism is working in a timely fashion. What evidence is there that weapons are being smuggled? Is there any possibility of the mechanism being established in the port of Hudaydah to reassure the coalition that weapons are not being smuggled? The cranes must be got to Hudaydah, and they must be put to work. Other ports, such as Aden and Mukhalla, must be used to bring in more aid. Will the Minister call on the coalition to support the rehabilitation of port infrastructure and get the cranes working? Is there any indication that the coalition, backed by the US, will soon be attacking Hudaydah, which I know is a concern? Most importantly, will the British Government demand an immediate ceasefire, call all sides to negotiations on the basis of the special envoy’s proposals and lead the country of Yemen to peace?

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I have to reduce the time limit to three minutes, and I remind the House that it is not compulsory to take an intervention and thus increase the time limit for one’s speech.

5.15 pm

Clive Lewis (Norwich South) (Lab): Thank you, Madam Deputy Speaker, for your generosity with the time. I am very glad to speak in this place about the current situation in Yemen.

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): On a point of order, Madam Deputy Speaker. I am sorry to interrupt the hon. Gentleman, but I seek your clarification about this observation, Madam Deputy Speaker. When this debate ends, there will be an Adjournment debate that, if I understand the protocols of the House correctly, will be allowed more than its 30 minutes. Is it not possible for us to use our full allocation and the time up to the period of 30 minutes before Members of the House disperse today?

Madam Deputy Speaker: I have every sympathy—heartfelt sympathy—with what the Minister has said. This is a vital debate, and I will not use up time in fully
answering his point of order. The House decided on the timetable. The Backbench Business Committee gave 90 minutes for this debate, and I am powerless to change that. The Minister has, however, made a very good point.

Clive Lewis: I pay tribute to my right hon. Friend the Member for Leicester East (Keith Vaz) and the hon. Member for Portsmouth South (Mrs Drummond) and for Glasgow Central (Alison Thewliss) for securing today’s debate. I pay tribute to them not just as a politeness but because by choosing Yemen as a topic for public debate in the House they have brought into our public arena an urgent discussion that it is clear our Government would much rather not have and that is, or at the very least should be, deeply embarrassing for them. I say that not to score a petty political point, but to highlight the fact that it is the role of all elected Members to speak up when our Government are acting wrongly on the international stage. That is the essence of our democracy.

As Members have said, a famine in Yemen is imminent, which is a disastrous prospect on top of the many children and adults who have already died. This famine is not a consequence of natural disaster, but a result of the civil war. The right hon. Member for Sutton Coldfield (Mr Mitchell) memorably said again today, “Yemenis are not starving: they are being starved”. It is a famine that is being deliberately used as a weapon of war, but one that can be stopped as soon as we find the political will to stop it. That is a huge responsibility for all of us in the House, and we must find the political will to do so as a matter of the utmost urgency.

That is a particular responsibility for us because the UK is a permanent member of the UN Security Council, we hold the presidency this month of the UN Security Council—that will end this week—and we of course have close political ties with neighbouring states. It is clear that we have been gifted an opportunity to set the international agenda, and it is nothing less than our absolute moral duty to do so. Let us begin by acknowledging that, notwithstanding the good intentions in the motion, one of the blockages on the Houthis side is that so far they do not seem willing or able to come to the table. Listening to the right hon. Member for Sutton Coldfield (Mr Mitchell), it may be that that is going to change. Let us hope that it does. It is important for them to come to the table, because that is the road map to peace.

The UN panel reports that both sides have committed terrible atrocities and that “some of the coalition attacks may amount to war crimes”. The Saudis, who are involved in coalition operations in Iraq and Syria, operate to NATO standards. They openly admit that they have made mistakes. None the less, some atrocities have occurred and the UN panel recognises that some of them have been committed by the coalition. However, the panel recognises that many atrocities, if not more, have been committed by the Houthis. The panel’s report states that “violations of international humanitarian law and human rights norms were widespread”, including the use of mortar bombs, free flight rockets into densely populated residential areas, attacks on hospitals, forcible disappearance of individuals and detention, torture and murder.

I see that the clock has run down. I ask the Minister to press for a ceasefire and meaningful peace talks.

5.22 pm

Chris Evans (Islwyn) (Lab/Co-op): I thank the Backbench Business Committee for granting this very important debate on Yemen. I thank my right hon. Friend the Member for Leicester East (Keith Vaz), and the hon. Members for Portsmouth South (Mrs Drummond) and for Glasgow Central (Alison Thewliss). I want to pay tribute in particular to my right hon. Friend. Yemen has been called the forgotten conflict. The way he speaks so passionately about his country of birth means that that will never be the case in this House as long as he is here.

The political situation in Yemen, which has led to this point, is obviously very complicated. Once the Houthis captured parts of Yemen and essentially launched a
coup d’état against the new President Hadi, it became evident that the country would descend into civil war. There is a natural instinct and a well-established principle in international law that where there is conflict and a humanitarian situation develops, there is not only a right to intervene but an international responsibility to protect civilians in certain circumstances.

In a single attack in March last year, which involved a Saudi air strike on a crowded village market, 106 civilians, including 24 children, died. We must face up to the fact that there is a very realistic chance that the weapon used to cause such destruction and grief was sold to Saudi Arabia by the UK. We have heard that the UK has given advice and support to Saudi forces to help them to comply with their obligations under international law, but the message clearly is not getting through. Saudi Arabia has designated the entire Yemeni governorate of Sa’dah a military target. That tramples over protocol I of the Geneva convention which defines legitimate military targets, and to which both the UK and Saudi Arabia have signed up. The definition includes a wide range of infrastructure, military industrial and communications targets, but it does not include hospitals, including those run by aid organisations or village markets. Illegally declaring an entire governorate a military target, and recklessly killing civilians in cities, schools and hospitals as a result, is a clear breach of international law. This is a position supported by the UN humanitarian co-ordinator for Yemen.

Turning war into peace is never easy, but the United Nations can be a fantastic vehicle when properly used. We must take the civil war in Yemen and seriously encourage our counterparts on all sides of the conflict—with the exception of the terrorist groups of Daesh who are co-ordinator for Yemen. This is a position supported by the UN humanitarian situation develops, there is not only a right to intervene but an international responsibility to protect civilians in certain circumstances.

Sir Gerald Howarth: Does the hon. Gentleman not accept that the Saudis have invited the United Nations to monitor the port movements? Would that not help to relieve the humanitarian problem?

Chris Evans: I fully accept that the Saudis have been invited into the Government, but what I am concerned about is the Saudis using civilians as targets and those civilians being hurt. That is when we have a humanitarian catastrophe on our hands.

Mr Mitchell: To be absolutely clear, the Saudis are protecting the replacement cranes from getting into Hudaydah, in spite of the fact that the Department for International Development urgently needs these cranes in order to unload vessels carrying aid, medicine and food.

Chris Evans: I accept the right hon. Gentleman’s point.

Clearly, ceasefires are simply the beginning of a long peace-making process. Any ceasefire needs to be enforced if it is to be successful. Without enforcement, ceasefires have a tendency to fall apart and very quickly become active armed conflicts. This can be seen in Syria and to some extent in Ukraine. UN peacekeepers are specifically intended for this very purpose, and could be deployed in Yemen to enforce a ceasefire agreement.

To conclude, this would clearly be difficult, given the wider geopolitical forces involved and the necessity of agreement among the United Nations Security Council, but it is something we must strive towards, encourage and support. Too many people have died; we cannot oversee another famine such as the one we see in Yemen at the moment.

5.26 pm

Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): I congratulate my right hon. Friend the Member for Leicester East (Keith Vaz) on bringing this debate to the House today. What we are seeing in Yemen is a humanitarian crisis—referred to as one of the worst the world has ever seen. Over the past 18 months, the war and destruction have killed over 10,000 people, with at least 1,200 of them being children. According to the Office of the High Commissioner for Human Rights, the majority of those deaths are from coalition air strikes. Some 3 million people have severe malnutrition, with a further 21 million requiring urgent humanitarian assistance.

This is one of the world’s worst hunger crises. The Red Cross warned this month that there are only three or four months left to avoid famine. We are used to statistics and figures in this place, but I remind my hon. Friends that each and every one of these people is a mother, a father, a brother or sister, a husband or wife or a child. These are the innocent victims caught up in the forgotten war. The conflict is making this enormous catastrophe worse every day that it continues—and both sides are failing to facilitate the flow of vital humanitarian aid, and failing to conduct any kind of credible investigation in Yemen that meets international standards.

There are many Yemeni people living in my constituency, many of whom have family caught up in the destruction in Yemen. They are absolutely terrified for their relatives. Last week, my right hon. Friend the Member for Leicester East joined me at an event in Sheffield with a local Yemeni community. I commend his huge commitment to shedding light on the crisis and his work on the issue.

Over the weekend, we marked the two-year anniversary of the beginning of the conflict in Yemen. I must say, with enormous regret, that if the current political will remains as it is, this conflict will continue. We must take action now. There must be an immediate ceasefire and humanitarian aid must be adroitly brought in and distributed. If the conditions for that are not met, huge numbers of Yemenis will continue to suffer and die. The coalition insists that it has only military targets, but I suggest that the evidence of the Saudi-led coalition attacks on civilians and the resulting civilian catastrophe that has ensued shows either incompetence on the part of the Saudi coalition or, as suggested by human rights organisations, a blatant breach of international humanitarian law.

The United Kingdom’s approach to the war in Yemen is a total contradiction, and I urge the Government to do all that they can to adopt a new resolution. We must see some progress towards an immediate ceasefire as soon as possible. Alongside that, humanitarian access must be a priority, and food supplies and aid routes must be established if we are to avoid an even greater catastrophe.
5.30 pm

**Margaret Ferrier** (Rutherglen and Hamilton West) (SNP): The humanitarian situation in Yemen is extremely serious, and continues to spiral out of control. A report released by UNICEF yesterday makes harrowing reading. It states:

“Malnourished children across Yemen are teetering between life and death…. Cemeteries are filling up with small unmarked graves, the deaths of children unreported to authorities, their suffering invisible to the world.”

Some 9.6 million children—80% of all children in the country—are in need of humanitarian assistance. That is a moral outrage.

Citing international development budgets in response to repeated expressions of serious concern about the United Kingdom’s arms trade with Saudi Arabia is also an outrageous way for any supposedly responsible Government to act. As we have heard, the Saudi-led coalition has destroyed much of the infrastructure in Yemen. As a result of air strikes on the port of Hudaydah, only one of the six loading cranes remains functional. That is seriously hampering DFID’s efforts to get aid into the country.

Good intentions count for absolutely nothing. What good is it if we allocate an aid budget but continue to support those who are making it near-impossible to get the aid to those who need it? Nearly 10 million wee ones need assistance, and not only are we not doing enough to help; we are actively preventing ourselves from helping. Why are we ignoring the brutal and realistic prospect of an impending famine, a famine that we will have been utterly and shamefully complicit in creating? The international development line simply will not wash any more.

Why are the UK Government so keen to continue selling weapons that they are unwilling even to try to persuade their Saudi allies to stop the bombing? Why are we not front and centre, leading ceasefire negotiations at the United Nations? There are clear breaches of international humanitarian law on all sides of the conflict, but the Government continue their policy of implausible deniability about their allies, and, worse still, their collusion in those breaches. Their insistence that the Saudis should be allowed to investigate themselves would be laughably absurd if it were not so obscenely improper.

Unfortunately, I do not have much time. Let me end by saying this. The Government appear to be totally incapable of changing direction or doing the right thing. Instead, they stick to their line and ignore the consequences. This is real life. Millions of children are starving, and that simply cannot continue. We must see action if we are to prevent a catastrophe. The Government cannot and must not wait for another moment. Let us show real leadership, and help to bring an end to the widespread suffering of the people of Yemen.

5.35 pm

**Douglas Chapman** (Dunfermline and West Fife) (SNP): Summing up from the Scottish National party Benches is something of a tall order today, and I hope colleagues will forgive me for not mentioning all the excellent contributions. Looking back over my notes, I see that 23 March marked a year almost to the day since the Committees on Arms Export Controls first met to discuss this issue. I am a member of that Committee, and it is with some sadness that I find myself speaking more than a year later with us having achieved very little from our side, while the humanitarian situation in Yemen becomes ever worse. During that time we on the SNP Benches have been consistent in our position that Her Majesty’s Government must suspend all arms sales to Saudi Arabia immediately, until a full, independent and transparent investigation into the alleged breaches of international humanitarian law has taken place.

**Graham Jones:** Will the hon. Gentleman give way?

**Douglas Chapman:** No, as I want to leave some time for the right hon. Member for Leicester East (Keith Vaz) to speak at the end.

We in the SNP have had a very straightforward, honest and consistent position throughout this whole sorry saga: it is simply that this already atrocious humanitarian situation cannot be allowed to get worse through a continued Saudi offensive, and if this Government have any leverage at all, as they claim, with the regime in Riyadh, they must convince it to stop the bombing now and come to the table to bring peace to the people of Yemen.
This debate also provides an opportunity for the London Government to reflect on how their decision to allow arms sales, and how the military and security assistance that they give their Saudi allies, has affected this humanitarian situation. It is a damning indictment of UK foreign policy that we have become so reliant on this one bilateral relationship, not only in terms of the options it gives the UK in the region, but in terms of how important this is to maintain the current level of arms exports.

The stories we have heard today of the humanitarian crisis in Yemen are extremely distressing, and we are hearing ever more harrowing stories from the non-governmental organisations on the ground there trying to help. They come not from just one or two NGOs, but from Save the Children, Oxfam, Amnesty International, the International Committee of the Red Cross and Médecins sans Frontières. They have also come up with plans that all have a similar theme. All these agencies are looking to secure rapid and unimpeded access, to deliver humanitarian aid to the affected populations. They are asking for the current spending and funding commitments to be built upon—a previous speaker talked of the 6% or 7% of funding that has already been given—and for support to be given to the Human Rights Council resolution of September 2016 which calls for an investigation and an international independent inquiry. They are urging all parties to stop the use of explosive weapons with wide area effects on populations, and they are calling for an intensification of efforts to support the UN-led peace talks. Lastly, but most importantly, they are calling for no sales or transfer of arms to any party involved in the Yemeni conflict.

We are also now seeing increasingly desperate tactics employed by Houthi rebels, including the use of unmanned craft to attack Saudi warships in the Red sea, in what is something of a modern warfare first. As I have said, the UK contribution to this is significant, not only in the sense that we have allowed weapons to be exported, but, I believe more significantly, because of the numbers of UK personnel who are advising the Saudi armed forces on a number of issues. What they are doing there is a mystery; it is unclear as the Ministry of Defence refuses to tell us.

When I visited Saudi last year with the Defence Committee, the British embassy was clearly keen to impress upon us that UK personnel were looked on by their Saudi counterparts as playing a vital part—something that gets to the heart of the Government’s narrative—so I would appreciate answers to the following questions. In a war being fought largely by mercenaries, how confident can we be that no current or former UK citizens are involved in ways that would put their actions beyond the purview of the Ministry of Defence? Why have the UK Government stopped trying to buy back the Saudi Government’s undoubted stockpile of cluster munitions, as per their obligations under international law? The issue of cluster munitions sold legally by the Saudi Government’s undoubted stockpile of cluster munitions, as per their obligations under international law grounds. Indeed, it is the Government’s rejection of the Dutch-led UN motion on war crimes in favour of the Saudi one that first called their priorities into question. I only hope that it is not the size of the commercial relationship that has skewed priorities in Whitehall.

I have no doubt that the defence sector is important to our national economy, just as it is to the local economy in Fife, but despite the highly skilled jobs and the civilian applications of defence technology, we must consider the high licensing standards that defence products need to conform to in order to be sold worldwide. No one on the SNP Benches does not understand the complex situation. We are expected to believe, on the one hand, that the role that UK personnel play is significant enough to mean that the UK has substantial leverage over the Saudi regime while, on the other hand, that those personnel are not in the country for anything more than an advisory role. I hope that the Minister will take the time to enlighten us today on where those personnel are, their role in the UK, how significant, we are tired of not being given the proper answers. If it is not, please stop telling us we are able to affect matters in the kingdom.

Colleagues have asked other questions today. The right hon. Member for Leicester East is a doughty fighter on Yemen. The hon. Member for Portsmouth South (Mrs Drummond), who always speaks on these matters with great distinction, wants Yemen to return to being a successful, functioning country. That is what we all want, but we must stop the arms sales now to allow space for peace to occur. My right hon. Friend the Member for Rutherglen and Hamilton West (Margaret Ferrier) highlighted the £500,000 for children who are suffering from malnutrition. We should cease the arms sales, get on a path to peace, and ensure that the people of Yemen have a fighting chance of rebuilding their country in the future.

5.43 pm

Emily Thornberry (Islington South and Finsbury) (Lab): I thank the sponsors of this debate, particularly my right hon. Friend the Member for Leicester East (Keith Vaz) and the hon. Member for Portsmouth South (Mrs Drummond), both of whom were born in Yemen and bring a depth of knowledge and passion to such debates, for which we are grateful.

In previous debates, we have tended to see Yemen through the prism of British involvement in the conflict in the form of arms sales and other military support to the Saudi-led coalition. I do not intend to dwell on
those issues today, although I am sure that they will be raised again, not least because we await the High Court’s judgment in the next few weeks on the legality of the Government’s sale of arms to Saudi.

When we look at Yemen today what we see, first and foremost, is a humanitarian catastrophe—the world’s worst, according to the United Nations. We should not forget that, even before the start of this war, Yemen was the poorest country in the Arab world, a destitute nation surrounded by wealthy neighbours and with a desolate landscape that meant it relied on imports for 90% of its food.

Now Yemen is engulfed by famine in all but name, and no wonder. It is not just that 90% of the country’s food is imported but that most of those imports need to go through the port of Hudaydah, the Red sea port that has been razed by airstrikes—the airstrikes have completely destroyed the port’s cranes, making it impossible to unload cargo. Even if supplies could get as far as the port and then through the roadblocks, the paperwork and the searches—some, indeed, call it a blockade—mean it is unlikely that the supplies would be able to get any further because the Saudi airstrikes have also systematically destroyed the roads and bridges that make it possible to get supplies from one place to another.

The other 10%—the small amount of food that the Yemeni people produce themselves—has for the most part gone, too, as bombs have struck factories, food markets, poultry farms and even fishing boats. Jamie McGoldrick, the UN’s humanitarian co-ordinator, has said:

“The economic dimension of this war has become a tactic...It is an all-encompassing, applied economic suppression and stranglehold that is causing everyone here to feel it”.

However, the UN special envoy for Yemen told the Security Council in January that a viable proposal for peace was on the table and within reach. What happened to that proposal? Where has it gone? Was it connected to the ceasefire resolution that we were told the UK would introduce six months ago? Can the Minister tell us what has happened to the resolution?

The last time we debated this matter, the Minister told us that the British Government were in the process of redrafting the resolution to make it up to date. How is that going? Do we have an up-to-date resolution? When the Security Council meets tomorrow, under British chairmanship, to discuss the humanitarian crisis in Yemen—I understand the Russians pressed for the discussion—we will be the pen holder, we will be chairing the meeting and we should be putting forward a peace resolution. Are we going to? I fear not.

I have been told that the UK is, in fact, increasingly stepping back on the diplomatic front for fear of upsetting the Saudis on the one hand, and the Americans on the other. I am told by my sources on the 38th floor that the new Administration in America are now considering stepping back on the diplomatic front for fear of upsetting the Saudis on the one hand, and the Americans on the other. Surely that cannot be the case, because we all know that a military approach alone will not work.

May I also ask about the role of Stephen O’Brien? He is a former Member of this House whom many Members will know. He is now the United Nations Under-Secretary-General for Humanitarian Affairs and is obviously important in this regard. He has said that we are facing the worst humanitarian crisis since 1945 and that the crisis is in Yemen. I would appreciate it if the Minister could confirm that Mr O’Brien is not leaving his post and that rumours he is leaving, not out of choice but because of Saudi objections, are wrong.

Is this forgotten war becoming the new Syria? It is a multi-layered civil war being fought by major powerful nations, either directly or through proxies, in which the victims are civilians who suffer unbearable and insufferable torment. People are also being starved. I urge the Minister to ensure that Britain, once again, takes up a proactive role on Yemen because we are a permanent member of the Security Council, because we are currently the president of the Security Council, because we are the pen holder and because we have a close relationship with Saudi Arabia, one of the major parties. What the people of Yemen need more than anything else at the moment is peace. We have some power in the conflict, and we can do something about it tomorrow.

5.49 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): Let me briefly make the point that I wish there were more time to respond to this very good debate, as I have only eight minutes in which to do my best to do justice to it.

It has served as a reminder that the House takes these matters very seriously. I join Members in paying tribute to the right hon. Member for Leicester East (Keith Vaz) and the others who tabled the motion. I will do my best to ratttle through the points and, as usual, I will write to the right hon. and hon. Members with more details. Again, I make the point that I find it bizarre that we are stopping in order to have an Adjournment debate of an hour and a half, when such debates normally last only 30 minutes.

I will focus on the points made by the right hon. Gentleman, who made a comprehensive speech in summarising the challenges that Yemen faces. The scale of the tragedy is well known to us all, with 70% of the population now needing humanitarian assistance. In answer to the right hon. Member for Islington South and Finsbury (Emily Thornberry), let me say that Britain continues to play a leading role, unswayed by the prejudice or interest of any other country. As she says, we are the pen holder, and we are determined to do that job without prejudice and without influence from other nations, doing what we see is best. We show leadership at the United Nations and in the new Quint, which involves nations from around the middle east that are looking at this and which met in February, along with UN special envoy Ismail Ahmed. I met him two weeks ago, when we discussed what parameters we need to get in place in order for a ceasefire to work and then for a UN Security Council resolution to be supported.

Many right hon. and hon. Members have mentioned the importance of the port of Hudaydah, and that must be underestimated. Yemen has two critical access points, one being the port of Aden, in the south, and the other, halfway up the Red sea, being Hudaydah, with a population of 3 million. If the civil war moves
into that area, it will devastate that city, probably displacing about half the people who live there—1.5 million people—and causing mayhem. Not only will it further the prospect of famine and lead to a refugee crisis, but it will flatten the port itself. We may be frustrated with the amount of aid getting through the port at the moment, but the situation will be even worse if the battle commences in that populated urban area. We therefore call on the coalition and the Houthis to recognise that the world is watching and that they need to come back to the table. This will be sorted not by a military solution, but by a political one, and it is very important that that is recognised.

A lot has been said about the cranes, but let me make it clear that the old cranes were bombed a number of years ago and the new cranes are sitting in Dubai. They have been moved there to keep them out of harm’s way; no one knows exactly what is going to happen to the port of Hudaydah as it is unclear where the battle is going.

I reiterate how unhelpful and wrong it would be for us not to work towards a peaceful solution. The right hon. Member for Leicester East rightly said that this problem is not intractable—there is a path to peace. An awful lot of plates are spinning in the middle east, but I genuinely believe that Yemen is one problem that can be solved—to do that, however, we also need the will of the Yemeni people.

My right hon. Friend the Member for Sutton Coldfield (Mr Mitchell), for whom I have a huge amount of respect, made a helpful visit to Yemen, although such travel is not endorsed. In his own inimitable way, he went there and he has shared his findings. He paid tribute to the UN agencies—I join him in doing so—and spoke about there being perhaps a difference in strategy between different Departments. I make it clear that we have one clear strategy, but I can see the dilemma in that on the one hand the Department for International Development is determined to get aid into the country, whereas on the other we are dealing with this protracted war, which this coalition is pushing, and it is not doing a particularly good job of it. I have been critical about its actions before; it is not used to sustained warfare and it has made mistakes, which we have debated here. We have made it clear to the coalition that, as I have just said, the war will not be ended in this way.

We certainly support Saudi-led efforts to restore stability and check the advance of the Houthis, because that started all this in the first place. Let us not forget that the Houthis pushed through Sana’a and would have taken over the port of Aden had a coalition not answered the call by President Hadi to stand up for his legitimacy.

Emily Thornberry rose—

Mr Ellwood: I am afraid I do not have time to give way; I do apologise.

Members talked about weapons systems getting into Yemen. I am afraid they are getting in by land and by sea, not so much through the port of Hudaydah. Smaller boats are getting in and providing arms up and down the Red sea, and arms are also getting in through land corridors. The UN verification and inspection mechanism is not working as well as it could because it is not able to capture all the boats that are moving in.

I have to contend with a point made by my right hon. Friend the Member for Sutton Coldfield. We can discuss this after the debate, but I do not agree that because al-Qaeda is fighting the Houthis we should somehow be in some form of alignment with it. Al-Qaeda’s track record shows that we cannot entertain any alliance whatsoever. It has brought insecurity and harm to the middle east and, indeed, to Europe.

Mr Mitchell: Will my right hon. Friend give way?

Mr Ellwood: I shall give way briefly; I thought my right hon. Friend might wish to respond.

Mr Mitchell: I should make it absolutely clear that no one regards al-Qaeda with greater abhorrence than I do. The point I was making was that in this particular conflict there are some very uneasy alliances against the Houthis.

Mr Ellwood: I apologise to the right hon. Member for Islington South and Finsbury; I know she wanted me to give way earlier, but it is important that my right hon. Friend was able to put that on the record.

Many have called for a ceasefire, which is fully understandable given where we want to go. Nevertheless, for one to work in practice, parameters need to be in place. We need withdrawal lines and the decommissioning of heavy weaponry, or agreement on that decommissioning. We need buffer zones ready, in place or agreed, and we need policing mechanisms to manage any violations that take place; otherwise, we will see the situation ratcheting out of control again and the ceasefire being breached.

In my discussions with Ismail Ahmed, the UN envoy, and with other countries, we have talked about what the parameters of a ceasefire would look like and the process that would be needed. The parameters would have to be built around, first, the sequencing of security steps, including withdrawals; secondly, the agreement of roles and appointments—in essence, a transition leadership; thirdly, the resumption of discussions based on resolution 2216 and the Gulf Co-operation Council initiative; fourthly, the signing of a detailed agreement; fifthly, the finalisation of an electoral road map; and, finally, the drafting of a constitution, which would lead to elections. That is a ballpark design that the UN envoy is trying to promote. Unfortunately, it is signing up to the detail that is causing problems for all stakeholders. Nevertheless, we are absolutely committed to pursuing that process at the UN to ensure that a ceasefire eventually comes around.

The role of the United States was mentioned. I will visit it soon to make sure it is committed. Rex Tillerson, the new Secretary of State, worked in Yemen for several years and knows the area very well indeed. I make it clear that the additional military support the US is giving is not designed for more precision munitions; it is designed to enable better intelligence gathering so that fewer mistakes are made. More to the point, it is important that the US works with us and others to deter further military action and to focus on getting that political agreement in place.

UN Security Council resolution 2216 was clear that unblocking the political process required the Houthis and forces loyal to former President Saleh to withdraw
from Sana’a and hand over their weapons. Despite consistent demands from the international community, the Houthis-Saleh alliance has refused to discuss these issues with the UN special envoy. It has also taken a series of unilateral steps that have undermined peace efforts, including the establishment of a supreme political council and a shadow Government to rival President Hadi’s. This is unacceptable. We do not recognise the rival Government, and the Yemeni parties must engage with the peace process and meet the obligations set out in the UN proposals.

In conclusion, the UK Government are gravely concerned about the humanitarian crisis in Yemen. We are taking a leading role in the international response, which means not only providing substantial humanitarian aid but using all diplomatic means available to us to support efforts to reach a political agreement and to press for a solution to the economic crisis. As I have said before, it is ultimately the Yemenis themselves who must reach a compromise. The Yemeni people need and deserve peace, and we continue to work with international partners to secure it.

5.59 pm

Keith Vaz: The House has spoken with one voice today. A total of 45 Members have attended the debate over the past 90 minutes—we could have had another 90 minutes to discuss this war. It may be a forgotten war outside, but it is not forgotten in the House of Commons. The voice of this House is very clear: we want peace in Yemen; an immediate ceasefire; and the aid to get into Yemen to avoid the predicted famine; and we need to start tomorrow. We place that motion in the hands of the Minister. We wish him well, and ask him to come back with better news for us.

Question put and agreed to.

Resolved,

That this House notes the worsening humanitarian crisis in Yemen; and calls upon the Government to take a lead in passing a resolution at the UN Security Council that would give effect to an immediate ceasefire in Yemen.

Business without Debate

DELEGATED LEGISLATION

Mr Deputy Speaker (Mr Lindsay Hoyle): With the leave of the House, we shall take motions 5 to 12 together.

Motion made, and Question put forthwith (Standing Order No. 118(6)).

LOCAL GOVERNMENT

That the draft West Midlands Combined Authority (Functions and Amendment) Order 2017, which was laid before this House on 6 March, be approved.

BETTING, GAMING AND LOTTERIES

That the draft Horserace Betting Levy Regulations 2017, which were laid before this House on 7 March, be approved.

INSOLVENCY

That the draft Deregulation Act 2015 and Small Business, Enterprise and Employment Act 2015 (Consequential Amendments) (Savings) Regulations 2017, which were laid before this House on 2 March, be approved.

EMPLOYMENT AND TRAINING

That the draft Public Sector Apprenticeship Targets Regulations 2017, which were laid before this House on 6 March, be approved.

NATIONAL HEALTH SERVICE

That the draft Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) (Amendment) Regulations 2017, which were laid before this House on 1 March, be approved.

PUBLIC SERVICE PENSIONS

That the draft Judicial Pensions (Fee-Paid Judges) Regulations 2017, which were laid before this House on 27 February, be approved.

That the draft Judicial Pensions (Amendment) Regulations 2017, which were laid before this House on 27 February, be approved.

That the draft Judicial Pensions (Additional Voluntary Contributions) Regulations 2017, which were laid before this House on 27 February, be approved.—[Heather Wheeler.]

Question agreed to.

Mr Deputy Speaker (Mr Lindsay Hoyle): Before I call the Minister to move motion 13 on regulatory reform, I should inform the House that Mr Speaker has considered the instrument and has not certified it.

REGULATORY REFORM

Motion made, and Question put forthwith (Standing Order No. 18(1)(a)).

That the draft Legislative Reform (Private Fund Limited Partnerships) Order 2017, which was laid before this House on 16 January, be approved.—[Heather Wheeler.]

Question agreed to.

PETITION

Proposed closure of Annesley DWP office

6.1 pm

Gloria De Piero (Ashfield) (Lab): I rise to present a petition opposing the closure of the Department for Work and Pensions office in Annesley, which could result in more than 100 job losses, affecting mainly women workers.

The petition states:

The Petition of staff of Annesley DWP office, and their families,

Declares that the Department for Work and Pensions (DWP) are proposing to close Annesley DWP office within the next year (2017/18); further that the DWP are proposing to do this without conducting an Equality Impact Assessment; and further that there has been no consideration of the disproportionate impact on those who work at Annesley by not conducting an Equality Impact Assessment; and further that there has been no consideration of the economic hit on the area because the closure could mean a loss of £1million and this loss will inevitably impact on a number of businesses in the area.

The petitioners therefore request that the House of Commons urges the Government to ensure that Annesley DWP office is kept open, so that there are no job losses.

And the petitioners remain, etc.
Motion made, and Question proposed. That this House do now adjourn.—(Heather Wheeler.)

6.2 pm

Hannah Bardell (Livingston) (SNP): Seventy years ago, the Burngrange mining disaster happened in my constituency. It was, and still stands as, the worst accident ago, the Burngrange mining disaster happened in my constituency. It was growing up that accidents were just part of the job.

I grew up with stories of him hauling himself through miles along the road as a fitter in Easton colliery, my grandfather went down the pit as a coalminer just a few bodies of their fathers, husbands, brothers and sons.

I am proud to have the opportunity today to read again the names of the men who lost their lives working for their families and communities in an industry that is now marked by the bings of West Lothian that surround my constituency: John McGarty, 30, Limefield Avenue, West Calder, single; John Lightbody, 39, Gloag Place, West Calder, married, two of a family; Anthony Gaughan, 44, Parkhead Crescent, West Calder, married, three of a family; David Muir, 32, Parkhead Crescent, West Calder, single; George Easton, 48, Northfield Cottages, West Calder, married, three of a family; John Fairlie, 21, Old Rows, Seafield, single; Thomas Heggie, 27, Cousland Crescent, Seafield, married, two of a family; William Ritchie, 44, Parkhead Crescent, West Calder, married, two of a family; William Finlay, 56, Polbeth, single; Thomas Heggie, 27, Cousland Crescent, Seafield, married, two of a family; Anthony Gaughan, 31, Old Rows, Seafield, married, two of a family; and David Carroll, 37, Old Rows, Seafield, married, five of a family.

I cannot imagine how the local mining community felt when the pit sirens wailed to warn of disaster, with the families running to the pit to wait for news—a wait felt when the pit sirens wailed to warn of disaster, with the families running to the pit to wait for news—a wait.

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I completely agree with the hon. Gentleman. Working with members who work in that community is vital.

West Lothian Council’s local history library collected information about the disaster that became part of a community exhibition developed in conjunction with the Calder history group and Almond Valley Heritage Trust. Many communities across the UK do work like this, and it is vital that the young people in communities around us remember their industrial heritage.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): I congratulate my hon. Friend on securing this Adjournment debate. May I take this opportunity to remember the 207 people who lost their lives at the High Blantyre colliery in what is now my constituency, on 22 October 1877? Many local women were suddenly widowed and children were left without a father in the worst mining disaster in Scotland’s history. Does my hon. Friend agree that, though historical, the tragedy provides a lesson from the past in why the health and safety of those working in mines should be paramount?

Hannah Bardell: I join my hon. Friend in her tributes. She is a doughty champion for her constituents, and I share in all that she says.

Alan Brown (Kilmarnock and Loudoun) (SNP): I congratulate my hon. Friend on securing the debate. The keynote in her speech is that we must never forget the sacrifices that people made. It is important that children and others living in these communities in later years understand what happened before them. This year is the 60th anniversary of the Kames colliery disaster in my constituency, in which 17 men lost their lives in an underground explosion. I pay tribute to those guys and their families. It is very important that communities never forget.

Hannah Bardell: I join my hon. Friend in paying tribute to those lost in his constituency.

I welcome such fitting tributes to men and to the families they leave behind, as they will remain a sober reminder to us all for generations to come of the
sacrifices that those men made on that day in January 70 years ago. The five shale bings—or the five sisters, as they are famously known locally in my constituency—and the bings of Broxburn were recently serialised by BBC Scotland, and are the indelible marks on the West Lothian landscape that remind us of our industrial past. In constituencies across the UK there are reminders in museums and galleries, such as Mill Farm in West Lothian and the Lady Victoria colliery in Newtongrange, which I visited as a youngster when my grandfather was terminally ill with a tumour. I remember going home to ask my mum whether she thought he would be well enough to visit. He was not, but the stories that I brought home meant a great deal to him.

There have been thousands of deaths in mines over the centuries, but fortunately safety has improved. It has been 50 years since the last UK mining accident happened at the Cumbrian colliery in south Wales on 17 May 1965, where 31 tragically lost their lives. However, as recently as May 2014, the worst mining accident in the 21st century killed 301 people in Soma, Turkey. I am sure many hon. Members remember the 29 men killed underground four years previously at the Pike River mine disaster in New Zealand. In November 2010, just seven months earlier than that, 29 of 31 miners on site at the Upper Big Branch mine in West Virginia, USA, were killed in an explosion. On 30 January 2000, the Baia Mare cyanide spill took place in Romania: 100,000 tonnes of cyanide-contaminated water broke into the River Somes, the River Tisza and the River Danube. Although no human fatalities were reported, the leak killed up to 80% of aquatic life in some of the affected rivers, which meant that the accident was hailed as the worst environmental disaster in Europe since Chernobyl.

Although our UK mining industry has had health and safety problems, we have learned a huge amount from accidents such as the one in Burngrange in my constituency. From the pit closures and attacks on the trade unions in the Thatcher era, and the year-long miners strike—it was strikes in Lanarkshire that eventually drove my grandmother’s family to Glasgow so that her parents could find work—we remember the miners today and always. As a direct result of that strike, mining is no longer as much a part of the industrial landscape, but health and safety is crucial for those left working in the industry, wherever they are in the world. We have come a long way in health and safety improvements, but much more needs to be done, not just in mining but in other dangerous industries such as the oil and gas industry.

Many went from our pits into other industrial work such as oil and gas. It is important to remember that men and women in those industries work in some of the most challenging environments in the world. Health and safety is paramount. In fact, one such worker who followed that path was Mike McTighe, the father of my office manager, Stephanie. He worked in the Bilston Glen pit in Edinburgh for many years and was the last of a famous breed of coal miners in Scotland who moved on to work in oil and gas. He retired only a few months ago. He told me recently how he was once caught in a roof fall in a pit. He said that, as terrifying as that was, going down the leg of an oil platform, when he was often alone, responsible for his own air supply and surrounded by many toxic gases, was possibly the scariest and most hostile environment he had ever been in.

I had my own experience of the importance of health and safety when I became involved in the emergency response to a helicopter going down off the coast of Shetland in 2013. The company I worked for in the oil and gas industry lost a colleague. I spent a lot of time with his family, and working with many people in other companies to review health and safety practices and emergency response, to do our best to ensure that such an accident could never happen again. The work and continued improvement of our Health and Safety Executive is vital. Piper Alpha stands as the worst accident in the North sea and in the oil and gas industry. Many lessons were learned, including by the HSE, which has continued its work.

We owe a huge debt of gratitude to the men and women, and indeed children, who have worked in the pits, in some of the most challenging environments on earth. Their work and legacy leave a mark on our landscape, in our lives and in our history. We must remember them.

What will the Minister and the Government do to ensure that UK communities blighted by the loss of those industries get greater investment and support to embrace an environmentally friendly and low-carbon future? It is a fact that, despite goals to become a low-carbon economy, our dependence on imported fuels is now at a level not seen since the 1970s. The UK is the only one of Europe’s five biggest energy users to be increasing its reliance on imported energy. Britain now imports four times as much coal as it produces. Coal and other solid fuels made up 10% of the UK’s energy imports in 2015, from countries such as Colombia, Australia and the USA, with Russia being our biggest import partner. We have to consider some of the health and safety practices in those countries and raise concerns about them. Some of those countries are subject to international sanctions. Ukraine, for example, provides close to half the coal we import, and Colombia has an ugly track record on human rights.

The company responsible for the bulk of our Russian imported coal is the Siberian Coal Energy Company, which exports 31 million tonnes of coal a year, according to its website, and nearly a quarter of that comes to the UK—its biggest single market, well ahead of China. Russia’s safety record is not without blemish, and several major mining accidents have happened there. Notably, the Ulyanovskaya—I hope Members will excuse my pronunciation—mine disaster of 2007 killed 106 miners. Just last year, a methane leak triggered two explosions in a mine near Vorkuta, where 26 people ultimately lost their lives. Over 60% of Russian coal is extracted in the Kuzbass region of Siberia, and the human rights of mine workers and villagers are violated daily, according to reports.

In Colombia, the health and safety track record is appalling. An explosion at the La Preciosa mine in Sardinata in January 2011 killed 21 people; another explosion at the same mine in February 2007 killed more than 30 workers. During the decades-long civil war, the Colombian coal industry has grown to the point where it now ranks as the fourth-largest exporter of power station coal in the world, behind Indonesia, Australia and Russia. According to the London Mining Network, the growth of the Colombian coal industry
has come at a terrible cost, including the dispossession of communities and widespread human rights abuses against members of the mining workforce and residents. Coal has polluted not only the air and the water but the country’s politics, with credible reports of at least one coal company providing support for militias involved in human rights abuses.

We should not condone the dereliction of duty to the human rights of workers and families living in mining communities. While we still import coal, we should do it from responsible sources, and I ask the Minister to review our coal imports and the human rights and health and safety records of the countries those imports come from.

In addition, we should do much more to develop and support our renewables sector to meet our power needs. The Banks Group in my constituency is a surface mining, renewable energy and property firm. It is truly diverse, and it has a clear vision on the future of renewables. It does pioneering work on reclaiming and redeveloping land that has been used for mining, and it was responsible for the Northumberlandia restoration, which is also known as “The Lady of the North”. In partnership with North Lanarkshire Council, the innovative Connect2Renewables project will ensure a minimum of £69 million of local economic benefit for the area, while a £1.74 million jobs and training fund will support 400 to 450 local unemployed people into work, further education or workplace training. This sort of ambitious, forward-thinking and environmentally friendly initiative is essential as we work towards our low-carbon goals.

My final request of the Minister— I know I am asking a lot of her—is that she set up specific funds for communities in former coal and shale mining areas to help them adapt and provide for the future. A specific fund could help with the kind of work that has been done in my constituency to engage with local schools. Economically, a fund could and should support areas that have never recovered from having had their heavy industries taken away or damaged irreparably, and that got little or no support at the time from the then Conservative Government.

These communities have sacrificed more than they should have, and they have provided for the whole country. We owe them our gratitude and support, and I call on the Government to do all they can to make sure that those former mining communities thrive and develop new industries where the old ones once stood so valiantly.

6.18 pm

The Minister for Disabled People, Health and Work (Penny Mordaunt): I thank the hon. Member for Livingston (Hannah Bardell) for securing this debate and for her passionate speech on an issue that is important to her and her constituents, as well as to the Government and the House. It gives us the opportunity to recognise the bravery of those workers at Burngrange mine, who, in providing for their families and securing resources for our country, made the ultimate sacrifice.

The hon. Lady and her constituents have rightly marked the 70th anniversary of that appalling disaster with honour and dignity for the men who did not come home to their families on 10 January 1947. One of the most moving parts of the tribute she paid was when she read out not only the names but the ages of those who were impacted. We got an impression from that of how the disaster affected a whole community. Often, people are in such a job for life. The age range of 24 to 50 gives a sense of that, and it was a very moving part of her speech. She has done a tremendous job in paying tribute not only to all those who were killed or affected by the disaster, but to all those who work, and have worked, in the profession and the communities that support them. It is a rare occasion when we read out in this place the names of people killed in such tragedies, but it is very fitting that she has done so. I understand from the Clerks that the hon. Lady tried to get this debate to fall as close as she could to the anniversary of the disaster. Things never work out perfectly, but her constituents and many others will appreciate that.

Before I go on to talk about the UK’s safety record and other issues that the hon. Lady raised, I would like to touch on some of the international tragedies that have occurred. She mentioned some; sadly, there are many others. In 1995, 104 miners died after falling down a mine shaft in South Africa. In 2006, 65 coal miners were killed in a gas explosion in northern Mexico. In 2007, at least 90 were killed in Ukraine’s worst mining disaster. In 2011, 52 people were killed in southwestern Pakistan after a gas explosion in a deep coal mine.

It is important that we remember that this is an international issue because of the role of the Health and Safety Executive, which has considerable expertise. Some 50% of the inspectorate that looks after this issue, as well as others, have worked in the mining industry for much of their career, and they have ambitions to export their expertise. The HSE’s latest business plan shows that it is clearly trying to do more of that. We have a good record on this, and huge expertise. We can make a real contribution, particularly in developing nations where often when disaster strikes the situation is unimaginable. This is important work, and I encourage the HSE to do it. It is doing a huge amount already.

Recently, for example, it has been leading some work on ventilation issues in Australia and on engineering safety in Russia; the hon. Lady particularly referred to that country.

I pay tribute, as the hon. Lady did, to all those others who step in when such disasters strike to provide support and expertise to the rescue and recovery operation. I am particularly proud of this because the combined international rescue services that are contributed to by the UK’s blue light services train and drill for such events annually in my constituency. Her debate affords me the opportunity to pay tribute to them as well.

Burngrange and other mine incidents led to the introduction of a great deal of legislation in the latter half of the 20th century. The official report on that explosion and fire contains a number of important recommendations for improving health and safety in mines, including instructions on the use of safety lamps; how explosives should be selected, stored, handled and used safely; and the need for adequate ventilation and sampling of a mine’s atmosphere. Health and safety regulation in this country has improved greatly over the past 70 years, learning from previous experiences in order to try to prevent, as far as possible, disasters and other incidents that can lead to loss of life, injury or ill health. At the time when the Health and Safety at Work, etc. Act 1974 was introduced, there were 651 fatalities to employees; today, the number is 105. That is progress made, but clearly more still needs to be done.
In 2014, following an extensive review, the Mines Regulations 2014 replaced all previous legislation relating to health and safety in underground mines—some 45 sets of regulations and the relevant parts of two Acts of Parliament. Importantly, they provided a comprehensive and simple goal-setting legal framework to ensure that mine operators provide all the necessary protection for mineworkers and others from the inherent hazards in mines. The regulations contain requirements relating to the key organisational aspects of safe management of a mine and to the key physical hazards to underground mining, the principal major hazards of which are unique to that particular sector.

In addition to the industry-specific mines regulations with which mine operators must comply, there is the Health and Safety at Work etc. Act 1974, the Management of Health and Safety at Work Regulations 1999, the Dangerous Substances and Explosive Atmospheres Regulations 2002 and the Control of Substances Hazardous to Health Regulations 2002.

About 2,000 workers are still involved in underground mining and they deserve the highest standards of health and safety. As the hon. Member for Strangford (Jim Shannon) pointed out, often that will mean working in partnership with other organisations. I thank him for his intervention.

The Health and Safety Executive has a regulatory intervention plan for every underground mine in Great Britain, no matter whether it is still active or whether it is there for heritage and tourism purposes. That reflects the specific inherent hazards of mines and their previous health and safety performance. Those that bear the greatest risk and have the poorest record receive the most attention. Inspectors base their regulatory interventions on those plans, which are proactive.

I understand that the Scottish Parliament has tabled a motion to mark Workers’ Memorial Day—I do not know whether the hon. Member for Livingston will table a similar motion in this Parliament—on Friday 28 April, which affords us another opportunity to remember all of those who work in these important but dangerous industries, and to pay tribute to what they do and to those who have lost their lives.

Mr Dennis Skinner (Bolsover) (Lab): I wonder whether at this point the Government representative could try to recall that those same miners that we are talking about, many of them the sons of miners who went down the pit, were the very people that the previous Tory Prime Minister, Mrs Thatcher, called “the enemy within”. We are talking about all those people who lost their lives in the 18 people who fell down the shaft to their death at Markham colliery in Derbyshire. They were the same people that the previous Tory Prime Minister called “the enemy within”. I think at this moment it would be right and proper for this Government to say that that was not the reality about these people who went down the pit day after day. Surely this is the time to say so.

Penny Mordaunt: I have spoken about the hazards that people face in that and other professions. Without their service the country could not continue its industrial projects. We owe them a great deal. On the politics of these matters, the hon. Gentleman and I would probably disagree, but the purpose of the debate is to pay tribute to those who work in these professions and to remember those who lost their lives at Burngrange, in particular, and in other disasters around the world. I am sure that that will not have satisfied the hon. Gentleman—

Mr Skinner: No, because you won’t—

Mr Deputys Speaker (Mr Lindsay Hoyle): Order.

Penny Mordaunt: I will move on to the other points that the hon. Member for Livingston has raised. Quite rightly, she touched on what Departments can do through their policies to encourage good practice, and to encourage other countries to take health and safety as seriously as we do. In my Department, which is responsible for the Health and Safety Executive, considerable opportunities come with the HSE’s ambition to export its good practice, and that is important. I will certainly ask my counterparts at the Department for Business, Energy and Industrial Strategy to write to the hon. Lady about specifically how it is developing its energy strategy to take into account the very valid points that she raises.

On the matter of regeneration for affected communities, I may be in danger of agreeing with the hon. Member for Bolsover (Mr Skinner). One thing that was not done well in the past was securing the regeneration of areas where industries on which entire communities had depended were collapsing. Where that happens, swift intervention and investment are required.

One of the privileges of my first ministerial post in the Department for Communities and Local Government was working with local enterprise partnerships on getting particular investment into such areas. Part of the recipe for success in rebuilding those areas was mining heritage. Many projects, whether they were about creating business parks around energy or creating a tourist offer, would come back to an area’s mining heritage. That ties in very well with the important points that the hon. Lady has made about heritage. We need to remember that heritage and give it the status that it should have as part of our nation’s history. I will also ask the Department for Communities and Local Government to write to the hon. Lady to update her on the specifics of the growth funding that has gone into former coal mining areas.

Alan Brown: Just before the Minister closes, she may be aware that the UK Government pulled funding from the Coalfields Community Trust, although the Scottish Government still provide funding in Scotland. Is that not something that the Government should look at? My final point is about mineworkers who have survived. She may be aware that the Government take 50% of the annual returns from the mineworkers’ pension pot, and I suggest that the Government should reconsider that as well.

Penny Mordaunt: The hon. Gentleman refers to the trust, which was closed and wound up. However, other sources of funding were made available through the usual growth funding channels, and much of that funding has been directed into the communities that we are
discussing. I know that, because I was at the Department looking at how those funds had been allocated. Whether we are talking about mining or other industries that are not providing the necessary support to communities across the UK, we need to have a strong plan and vision for those communities and what will replace those industries. We should not leave people without that.

Hannah Bardell: The hon. Lady has made some very encouraging and positive points, and I look forward to receiving those responses. On the distribution of funds, does she consider it appropriate for the former mining communities to be considered alongside other communities for the city growth plans and deals? That seems to me to be an ideal criterion to apply in considering the distribution of funds, because the areas of worst deprivation and challenge are often outside city centres, such as those in my constituency and that of my hon. Friend the Member for Kilmarnock and Loudoun (Alan Brown).

Penny Mordaunt: The hon. Lady makes a very good point. If one aspect of what makes a community strong and economically viable is removed, other aspects—the education system, the ability to attract teachers and all sorts of things—start to become harder. It is absolutely vital, as I know from my own constituency, to have a clear vision for and proposition on how the economy will not only grow, but be stable. That may mean diversification, or a different approach to the strengths and assets a particular community has had, but that is the key to success. It is what attracts not only public money and investment, but private investment, which is what some of these communities need.

Mr Skinner: The Minister has failed to answer the point about the money that the Government take from the mineworkers pension scheme. Now there are no deep-mine pits left in Britain at all—just a few private mines and bit of open-casting—can we have an assurance that the Government will cease taking that money out of the pension scheme so the miners she is talking about get an even better pension?

Penny Mordaunt: The hon. Gentleman raises a serious point that deserves a serious answer, but given the limits on me in this Adjournment debate, may I ask him to write to the Parliamentary Under-Secretary of State for Pensions?

Mr Skinner: I have done all that.

Penny Mordaunt: I am sure I do not need to encourage the hon. Gentleman to keep going, but if he is not satisfied with an answer, he should write again. I am afraid that I am not able to add anything to what the Pensions Minister will already have told him.

Unless there are any other interventions, I thank all hon. Members for their contributions. In particular, I thank the hon. Member for Livingston, who has done a great service to all those who lost their lives in this tragedy and to all those touched by it.

Question put and agreed to.

6.37 pm

House adjourned.
Mr Speaker: I have just been advised of an important matter: I wish to offer a happy birthday to the Secretary of State.

Nigel Huddleston: Evenpr0ducts is a small and innovative company based in my constituency that makes water tanks and sanitation equipment used throughout the developing world. It is also part of DFID’s rapid response group. What is the Department doing to encourage even more small businesses and charities to engage with this work?

Priti Patel: Thank you for your very kind birthday wishes, Mr Speaker.

My hon. Friend is absolutely right about small businesses in his constituency and, indeed, in all our constituencies. I congratulate the company he mentioned on the outstanding work that it does in development. I am leading a review of our suppliers in DFID right now. We are changing the way in which we procure. We will ensure that more UK firms, in particular, have the opportunity to support UK aid around the world and deliver on our development objectives.

Mr Gregory Campbell (East Londonderry) (DUP): I pay tribute to the work that the Secretary of State is doing in this area. Does she agree that in much of sub-Saharan Africa, in particular, many charities are doing a lot of work on clean water to try to tackle drought, as well as work on economic development? We can do much more to support these much-needed charities in those countries.

Priti Patel: The hon. Gentleman is absolutely right. The challenge that we have across sub-Saharan Africa is drought and the provision of water, and all the essentials that many of us take for granted. He is right that small charities play a crucial role in delivering that. That was why last week I announced the new small charities challenge fund, which will give small charities across the United Kingdom more of an opportunity to access DFID funds and support to go out there and deliver life-saving aid around the world.

Tom Pursglove (Corby) (Con): As we leave the European Union, does my right hon. Friend agree that we have a unique opportunity to help to eradicate extreme poverty through free trade opportunities?

Priti Patel: My hon. Friend is absolutely right. Today being a very significant day, he is right to raise this issue. We know through all our work that to move countries from aid dependency we have to give them economic empowerment and prosperity. Free trade is one aspect of that, along with the other work that we do on bringing commerce and new trading opportunities, but education as well, to countries around the world.

Kate Osamor (Edmonton) (Lab/Co-op): What role will the Ross Fund, co-managed by DFID and the Department of Health, play in the priorities around new investment and co-ordination of projects across Government?

Priti Patel: The hon. Lady is right to raise the £357 million that is associated with the Ross Fund, and I thank her for doing so. We spend that on top of the 3% commitment

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Kate Osamor (Edmonton) (Lab/Co-op): What role will the Ross Fund, co-managed by DFID and the Department of Health, play in the priorities around new investment and co-ordination of projects across Government?

Priti Patel: The hon. Lady is right to raise the £357 million that is associated with the Ross Fund, and I thank her for doing so. We spend that on top of the 3% commitment
of DFID’s money and budget that we already give through the research review that I launched last year. This speaks to our leadership in the world in tackling health epidemics through the work that we led on Ebola and on Zika, and also on TB. Last Friday was World TB Day. Our investment in universities across the United Kingdom in terms of scientific research and development has shown UK leadership in how we can tackle some of these awful diseases and epidemics and get better prevention of them.

Somalia (Food Security)

2. Neil Parish (Tiverton and Honiton) (Con): What steps her Department is taking to tackle famine and food insecurity in Somalia.

The Secretary of State for International Development (Priti Patel): The UK is at the forefront of international efforts to avert a famine in Somalia. Our additional £110 million of aid will provide food, water and emergency services for more than 1 million people. I think all Members of this House will recognise that we are witnessing Somalia experience an absolutely devastating famine right now, but UK aid is making an enormous difference.

Neil Parish: I thank the Secretary of State very much for her comments. Up to 3 million people are at risk of starvation in Somalia. It is important not only to get the food in, but to make sure it goes to the people who really need it. I would just like to press her a little bit more on how we can physically get the food to those who most need it.

Priti Patel: My hon. Friend is absolutely right to raise this issue. First and foremost, I would like to commend all the partners and agencies working in Somalia in quite terrible, difficult and harrowing conditions. We work with a range of trusted and experienced partners in a country that is very difficult; there is no doubt about that. I have met many of them, as have my DFID teams and officials in country. Our priority, as I have said, is to get emergency food and water to the people who need it, and we are working with a range of agencies to do exactly that.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): The scale of the humanitarian crisis in Somalia, the rest of east Africa and Yemen is truly appalling. I welcome what the Secretary of State has said about the UK donation, but what are we doing to ensure that other wealthy countries rise to the challenge as well?

Priti Patel: I thank the hon. Gentleman for making that remark. He will know that thanks to the generosity of UK taxpayers, the east Africa Disasters Emergency Committee appeal has reached £40 million. UK aid has contributed to that, and rightly so, through our match funding. Others need to do more; I have been unequivocal about the fact that I think that other countries need to pull their finger out. We have led the way in terms of lobbying and making calls. All Ministers across DFID and across Government, including Foreign and Commonwealth Office Ministers, have been doing exactly that—pressing the wealthier countries to contribute more to tackling these famines and to step up their own responses.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): May I ask the Secretary of State what work her Department is doing with the international community to help to ensure that it is better able to provide a more urgent early response to food crises, to avoid mass loss of life?

Priti Patel: The hon. Lady is absolutely right to raise that point. What we are seeing is totally unprecedented. To witness the prospect of four famines in 2017 is simply horrific for all of us. There is more that can be done, and the UK is working with others to try to build greater capacity and resilience in those countries so that we do not reach crisis points, as we have done this year, where international appeals have to come together and plead with people to give money. The long-term strategy has to be to build greater resilience. That has worked in countries such as Ethiopia and Kenya in the past.

Kate Osamor (Edmonton) (Lab/Co-op): On 21 March, the United Nations agricultural agency further scaled up its activities in drought-ridden regions in Somalia. I thank the agency for the $22 million that was loaned, but I have had concerned constituents asking who will be paying back that loan. Will it be the United Nations or will it be the Somalians?

Priti Patel: The hon. Lady raises an important point about funding and resourcing for such crisis appeals. As I have said, the UK has stepped up and led the way. On my visit to Somalia six weeks ago, we managed to convene more funds—yes, from the UK, but we are getting others to do likewise. We cannot continue to put the debt burden on countries that are struggling, or on a Government who are so new that we have to continue to support them. Of course, we have the Somalia conference coming up very soon.

East Africa (Food Security)

3. Paul Scully (Sutton and Cheam) (Con): What steps her Department is taking to tackle famine, hunger and food insecurity in east Africa.

The Secretary of State for International Development (Priti Patel): The humanitarian crises facing the world in 2017 are unprecedented. The UK is leading the response and stepping up life-saving support across east Africa.

Paul Scully: On a recent visit to Kenya and Uganda with the Select Committee on International Development, I met children who had walked up to 10 km just to get to school and 10 km to get back, many of whom were lucky if they had one meal a day. While we were at the school, we discussed associated educational and developmental issues. What consideration has my right hon. Friend given to supporting food programmes aimed at school-age children?

Priti Patel: My hon. Friend is right to highlight that, and I am glad that the Select Committee saw the strong work DFID is doing, in partnership, on education in both Kenya and Uganda. We of course provide a range of support, and in our education support and our
programme work we look at all aspects of water, food and provision of healthcare, and at how we can support vulnerable households.

**Stephen Doughty** (Cardiff South and Penarth) (Lab/Co-op): I pay tribute to the many people across Cardiff, including local football teams, who have been raising funds for drought-affected areas, in Somaliland in particular. I have heard worrying concerns from the Government of Somaliland and others that some of the aid pledged to the region is not getting through. Will the Secretary of State investigate this and do what she can to provide support?

**Priti Patel:** I thank the hon. Gentleman for raising that point. We must always challenge the system, but also challenge Governments and authorities. As he will know, there are issues in Somaliland specifically, because it is very challenging and difficult terrain. I will always press, be vocal about and call out those who are preventing aid access, so I will absolutely look into the point he has made.

**James Duddridge** (Rochford and Southend East) (Con): Yesterday, I met the Ethiopian ambassador, who made the point that money is needed desperately, but at the same time let us not stereotype east Africa. It is a place of prosperity, where Louis Vuitton handbags and some of the finest gloves are made, as well as a place that requires help in the north.

**Priti Patel:** My hon. Friend is absolutely right. I saw that for myself when I went to Ethiopia; I went to one of the industrial parks. I think—this comes back to the point about economic development—that Ethiopia is now a great success story in moving from famine and poverty to prosperity and the development agenda. In effect, we want to see more of that.

10. **Stuart C. McDonald** (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): Is the Secretary of State aware of reports that the South Sudanese Government are planning to raise the cost of work permits for foreign nationals from £100 to £10,000? What steps can the Department take to ensure access for aid workers, and what success is it having in achieving that?

**Priti Patel:** The hon. Gentleman is right to raise this issue. He will not be surprised to hear me say that we have been calling the South Sudanese Government out on that. Their behaviour and conduct in putting up their fees and blocking aid access have been absolutely appalling. We will continue to apply all pressure we can to make sure we tackle these issues directly.

**Mr David Lammy** (Tottenham) (Lab): I am sure the Secretary of State will commend Comic Relief for raising £73 million this year, but is she as concerned as I am that it showed a baby dying at 8.30 pm, before the watershed, and another baby dying at 9.10 pm, meaning that the overall portrayal of Africa is very narrow? It needs to review the formula, because this is affecting primary school children’s understanding of a very complicated continent with 52 countries.

**Priti Patel:** I agree with the right hon. Gentleman about the great work of Comic Relief and how it raises so much money for all the domestic and international causes. I did not see the footage to which he refers, but as we have touched on already in these exchanges, Africa has a bright future—there is no doubt about that—in terms of its population, economic development and prosperity, and we must focus on those things.

**Patrick Grady** (Glasgow North) (SNP): We join in passing on birthday wishes to the Secretary of State. Will she explain how DFID is helping local partners to deliver humanitarian aid in response to the east African crisis, and how is that helping the Department to make progress towards the target, agreed at last year’s world humanitarian summit, that 25% of humanitarian aid should be delivered through local partners by 2020?

**Priti Patel:** The hon. Gentleman asks a very important question. Following the world humanitarian summit, we have been leading the charge—working with others in the system, including the head of the Office for the Co-ordination of Humanitarian Affairs, Stephen O’Brien—on how to get better efficiencies and improve ways of working, which are crucial. The east African crisis has shown how we can deliver aid more effectively through our partnership working, but also how we can reform our ways of working, which we need to improve continually.

**Afghanistan**

4. **James Morris** (Halesowen and Rowley Regis) (Con): What steps her Department is taking to support stability and prosperity in Afghanistan.

**The Secretary of State for International Development** (Priti Patel): Britain has a proven track record of supporting Afghanistan and a long-term commitment to the country’s future. As my right hon. Friend the Prime Minister said on Monday, we will continue to support Afghanistan’s security and development because that is in Afghanistan’s interests, but also in our national interest.

**James Morris:** Although huge progress has been made in Afghanistan on the education of women and girls, does the Secretary of State agree that long-term stability and prosperity in Afghanistan depend on women and girls being able to make a full contribution to business, political and civic life?

**Priti Patel:** My hon. Friend is absolutely right. I saw that myself when I visited Afghanistan recently. Women and girls are key to delivering real and long-lasting peace and stability in Afghanistan. Its Government are fully committed to that and we will continue to work with and support them to achieve it.

**Graham Jones** (Hyndburn) (Lab): Given the reported fall of Helmand province to the Taliban, what discussions has the Department had with other Departments on trying to eradicate the poppy crop in Afghanistan?

**Priti Patel:** The hon. Gentleman raises a really important point, particularly in light of the many sacrifices that were made in Helmand province. We work across Government on the issue, including with the Foreign Office and the Ministry of Defence. We are working at every level to strengthen capacity and resilience in the country.
Dame Caroline Spelman (Meriden) (Con): DFID funding has enabled significant progress in maternal healthcare, as well as in educating girls, in the federally administered tribal areas between Afghanistan and Pakistan. Would the Secretary of State be willing to meet representatives of the local charity, the Community Motivation and Development Organisation, which is a recipient, on their next visit to London?

Priti Patel: My right hon. Friend is absolutely right about the vital and significant work that is being done. I would be delighted to meet those people when they visit London soon.

United Nations (Aid Programmes)

5. Richard Arkless (Dumfries and Galloway) (SNP): What discussions her Department has had with UN institutions on the future funding of aid programmes.

The Minister of State, Department for International Development (Rory Stewart): Discussions with the United Nations are central to the Department’s work. The Secretary of State speaks regularly to the Secretary-General, and I am lucky enough to be able to speak regularly to the heads of UN agencies such as UNICEF and the World Food Programme, and the International Committee of the Red Cross. Our focus is not just on funding, but on reform, in particular making sure that we have better co-ordination in humanitarian crises.

Richard Arkless: UN aid programmes are an investment on behalf of all citizens, so, given their importance, I was surprised to read some of the sweeping statements in the multilateral review. Does the Secretary of State accept that if institutions are to be reformed, perhaps that should be done with the co-operation of all member states, not at the unilateral discretion of her Department?

Rory Stewart: We believe very strongly that reform should be done with other member states and as part of a coalition. As the hon. Gentleman has pointed out, the multilateral development review has pointed to issues where we think further reform is needed, but the United Nations is central to Britain’s response around the world. In fact, we are contributing £1.6 billion this year in our work with the United Nations, addressing some of the most vulnerable people on the planet.

Sir Desmond Swayne (New Forest West) (Con): What success has been had in recruiting Gulf states to work through the UN system and in encouraging them to support our UN reform agenda?

Rory Stewart: Clearly, Gulf states, which are increasingly large parts of the economy of the world, are central to humanitarian response. There have been significant contributions from the Gulf—from Saudi, UAE and Qatar—and the Secretary of State continues to encourage those contributions, particularly those that address the famines in the horn of Africa.

Imran Hussain (Bradford East) (Lab): As President Trump slashes aid spending, it is more important than ever that global, outward-looking nations live up to their responsibilities, not shirk them, to fill the aid funding gaps. Will the Minister commit to working with our partners on increasing their aid spending, to show that despite Brexit the UK can still be a global leader embracing its global responsibilities?

Rory Stewart: We agree absolutely with that. It is central that other countries meet their targets. We are very proud to be able to stand tall in the world, particularly at a time when children are starving to death. That is why the Secretary of State is leading international coalitions to increase the international commitment to these desperate issues.

Topical Questions

T1. [909533] Alan Brown (Kilmarnock and Loudoun) (SNP): If she will make a statement on her departmental responsibilities.

The Secretary of State for International Development (Priti Patel): Britain’s small charities do amazing and often highly innovative work in some of the poorest places in the world. Small charities are being given a boost by the financial fund that I have mentioned. I urge all colleagues on both sides of the House to encourage small charities in their constituencies to come forward when the funds are opened this summer.

Alan Brown: The Secretary of State has already acknowledged that last Friday was World TB Day. I hope that she is aware that there is an emerging threat of the disease becoming drug-resistant, so what steps are the Government taking to eradicate the TB epidemic and provide treatment for drug-resistant strains?

Priti Patel: The hon. Gentleman raises a very important point. TB is a deadly disease that affects so much of the world. We are demonstrating great leadership in this country on how we can tackle and invest in addressing TB as well as antimicrobial resistance, which is a big agenda that the UK has led on. We are funding more work, not only through the Ross Fund, as I said earlier, but through our research reviews.

T3. [909535] Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): My right hon. Friend will be aware of the stigma that exists for people with mental ill health and the poor provision of mental health care services in many low and middle-income countries. What steps is her Department taking to combat that problem?

Mr Speaker: Order. We should be listening to the doctor. He had an important message, and I am not sure it was fully heard.

Priti Patel: My hon. Friend is absolutely right to raise the important issue of mental health in relation to the global goals and the international disability framework. DFID works across the world, through agencies as well as in countries such as Ghana, to integrate our research to see how we can do more with their health systems to deliver the right kind of support.

T2. [909534] Andy Slaughter (Hammersmith) (Lab): This year both the Secretary of State and the Foreign Secretary have visited Ethiopia, the second-largest recipient of
UK bilateral aid. Meanwhile, British citizen Andy Tsege has been on death row for over 1,000 days following a show trial and illegal kidnap. What is the Secretary of State doing to return Mr Tsege to his family in London?

Priti Patel: I am working with my right hon. Friend the Foreign Secretary on this issue. That is how we demonstrate joined-up government and leadership on difficult consular cases.

T8. [909540] Mike Freer (Finchley and Golders Green) (Con): What steps is my right hon. Friend’s Department taking to support women and girls, given the Trump Administration’s reintroduction of the Mexico City policy?

Priti Patel: My hon. Friend has raised this issue with me previously. On support for family planning around the world in light of America’s policies, I am delighted to confirm that we are hosting a conference in July this year, working alongside Bill Gates, the private sector and others, to continue to demonstrate UK leadership on this issue while challenging others to step up.

T4. [909536] Paul Blomfield (Sheffield Central) (Lab): I recently met Youth Stop AIDS campaigners from my constituency who are optimistic about the Government’s international family planning summit in July, but they are concerned to ensure that HIV is an integral part of the conference. Will the Secretary of State assure me that an HIV organisation will be included in the civil society steering group that is being set up to advise on planning for the summit?

Priti Patel: The hon. Gentleman raises a really important point about the summit, HIV/AIDS and representation from civil society. I can give him a complete assurance that we are not only engaging but working with civil society organisations. Their voices will be at the heart of our further policy work and development.

Michael Tomlinson (Mid Dorset and North Poole) (Con): My constituents want value for money and transparency in the international aid system. What more can the Secretary of State do to ensure that that happens?

Priti Patel: My hon. Friend is right to raise the important issue of delivering value for money in how we deliver UK aid. I can give him and the whole House a complete assurance that, through the reforms we are undertaking, every pound of UK aid—taxpayers’ money—will be spent on delivering for the world’s poorest.

T5. [909537] Jeff Smith (Manchester, Withington) (Lab): Even before the famine South Sudan had one of the highest maternal mortality rates in the world, but now the UN estimates that 33,000 pregnant women are on the brink of extreme hunger. Does the Secretary of State agree that there is a need for specific aid focused on maternal health, sanitary products and the education of girls and women?

Priti Patel: The hon. Gentleman will know that the UK leads on maternal health support and advocacy for women and girls around the world, and that will continue. The areas he highlights are crucial to our leadership and to how UK aid is spent.

Chris Green (Bolton West) (Con): Some people have concerns about the idea of linking trade with aid, but does my right hon. Friend agree that the rule of law, which goes with trade, fosters the wider development of healthy legal practice?

Priti Patel: As I said earlier, the UK leads on prosperity and economic development. My hon. Friend is right to highlight the fact that we do not tie in aid and trade, but there is a role for governance and building the prosperity agenda. That is effectively what we are doing through DFID’s economic development strategy.

Richard Arkless (Dumfries and Galloway) (SNP): There seems to be wide agreement across the House that foreign aid is a good thing and an investment, yet the public debate, driven by populism, is incredibly toxic. What are the Government doing to detoxify the public debate surrounding foreign aid?

Priti Patel: At a time when there is great need in the world, we have seen enormous generosity from UK taxpayers for the Disasters Emergency Committee east Africa appeal. We have seen the country, as well as the international community, come together to give support and aid to the people who need it the most. We are proud of that, and we stand tall in the world when we stand up for our obligations to the poorest in the world. That is, in effect, what we are doing.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [909556] Danny Kinahan (South Antrim) (UUP): If she will list her official engagements for Wednesday 29 March.

The Prime Minister (Mrs Theresa May): I would like to update the House on last week’s terrorist attack. Since my statement on Thursday, the names of those who died have been released. They were Aysha Frade, Kurt Cochran, Leslie Rhodes and, of course, PC Keith Palmer. I am sure that Members of all parties will join me in offering our deepest condolences to their friends and families. The police and security services’ investigation continues; two people have been arrested and remain in custody.

This morning I had meetings with ministerial colleagues and others, and in addition to my duties in this House, I shall have further such meetings later today.

Danny Kinahan: I echo those sentiments and congratulate the Prime Minister on all the good work done last week and since that time.

I also congratulate the Prime Minister and the Government on triggering article 50 today. I know that this is a momentous action for the whole United Kingdom. Although I, in common with the right hon. Lady, campaigned to stay in, we recognise that the people have spoken, and we offer the Ulster Unionist party’s full support in ensuring that the negotiations deliver the best for the whole of the United Kingdom, and particularly for Northern Ireland.
I ask the Prime Minister to confirm that, in the extremely improbable event that a border poll should take place regarding the future of Northern Ireland within the United Kingdom during her premiership, her Government would fully support any official remain campaign, just as the Government have done in regard of the EU and indeed Scotland.

The Prime Minister: The hon. Gentleman is absolutely right that today we give effect to the democratic decision of the people of the United Kingdom, who voted for us to leave the European Union. It was a call to make the United Kingdom a country that works for everyone, not just the privileged few. We are, of course, fully committed within that to ensuring that the unique interests of Northern Ireland are protected and advanced as we establish our negotiating position. Our position has always been clear—that we strongly support the Belfast agreement, including the principle of consent that Northern Ireland’s constitutional position is a matter for the people of Northern Ireland to determine. As our manifesto made clear, we have a preference for Northern Ireland to remain part of the United Kingdom, and we will never be neutral in expressing our support for that, because I believe fundamentally in the strength of our Union.

Q7. [909562] Mr Ranil Jayawardena (North East Hampshire) (Con): Pupils and parents deserve good schools and real choice in education, including schools that are focused unashamedly on academic rigour. Will my right hon. Friend tell us when the Government will open applications for the new wave of free schools, and will she confirm that they will be genuinely free to be run as they wish, serving the local community and creating schools that work for everyone?

The Prime Minister: My hon. Friend is absolutely right. I believe that schools should be free to be run as best suits them. We are putting autonomy and freedom in the hands of strong leaders and outstanding teachers so that they can deliver an excellent education. We want to get out of the way of outstanding education providers so that they can set up the types of schools that parents want. That is why we have set out our new plans to remove the ban on new grammar schools and restrictions on new faith schools. It is a complex area, but we expect to announce the detail of the next wave of free school applications following the publication of our schools White Paper.

Jeremy Corbyn: A survey undertaken recently by the Police Federation reveals that 55% of serving police officers say that their morale is low because of how their funding has been treated. Frontline policing is vital to tackling crime and terrorism, but there are 20,000 fewer police officers and 12,000 fewer officers on the frontline than there were in 2010. I ask the Prime Minister again: will she think again about the cuts in the frontline than there were in 2010. I ask the Prime Minister again: will she think again about the cuts in police forces, as has my right hon. Friend the Home Secretary, and will she guarantee that policing on the frontline will be protected so that every community can be assured that it has the police officers it needs?

The Prime Minister: As I said to the right hon. Gentleman, we have protected police budgets, including the precept that the police are able to raise locally. But let us just think about what has happened since 2010. Since then, crimes that are traditionally measured by the independent crime survey have fallen by a third, to a record low. That is due to the work of hard-working police officers up and down the country, and they have been backed by this Government. Yes, we have made them more accountable through directly elected police and crime commissioners, and yes, there has been reform of policing—including reform of the Police Federation, which was very necessary—but we have ensured that they have the resources to do their job, and we now see crime at a record low.

Q8. [909563] Victoria Atkins (Louth and Horncastle) (Con): The Royal Air Force is preparing to fly Typhoons from RAF Coningsby in my constituency to Romania to
support our NATO allies on the border with Russia. That is happening as President Putin is locking up his political opponents and crushing calls for democracy. Will my right hon. Friend confirm that, as we leave the European Union, the United Kingdom will continue to lead NATO in defending that vital border, and will she pay tribute to the members of the armed forces who safeguard our democracy at home and abroad?

The Prime Minister: I am very happy to join my hon. Friend in paying tribute to the men and women of our armed forces. They are the best in the world. They work tirelessly to keep us safe, and we owe them every gratitude for doing so. I can also assure her that our commitment to collective defence and security through NATO is as strong as ever. We will meet our NATO pledge to spend 2% of GDP on defence in every year of this decade, and we plan to spend £178 billion on the equipment plan to 2025.

My hon. Friend referred to the work being done by the Royal Air Force in relation to Romania. With NATO, we are deploying a battalion to Estonia and a reconnaissance squadron to Poland, and I think that shows our very clear commitment to our collective security and defence.

Angus Robertson (Moray) (SNP): We associate ourselves with the condolences given by the Prime Minister and the leader of the Labour party and their praise for the emergency and security services during and in the wake of the appalling terrorist atrocity last week.

Last year, the Prime Minister promised that before she triggered article 50 on leaving the European Union she would secure a UK-wide approach—an agreement—with the Governments of—[Interruption]—Last year, the Prime Minister did make that promise: she promised that there would be an agreement with the Governments of Scotland, Wales and Northern Ireland before she triggered article 50. The Prime Minister has now triggered article 50, and she has done so without an agreement; there is no agreement. Why has she broken her promise and broken her word?

The Prime Minister: I have been very clear throughout, since the first visit that I made as Prime Minister to Edinburgh last July, that we were going to work with the devolved Administrations and that we would develop a UK-wide approach, but that it would be a UK approach that was taken into the negotiations and that it would be the United Kingdom Government who took forward that position—and I would simply remind the right hon. Gentleman that Scotland is part of the United Kingdom.

Angus Robertson: People viewing will note that the Prime Minister did not deny that she said she would seek a UK-wide approach and agreement with the Governments of Scotland, Wales and Northern Ireland, and there is no agreement.

The Scottish Government were elected with a higher percentage of the vote—a bigger electoral mandate—than the UK Government. Yesterday the Scottish Parliament voted by 70 to 59 that people in Scotland should have a choice about their future. After the negotiations on the European Union are concluded, there will be a period for democratic approval of the outcome. That choice will be exercised in this Parliament, in the European Parliament and in 27 member states of the European Union. Given that everybody else will have a choice at that time, will the people of Scotland have a choice about their future?

The Prime Minister: I say to the right hon. Gentleman that we are taking forward the views of the United Kingdom into the negotiations with the European Union on the United Kingdom exiting the European Union. The Scottish nationalist party consistently talks—[HON. MEMBERS: “National.”]

Mr Speaker: Order. Ms Cherry, this is very unseemly heckling. You are a distinguished QC; you would not behave like that in the Scottish courts—you would be chucked out.

The Prime Minister: The SNP consistently talks about independence as the only subject it wishes to talk about. What I say to the right hon. Gentleman and his colleagues is this: now is not the time to be talking about a second independence referendum. On today of all days we should be coming together as a United Kingdom to get the best deal for Britain.

Q.9 [909564] Julian Sturdy (York Outer) (Con): Improving vocational and technical education is vital in closing our productivity gap, so can the Prime Minister assure me that vocational education will enjoy equal status with academic education, so that as we leave the EU our young people can be equipped to build the high-skilled economy of the future?

The Prime Minister: My hon. Friend raises a very important issue. It is essential for young people that we give vocational and technical education the right esteem and focus, because that is essential in addressing our productivity gap. We want to deliver a world-leading technical education system and create two genuine options for young people that are equal in esteem. At the Budget my right hon. Friend the Chancellor announced a significant package of investment to implement the most ambitious post-16 reforms since the introduction of A-levels 70 years ago. We are going to be investing an extra half a billion pounds a year in England’s technical education system and introducing maintenance loans to support those studying high-level technical qualifications at prestigious institutes of technology and national colleges.

Q.2. [909557] Bill Esterson (Sefton Central) (Lab): The Treasury Committee says that for many small companies, having to fill in a tax return every three months will mean facing disaster, and the Federation of Small Businesses says that the extra annual cost is likely to be at least £2,700 a year—yet another burden on business from this Government. The Prime Minister got it wrong on national insurance; is she going to backtrack on tax returns as well?

The Prime Minister: Perhaps the hon. Gentleman should have listened to the announcement that my right hon. Friend the Chancellor made in the Budget, when he indicated that he would delay the introduction of the change for a year for the smallest businesses below the VAT threshold. It is right that Her Majesty’s Revenue
and Customs tries to move to a greater digitisation of how it operates, enabling it to provide a better service to those who are completing their forms. We should always remember that aspect of what is being proposed.

Q10. [909565] David Mackintosh (Northampton South) (Con): I welcome the additional money that the Government have given for adult social care, but it is important that we also look at long-term solutions. As part of the long-term review, will the Prime Minister look at some of the cases in my constituency, and at the issues with how the system works for Northamptonshire County Council and Northampton general hospital?

The Prime Minister: I am grateful for my hon. Friend's welcome for the extra money—the £2 billion that was announced by my right hon. Friend the Chancellor in the Budget—that is going into social care. That shows that we have recognised the pressures and demands on social care, but it is also important that we ensure that best practice is delivered across the whole country. It is not just about money, so we are also trying to find a long-term, sustainable solution that will help local authorities to learn from each other to raise standards across the whole system. We will bring forward proposals in a Green Paper later this year to put the state-funded system on a more secure and sustainable footing.

Jeremy Corbyn: As Home Secretary, the Prime Minister clearly did not protect police budgets. Last week, she told me four times: “We have protected the schools budget.”—[Official Report, 22 March 2017; Vol. 623, c. 854-855.] Does she still stand by that statement?

The Prime Minister: We have protected schools’ budgets, and we are putting record funding into schools.

Jeremy Corbyn: Today, the Public Accounts Committee says of the Department for Education:

“The Department does not seem to understand the pressures that schools are already under.”

It goes on to say that

“Funding per pupil is reducing in real terms”, and that school budgets will be cut by £3 billion—equivalent to 8%—by 2020. Is the Public Accounts Committee wrong?

The Prime Minister: What we will see over the course of this Parliament is £230 billion going into our schools, often in very dangerous conditions. They produced vital equipment for the armed forces that helped us to victory. I am sure my hon. Friend will recognise that, for practical reasons, it is not possible to pursue individual awards, but the Department for Business, Energy and Industrial Strategy would be happy to work with him to look at further ways of recognising the collective effort of former munitions workers.

Bill Wiggin: I thank my right hon. Friend for that answer. These ladies found that the chemicals in the shells turned their skin yellow, and they were nicknamed canary girls. I know my right hon. Friend is exceptionally busy at the moment, but could she find just a few moments in her diary to meet me and some of these canary girls to recognise their service?

The Prime Minister: I would be very happy to meet the Prime Minister's view on education spending in our schools?

The Prime Minister: As I have just said to the right hon. Gentleman, we said that we would protect school funding, and we have: there is a real-terms protection for the schools budget. We said that we would protect the money following children into schools, and we have; the schools budget reaches £42 billion, as pupil numbers rise, in 2019-20. But I also have to say to him that it is about the quality of education that children are receiving, with 1.8 million more children in good or outstanding schools than there were under the Labour Government.

Time and again, the right hon. Gentleman stands up at Prime Minister’s questions and asks questions that would lead to more spending. Let us look at what he has said recently: on 11 January, more spending; on 8 February, more spending; on 22 February, more spending; on 1 and 8 March, more spending; and on 15 and 22 March, more spending. Barely a PMQs goes by that he does not call for more public spending. When it comes to spending money that it does not have, Labour simply cannot help itself. It is the same old Labour: spend today and give somebody else the bill tomorrow. Well, we will not do that to the next generation.

Munitions Workers (Award)

Q11. [909566] Bill Wiggin (North Herefordshire) (Con): If she will introduce an award in recognition of the contribution made by munitions workers in the first and second world wars.

The Prime Minister: I am sure everyone in the House will want to join me in paying tribute to the thousands who worked in munitions factories in both world wars, often in very dangerous conditions. They produced vital equipment for the armed forces that helped us to victory. I am sure my hon. Friend will recognise that, for practical reasons, it is not possible to pursue individual awards, but the Department for Business, Energy and Industrial Strategy would be happy to work with him to look at further ways of recognising the collective effort of former munitions workers.

Engagements

Q3. [909558] Carolyn Harris (Swansea East) (Lab): The Prime Minister will be aware that the Welsh Labour Government have established a children’s funeral fund. Many independent and leading funeral providers, such as Many independent and leading funeral providers, such
as The Co-operative and Dignity, have also indicated that there will be no charges for children’s and young people’s funerals. I know that she is a compassionate woman, and I know that she understands the importance of a children’s funeral fund, so will she agree to work with me to further establish this fund, to bring some comfort to bereaved parents in their darkest hour?

The Prime Minister: I pay tribute to the hon. Lady, who has campaigned tirelessly on this issue. Obviously, she is not just a passionate campaigner, but has on many occasions spoken movingly in this House about her own experience, which she is bringing to bear on this issue. I welcome the decision that has been taken by the Co-op to waive funeral fees, and I recognise the actions of the Welsh Government. Of course there is some financial support available, but we are looking at the issue and the problems faced by parents. We are looking at what more can be done through cross-Government work, and I will ask the Minister for the Cabinet Office, who is leading on that work, to meet her to talk about the idea.

Q13. [909568] William Wragg (Hazel Grove) (Con): With modification, schools in my constituency welcome the national funding formula. Given the Leader of the Opposition’s contribution, I hope that the next part of my question does not land me on the naughty step. Given that Stockport schools and other f40 schools have been at the bottom of the funding pile for years and therefore have less scope for efficiencies, will my right hon. Friend consider providing more immediate support to them?

The Prime Minister: As my hon. Friend is saying, we are aiming to end the postcode lottery of schools funding, and as I said, schools funding is now at a record high. On the minimum funding level, as I have said before, the Department for Education has heard representations on the issue on this national funding formula and will, of course, be considering those. This was a consultation, and there have been a lot of responses to it, but it is an historic and complex reform. There has been general agreement for many years that reform is needed. We want to get this right, which is why we are carefully considering the representations.

Q5. [909560] Alex Salmond (Gordon) (SNP): After nine months of this Prime Minister’s approach to Brexit, Northern Ireland is deadlocked, the Welsh are alienated, Scotland is going for a referendum, the English are split down the middle, and Brexit MPs are walking out of Commons Committees because they do not like home truths. Has the Prime Minister considered, in terms of invoking article 50, that “now is not the time”?

The Prime Minister: What the UK Government are doing in invoking article 50 is putting into practice the democratic vote of the British people on 23 June last year in a referendum. There was a referendum in 2014 in Scotland, when the Scottish people voted to remain part of the United Kingdom. I suggest the right hon. Gentleman and his colleagues put that into practice.

Matt Warman (Boston and Skegness) (Con): Three quarters of my constituents voted to leave the European Union. Does the Prime Minister agree that triggering article 50 marks a watershed moment, not only in this country’s control of immigration and our sovereignty, but in listening to the views of people who were forgotten for far too long?

The Prime Minister: I absolutely agree with my hon. Friend; in invoking article 50, we are not just putting into practice the views of the British people as set out in that referendum on 23 June last year. Crucially, that was not just a vote about leaving the EU; it was a vote about changing this country for the future. This Government have a clear plan for Britain that will change this country, and that will see us with a more global outlook, a stronger economy, a fairer society and a more united nation.

Q6. [909561] Marion Fellows (Motherwell and Wishaw) (SNP): The people expect the Prime Minister to follow her party’s manifesto, and to abide by a majority vote of this Parliament, so why does she say that the First Minister of Scotland should do the opposite?
The Prime Minister: What I say is that as we face this historic moment of invoking article 50 and setting in process the negotiations for the future of this country and its relationship with the European Union, now is the time to pull together and not try to hang apart.

Derek Thomas (St Ives) (Con): On Friday, thousands of people up and down this country will be raising funds for and awareness of brain tumour research. Many of them will know someone, or have had a family member, who has had a brain tumour or is suffering from one, yet brain tumour research receives only about 1% of all cancer research funding, despite this being the biggest cancer killer of children and adults under 40. Will the Prime Minister join me in commending all these people raising awareness and funds, and see what more we can do to increase funding for brain tumour research?

The Prime Minister: This is a very important area, and the UK has a good record of research on brain tumours. My hon. Friend is absolutely right that the people who are raising funds for this important cause should be commended. As he said, many of them will have had personal experience of brain tumours, in one way or another. It is important that we recognise that there are many killers out there that often do not receive the publicity and support that other causes get. We should recognise their importance and commend those who are raising funds.

Q14. [909569] Mr John Spellar (Warley) (Lab): As we enter the world of article 50, will the Prime Minister say what she is doing to ensure that national and local government prioritise the buying of British goods and services? I have to say that her record on police vehicles when she was Home Secretary does not give us much cause for optimism.

The Prime Minister: We have, as a Government, been encouraging the procurement of British goods and services. The right hon. Gentleman asks what we can do for local authorities; if people around the country want local authorities that take their best interests to heart, they should vote Conservative.

Paul Scully (Sutton and Cheam) (Con): I congratulate my right hon. Friend the Prime Minister on invoking article 50 today. Does she agree that this needs to be the end of the phoney war—the end of the posturing we have heard from Members on the Opposition Benches—and that we must now focus on the detail for every industry, sector and community, so that we get a bespoke deal that we can all get behind?

The Prime Minister: I absolutely agree with my hon. Friend. Now is the time for us to come together, and to be united across the House and across the country, to ensure that we work for the best possible deal for the United Kingdom, and the best possible future for us all.

Mr Nigel Dodds (Belfast North) (DUP): The Prime Minister has rightly emphasised her determination to deliver for all the constituent parts of the United Kingdom on this historic day. While others are content to moan and whine, we want to see that delivery, and we are confident that she will make it happen. In Northern Ireland, some have walked away from their responsibilities with regard to devolution, but we want to see devolution up and running, and to have a functioning Northern Ireland Government, and we have set no preconditions in the way of that. If others continue to stay away from devolution and walk away, will the Prime Minister pledge to work ever more closely with those of us in this House to defend and protect the interests of Northern Ireland?

The Prime Minister: We all want to work together to ensure that we protect the best interests of Northern Ireland. As the right hon. Gentleman just said, ensuring that we have strong devolved government in Northern Ireland is important for the future. It is important, so that we can build on the significant progress that has been made in recent years for the people of Northern Ireland. I urge all parties to come to the talks with a view to finding a way through, so that Northern Ireland can once again be restored to devolved government.

James Berry (Kingston and Surbiton) (Con): Does the Prime Minister agree that social media companies need to take action now to remove extremist and hate materials from their platforms proactively, and to foot the bill for the police, who are currently doing these companies’ dirty work at the taxpayer’s expense?

The Prime Minister: The whole question of working with the companies to ensure that extremist material is removed as quickly as possible is not new; that work has been going on for a number of years. Through the counter terrorism internet referral unit, we have a process that enables the police to take material down. Some 250,000 pieces of material have been taken down from the internet since February 2010, and there has been a significant increase in that activity in the past couple of years or so. My right hon. Friend the Home Secretary will meet the companies later this week to talk to them about this important issue. We do not want to see extremist material on the internet, and we want to see companies taking action to remove material that encourages hate and division.

Alison McGovern (Wirral South) (Lab): Late on Saturday night, a massive explosion devastated New Ferry in my constituency. We are thinking of all those who are hurt. It is a miracle that more people were not injured. The community now faces significant dereliction. Will the Prime Minister join me in thanking all those who looked after my community over the weekend and in recent days? Will she arrange for me a meeting with the Secretary of State for Communities and Local Government, so that we can discuss how the Government can help us to rebuild New Ferry?

The Prime Minister: I am very happy to do both of those things. First, I commend and thank all those in the emergency services and others who worked so hard to support the hon. Lady’s local community when the devastating explosion took place. That work will continue; it did not happen just over the weekend. Support will be given to the community into the future. I am very happy to ask the Secretary of State for Communities and Local Government to meet her and discuss how that community can be rebuilt and can overcome the impact of this explosion.
Article 50

12.35 pm

The Prime Minister (Mrs Theresa May): Today, the Government act on the democratic will of the British people, and they act, too, on the clear and convincing position of this House. A few minutes ago in Brussels, the United Kingdom’s permanent representative to the EU handed a letter to the President of the European Council on my behalf confirming the Government’s decision to invoke article 50 of the treaty on European Union. The article 50 process is now under way and, in accordance with the wishes of the British people, the United Kingdom is leaving the European Union. This is an historic moment from which there can be no turning back. Britain is leaving the European Union. We will make our own decisions and our own laws, take control of the things that matter most to us, and take the opportunity to build a stronger, fairer Britain—a country that our children and grandchildren are proud to call home. That is our ambition and our opportunity, and it is what this Government are determined to do.

At moments such as these—great turning points in our national story—the choices that we make define the character of our nation. We can choose to say that the task ahead is too great. W e can choose to turn our face to the past and believe that it cannot be done. Or we can look forward with optimism and hope, and believe in the enduring power of the British spirit. I choose to believe in Britain and that our best days lie ahead. I do so because I am confident that we have the vision and the plan to use this moment to build a better Britain.

Leaving the European Union presents us with a unique opportunity. It is this generation’s chance to shape a brighter future for our country—a chance to step back and ask ourselves what kind of country we want to be. My answer is clear: I want the United Kingdom to emerge from this period of change stronger, fairer, more united and more outward-looking than ever before. I want us to be a secure, prosperous, tolerant country, a magnet for international talent and a home to the pioneers and innovators who will shape the world ahead. I want us to be a truly global Britain: the best friend and neighbour to our European partners, but a country that reaches beyond the borders of Europe, too—[Interruption.]

Mr Speaker: Order. I apologise for having to interrupt the Prime Minister. Mr Boswell, calm yourself. You must try to learn to behave in a statesmanlike fashion. That is your long-term goal—it may be very long-term, but it should be a goal. I say this to the House: you can study the record; I will want all colleagues to have the chance to question the Prime Minister. This is a very important statement, but it is reasonable to expect that she gets a courteous hearing, and that every other colleague then gets a courteous hearing.

The Prime Minister: I want us to be a truly global Britain: the best friend and neighbour to our European partners, but a country that reaches beyond the borders of Europe, too—a country that goes out into the world to build relationships with old friends and new allies alike. That is why I have set out a clear and ambitious plan for the negotiations ahead. It is a plan for a new deep and special partnership between Britain and the European Union—a partnership of values; a partnership of interests; a partnership based on co-operation in areas such as security and economic affairs; and a partnership that works in the best interests of the United Kingdom, the European Union and the wider world. Perhaps now, more than ever, the world needs the liberal, democratic values of Europe—[Laughter.]

Mr Speaker: Order.

The Prime Minister: Perhaps now, more than ever, the world needs the liberal, democratic values of Europe—values that the United Kingdom shares. That is why, although we are leaving the institutions of the European Union, we are not leaving Europe. We will remain a close friend and ally. We will be a committed partner. We will play our part to ensure that Europe is able to project its values and defend itself from security threats, and we will do all that we can to help the European Union to prosper and succeed.

In the letter that has been delivered to President Tusk today, copies of which I have placed in the Library of the House, I have been clear that the deep and special partnership that we seek is in the best interests of the United Kingdom and of the European Union, too. I have been clear that we will work constructively in a spirit of sincere co-operation to bring this partnership into being, and I have been clear that we should seek to agree the terms of this future partnership, alongside those of our withdrawal, within the next two years.

I am ambitious for Britain, and the objectives I have set out for these negotiations remain. We will deliver certainty wherever possible so that business, the public sector and everybody else has as much clarity as we can provide as we move through the process. That is why tomorrow we will publish a White Paper confirming our plans to convert the acquis into British law so that everyone will know where they stand, and it is why I have been clear that the Government will put the final deal agreed between the UK and the EU to a vote in both Houses of Parliament before it comes into force.

We will take control of our own laws and bring an end to the jurisdiction of the European Court of Justice in Britain. Leaving the European Union will mean that our laws will be made in Westminster, Edinburgh, Cardiff and Belfast, and those laws will be interpreted not by judges in Luxembourg, but in courts across this country.

We will strengthen the Union of the four nations that comprise our United Kingdom. We will negotiate as one United Kingdom, taking account of the specific interests of every nation and region of the UK. When it comes to the powers that we will take back from Europe, we will consult fully on which should reside in Westminster and which should be passed on to the devolved Administrations. But no decisions currently taken by the devolved Administrations will be removed from them. It is the expectation of the Government that the devolved Administrations in Scotland, Wales and Northern Ireland will see a significant increase in their decision-making power as a result of this process.

We want to maintain the common travel area with the Republic of Ireland. There should be no return to the borders of the past. We will control immigration so that we continue to attract the brightest and the best to work or study in Britain, but manage the process properly so that our immigration system serves the national
interest. We will seek to guarantee the rights of EU citizens who are already living in Britain, and the rights of British nationals in other member states, as early as we can. This is set out very clearly in the letter as an early priority for the talks ahead.

We will ensure that workers’ rights are fully protected and maintained. Indeed, under my leadership, the Government will not only protect the rights of workers but build on them. We will pursue a bold and ambitious free trade agreement with the European Union that allows for the freest possible trade in goods and services between Britain and the EU’s member states, that gives British companies the maximum freedom to trade with and operate within European markets, and that lets European businesses do the same in Britain. European leaders have said many times that we cannot cherry-pick and remain members of the single market without accepting the four freedoms that are indivisible. We respect that position and, as accepting those freedoms is incompatible with the democratically expressed will of the British people, we will no longer be members of the single market.

We are going to make sure that we can strike trade agreements with countries from outside the European Union, too, because important though our trade with the EU is and will remain, it is clear that the UK needs to increase significantly its trade with the fastest growing export markets in the world. We hope to continue to collaborate with our European partners in the areas of science, education, research and technology so that the UK is one of the best places for science and innovation. We seek continued co-operation with our European partners in important areas such as crime, terrorism and foreign affairs. And it is our aim to deliver a smooth and orderly Brexit, reaching an agreement about our future relationship with the EU.

We understand that there will be consequences for the UK of leaving the EU. We know that we will lose influence over the rules that affect the European economy. We know that UK companies that trade with the EU will have to align with rules agreed by institutions of which we are no longer a part, just as we do in other overseas markets—we accept that. However, we approach these talks constructively, respectfully and in a spirit of sincere co-operation, for it is in the interests of both the United Kingdom and the European Union that we should use this process to deliver our objectives in a fair and orderly manner. It is in the interests of both the United Kingdom and the European Union that there should be as little disruption as possible. And it is in the interests of both the United Kingdom and the European Union that Europe should remain strong, prosperous and capable of projecting its values in the world.

At a time when the growth of global trade is slowing and there are signs that protectionist instincts are on the rise in many parts of the world, Europe has a responsibility to stand up for free trade in the interests of all our citizens. With Europe’s security more fragile today than at any time since the end of the cold war, weakening our co-operation and failing to stand up for European values would be a costly mistake. Our vote to leave the EU was no rejection of the values that we share as fellow Europeans. As a European country, we will continue to play our part in promoting and supporting those values during the negotiations and once they are done.

We will continue to be reliable partners, willing allies and close friends. We want to continue to buy goods and services from the EU, and sell it ours. We want to trade with the EU as freely as possible, and work with one another to make sure we are all safer, more secure and more prosperous through continued friendship. Indeed, in an increasingly unstable world, we must continue to forge the closest possible security co-operation to keep our people safe. We face the same global threats from terrorism and extremism. That message was only reinforced by the abhorrent attack on Westminster bridge and this place last week, so there should be no reason why we should not agree a new deep and special partnership between the UK and the EU that works for us all.

I know that this is a day of celebration for some and disappointment for others. The referendum last June was divisive at times. Not everyone shared the same point of view or voted the same way. The arguments on both sides were passionate. But when I sit around the negotiating table in the months ahead, I will represent every person in the United Kingdom: young and old; rich and poor; city, town, country, and all the villages and hamlets in between; and, yes, those EU nationals who have made this country their home. It is my fierce determination to get the right deal for every single person in this country for, as we face the opportunities ahead of us on this momentous journey, our shared values, interests and ambitions can—and must—bring us together.

We all want to see a Britain that is stronger than it is today. We all want a country that is fairer so that everyone has the chance to succeed. We all want a nation that is safe and secure for our children and grandchildren. We all want to live in a truly global Britain that gets out and builds relationships with old friends and new allies around the world. These are the ambitions of this Government, and I know that is the agenda that unite us, so that we are no longer defined by the vote we cast, but by our determination to make a success of the result.

We are one great Union of people and nations with a proud history and a bright future. Now that the decision to leave has been made and the process is under way, it is time to come together, for this great national moment needs a great national effort—an effort to shape a stronger future for Britain. So let us do so together. Let us come together and work together. Let us together choose to believe in Britain with optimism and hope, for if we do, we can make the most of the opportunities ahead. We can together make a success of this moment, and we can together build a stronger, fairer, better Britain—a Britain our children and grandchildren are proud to call home. I commend this statement to the House.

12.50 pm

Jeremy Corbyn (Islington North) (Lab): I would like to thank the Prime Minister for an advance copy of her statement.
Today, we embark on the country’s most important negotiations in modern times. The British people made the decision to leave the European Union and Labour respects that decision. The next steps along this journey are the most crucial. If the Prime Minister is to unite the country, as she says she aims to do, the Government need to listen, consult and represent the whole country, not just the hard-line Tory ideologues on her own Benches.

Britain is going to change as a result of leaving the European Union; the question is how. There are Conservatives who want to use Brexit to turn this country into a low-wage tax haven. Labour is determined to invest in a high-skill, high-tech, high-wage future, and to rebuild and transform Britain so that no one and no community is left behind. The direction the Prime Minister is threatening to take this country in is both reckless and damaging, and Labour will not give this Government a free hand to use Brexit to attack rights and protections and to cut services, or to create a tax dodger’s paradise.

Let me be clear: the Prime Minister says that no deal is better than a bad deal, but the reality is that no deal is a bad deal. Less than a year ago, the Treasury estimated that leaving the European Union on World Trade Organisation terms would lead to a 7.5% fall in our GDP and a £45 billion loss in tax receipts. Has the Treasury updated those figures or do they still stand? If they have been updated, can they be published? If not, what deal could be worse than those consequences of no deal? It would be a national failure of historic proportions if the Prime Minister came back from Brussels without having secured protection for jobs and living standards, so we will use every parliamentary opportunity to ensure the Government are held to account at every stage of the negotiations.

We all have an interest in ensuring the Prime Minister gets the best deal for this country. To safeguard jobs and living standards, we do need full access to the single market. The Secretary of State for Exiting the European Union seems to agree on this. He stated in this House on 24 January that the Government’s plan is:

“a comprehensive free trade agreement and a comprehensive customs agreement that will deliver the exact same benefits as we have...” — *[Official Report, 24 January 2017; Vol. 620, c. 169.]*

That was what was pledged, so will the Prime Minister confirm today that she intends to deliver a trade and customs agreement with “the exact same benefits”? The same goes for protecting workers’ rights and environmental standards, protecting Britain’s nations and regions, protecting Britain’s financial sector and services, and making sure there is no return to a hard border in Northern Ireland.

When does the Prime Minister expect to be able to guarantee the rights of all those EU nationals who live and work in this country, and make such a massive and welcome contribution to it, and of those British nationals who live in all parts of the European Union, including by guaranteeing that their UK pensions will not be frozen post-Brexit?

Brexit would be a huge task for any Government, yet so far this Government seems utterly complacent about the scale of the task ahead. Government Ministers cannot make up their minds about the real objective. The Foreign Secretary—he is in the Chamber today—said in October:

“Our policy is having our cake and eating it.”

How apposite from the Foreign Secretary. Today, on BBC Radio 4, the Chancellor said:

“We can’t have our cake and eat it”.

Maybe they should get together and talk about that.

At one level, those might seem like flippant exchanges from Ministers, but they do reflect serious differences about Britain’s negotiating aims. The Government must speak with a united voice. However, the Foreign Secretary is the same man who promised our national health service £350 million a week once we left the EU. Now he believes that leaving the EU without a deal would be “perfectly okay”. It would not be perfectly okay—it would damage our economy and people’s living standards. Will the Prime Minister confirm that she rejects such complacency?

Labour has set out our tests for the Government’s Brexit negotiations, and we will use all means possible to make sure we hold them to their word on full access to the single market, on protecting Britain from being dragged into a race to the bottom, and on ensuring that our future relationship with the European Union is strong and co-operative—a relationship in which we can work together to bring prosperity and peace to our continent. If the Prime Minister can deliver a deal that meets our tests, that will be fine—we will back her. More than ever, Britain needs a Government that will deliver for the whole country, not just the few, and that is the ultimate test of the Brexit deal that the Prime Minister must now secure.

**The Prime Minister:** I am grateful to the right hon. Gentleman for saying that the Labour party respects the outcome of the referendum and the process that is now under way. He said that the next steps are the most crucial—the most important—and, of course, we now enter that formal process of negotiation.

It does seem, however, that the message that the right hon. Gentleman has sent today has not got through to all his Front Benchers. I understand that as the Cabinet met this morning to approve our course, his shadow International Trade Secretary tweeted a photo of me signing the A50 letter, claiming I was “signing away” our country’s future. I am afraid that that is what we see all too often from Labour: talking down Britain; desperate for the negotiations to fail; and out of touch with ordinary working people.

The right hon. Gentleman referred to the tests—I will come on to those—and asked me specifically about EU nationals. I expressly referred to that in the letter to President Tusk and made it clear that I would hope that we could deal with this issue of EU nationals here and UK nationals in other member states at as early a stage as possible in the negotiations. As I have said in this House before, I believe that there is good will on both sides to do that.

The right hon. Gentleman mentioned the tests that the Labour party has set out for the negotiations. I have been looking at those tests because, actually, there are principles that the Government have, time and time again, said we are determined to meet. He asks if the final deal will ensure a strong and collaborative future relationship with the EU. Yes, and in my letter to President Tusk, that is exactly what I set out our intentions to be. Will the deal deliver the same benefits we currently
have as a member of the single market and the customs union? We have been clear that we want to get the best possible deal, and free and frictionless trade. Will the deal protect national security and our capacity to tackle cross-border crime? Yes. Will the deal deliver for all regions and nations of the UK? We have been very clear that we are taking all nations and regions into account, as I say in the letter to President Tusk. As I said during Prime Minister’s questions, we expect that, as powers are repatriated, the devolved Administrations will see a significant increase in their decision making.

The right hon. Gentleman’s fifth test is: will the deal defend rights and protections and prevent a race to the bottom? We have been very clear that workers’ rights will be protected—they are not up for negotiation under this Government. Perhaps he should listen to his own Mayor of London, who has said:

“to give credit to the government, I don’t think they want to weaken workers’ rights...there’s been some anxiety...I’ve seen no evidence from the conversations I’ve had with senior members of the government that that’s their aspiration or their intention or something they want to do.”

But the Labour party has set out a sixth test that I do not think the right hon. Gentleman mentioned specifically, and perhaps that is because of the confusion in the Labour party. The sixth test is, “Will the deal ensure fair management of migration?” What we see on that is a confused picture from the Labour party. The shadow Home Secretary says that freedom of movement is a worker’s right, and the right hon. Gentleman himself said:

“Labour is not wedded to freedom of movement for EU citizens as a point of principle, but I don’t want that to be misinterpreted, nor do we rule it out.”

Little wonder that nobody has any idea of the Labour party’s position on that issue.

As I said earlier, on today of all days we should be coming together. We should be accepting the ambition for our country for the future. We should not be talking down the negotiations as the right hon. Gentleman does. We should set our ambition, our optimism and our determination to get the best possible deal for everybody in the United Kingdom.

Sir William Cash (Stone) (Con): The Leader of the Opposition’s remarks were breathtaking. For decades, from Maastricht onwards, he voted with us over and over and over again.

Today is an historic day indeed. Can my right hon. Friend reaffirm that at the very heart of this letter lies the democratic decision of the referendum of UK voters, given to them by a sovereign Act of Parliament by six to one in this House, enabling the British people to regain their birthright to govern themselves for which people fought and died over generations? The referendum was followed by a massive majority of 372 in this House of Commons on the Third Reading of the withdrawal Bill itself. Trade and co-operation, yes; European government, no.

The Prime Minister: I think I can give my hon. Friend the reassurance that he seeks if I quote from the opening paragraph of my letter to President Tusk. The very first line reaffirms:

“On 23 June last year, the people of the United Kingdom voted to leave the European Union.”

But I go on to say that we want “the European Union to succeed and prosper.” The vote was not a “rejection of the values we share as fellow Europeans...Instead, the referendum was a vote to restore, as we see it, our national self-determination.”

Angus Robertson (Moray) (SNP): It is important for everybody to remember on this day that in the referendum on the European Union, the people of Scotland voted by 62% to remain in the European Union. Every single local government area in the country voted to remain in the European Union. This happened two years after Scottish voters were told that they had to vote no to Scottish independence to remain in the EU. Yet ironically, this is exactly what will happen now because of the will of the majority elsewhere in the United Kingdom being imposed on the people of Scotland.

Last year, as I have raised repeatedly in this Chamber, the Prime Minister made a commitment to a UK-wide approach—an agreement with the Governments of Scotland, of Wales, and of Northern Ireland. Since then, the Scottish Government have published a compromise suggestion, at its heart a differentiated plan that could satisfy people in Scotland and the rest of the UK. The Prime Minister could have said that she would try to seek an agreement with European partners on the plan which could have protected Scotland’s place in the single European market—but she did not. The Prime Minister could have taken the views of the Scottish, the Welsh and the Northern Irish Governments seriously and reached an agreement before triggering article 50, as she promised. She did not, and she does not have—[Interruption.]

Mr Speaker: Order. I apologise for interrupting the right hon. Gentleman, but we cannot have side exchanges taking place while he should have the Floor. [Interruption.] Yes, I am perfectly capable of seeing from whence the disruption hailed, and I hope it will not persist. The hon. Gentleman concerned has important responsibilities in the Government Whips Office and is normally the embodiment of courtesy, to which I know he will now return.

Angus Robertson: Thank you, Mr Speaker.

We on the SNP Benches have become accustomed to Conservative Members being incapable of understanding that the people of Scotland voted to remain in the European Union. The Prime Minister promised—[Interruption.] Do hon. Gentlemen and hon. Ladies on the Conservative Benches understand that we have televisions in Scotland and that viewers in Scotland can see the discourtesy from hon. Members on those Benches? They do not like to hear it but listen they must.

The Prime Minister promised an agreement. There is no agreement. She has broken her word. As Scotland’s Members of Parliament, we have been sent here with a mandate to stand up for the people of Scotland. It is a mandate that the Prime Minister does not enjoy. Fifty-eight out of 59 MPs from Scotland voted against triggering article 50. The Scottish Parliament voted against the triggering of article 50. The Scottish Government were against the triggering of article 50 before an agreement. Yet what have this Government done? They have carried on blithely ignoring the views of people in Scotland and
their democratically elected representatives. Europe is watching the way that this Government treat parts of the United Kingdom that voted to remain with Europe. The UK Government had a mandate to hold a Brexit referendum. We accept that, and we accept the leave result in the rest of the United Kingdom. In that context—[Interruption.] Again, Conservative Members do not seem to understand that the United Kingdom is a multinational state with four nations, two of which voted to stay and two of which voted to leave. All the rhetoric from the Government Benches does not paper over the gaping chasm showing that there is not unity in this so-called United Kingdom on this issue.

As democrats, we should all accept that the Scottish Government have a mandate, given by the people of Scotland in an election, whereby we should have a choice after the negotiations have concluded, and this should not be kicked into the long grass with that democratic choice denied. Yesterday the Scottish Parliament voted by 69 to 59 that people in Scotland should have that choice. Will the Prime Minister confirm that she will recognise the democratic right of the people to make their own choice after negotiations have concluded?

The Prime Minister says that she thinks that Brexit will bring unity to the United Kingdom. It will not. On this issue, it is not a United Kingdom, and the Prime Minister needs to respect—respect—the differences across the nations of the United Kingdom. If she does not—if she remains intransigent and if she denies Scotland a choice on our future—she will make Scottish independence inevitable. [Interruption.]

Mr Speaker: Order. Calm yourselves. Mr Docherty-Hughes, you are an exceptionally over-excitable individual brandishing your Order Paper in a distinctly eccentric manner. Go and entertain yourself somewhere else if you cannot calm yourself. The Prime Minister.

The Prime Minister: Thank you, Mr Speaker.

The right hon. Gentleman has said this afternoon on a number of occasions, as he has on many occasions in this House before, that Scotland voted to remain in the European Union and should therefore be treated differently. My constituency voted to remain in the European Union. [Interruption.] The point is that we are one United Kingdom, and it was a vote of the whole of the United Kingdom. What I hear from people outside this Chamber—by the way, the right hon. Gentleman seems to forget the something like 400,000 SNP supporters who voted to leave the European Union—from individuals and businesses alike, whether they voted to remain or to leave, is that the vote having been taken, the decision having been given to people of the United Kingdom, we should now respect that vote and get on with the job of delivering for everybody across the whole of the United Kingdom.

The right hon. Gentleman refers to the issue of Scottish independence and its impact on membership of the European Union. It is the case, and the European Union has reinforced the Barroso doctrine, that if Scotland were to—[Interruption.] SNP Members seem to find it amusing but, just to remind everybody, the Barroso doctrine is that if Scotland were to become independent from the United Kingdom—if it had voted for independence in 2014—it would cease to be a member of the European Union. We will be ensuring that the substance of the deal that we achieve—I am interested in the outcomes of this deal—will be the best possible for the people of the whole United Kingdom.

The right hon. Gentleman talks about democratic representation and democratic responsibility. Perhaps the Scottish Government might like to consider why they have not passed a single piece of legislation in Holyrood for the past year.

John Redwood (Wokingham) (Con): I welcome warmly the Prime Minister’s words in her letter and her statement, and I especially welcome the suggestion that we want a special relationship with the EU based on friendship, trade and many other collaborations once we are an independent country again. Would my right hon. Friend confirm that the UK Government are offering tariff-free trade, with no new barriers, to all our partners in Europe, which must make enormous sense for them?

The Prime Minister: My right hon. Friend is absolutely right. We want to see that tariff-free trade, on a reciprocal basis, with the other countries in the European Union. I think that that makes sense. We already operate on the same basis because we operate under the same rules and regulations, and I think we should look to have the maximum free trade between the two of us.

Tim Farron (Westmorland and Lonsdale) (LD): I thank the Prime Minister for her statement and for advance sight of it. Today the Prime Minister is not enacting the will of the people; she is at best interpreting that will, and choosing a hard Brexit outside the single market that was never on the ballot paper. This day of all days, the Liberal Democrats will not roll over, as the official Opposition have done.

Our children and grandchildren will judge all of us for our actions during these times. I am determined to be able to look my children in the eye and say that I did everything to prevent this calamity that the Prime Minister has today chosen. We now face an unknown deal that will shape our country for generations. The deal will be signed off by someone, and the only question is: who? Will it be the politicians, or should it be the people? Surely the Prime Minister will agree with me that the people should have the final say.

The Prime Minister: The hon. Gentleman talks about us enacting the decision of the referendum. Of course we are enacting the decision that was taken by the people of the United Kingdom in the referendum, but I might remind him that it was not that long ago that the Liberal Democrat party wanted a referendum on the European Union. We gave it to them, and we are abiding by it.

Anna Soubry (Bromsgrove) (Con): The Prime Minister has made it very clear that immigration is her No. 1 priority, and that as a result we cannot accept the free movement of people and therefore we cannot remain a member of the single market. But that may change in the next two years. Who knows what might happen? The EU may move away from that principle of the free movement of people. In view of that, could the Prime Minister give an assurance that she has not turned her back on membership of the single market? It is what
British business wants, it would see off Nicola Sturgeon and the SNP’s outrageous demands for a second referendum—[Interruption.] Wheesht a while! These are serious matters that this United Kingdom faces, and that would provide the solution to Northern Ireland as we now leave the European Union.

The Prime Minister: My right hon. Friend started her question by saying that immigration was the No. 1 priority. What we have done is to say that we want a comprehensive package that, yes, does enable us to control immigration and set our own rules on immigration, but also has exactly the sort of free access to the single market that I think she is talking about and that businesses want to see. I believe that we can achieve that agreement. I believe we should be optimistic and ambitious in achieving that agreement.

There are other freedoms that the European leaders will cite in relation to full membership of the single market, such as the jurisdiction of the European Court of Justice, and I think that people here voted to stop the jurisdiction of the European Court of Justice last year. But what matters to me is the outcome—not the structure by which we achieve that outcome, but whether we have that free, frictionless, tariff-free access to the single market. That is what we want to achieve and what we will be working for.

Mr Nigel Dodds (Belfast North) (DUP): I thank the Prime Minister for her statement, congratulate her and her Government on actually delivering on the will of the people of the United Kingdom as a whole instead of seeking to undermine it, and wish her and her Government well in the negotiations that lie ahead? We on this Bench are convinced that she is the right leader of our country for these challenging times. Is not the fundamental point that this United Kingdom—this Union—is far more important for the political and economic prosperity of all our people than the European Union? May I also commend her for No. 5 of the principles set out in her letter, Northern Ireland and the relationship with the Irish Republic? I commend her for the way in which that has been put forward, and she will have our support in the coming months and years in this House to make that a reality.

The Prime Minister: I thank the right hon. Gentleman for his comments. We have, as he said, recognised the particular circumstances of Northern Ireland—and its relationship, because of the land border, with the Republic of Ireland—in the letter to President Tusk. I also agree with the right hon. Gentleman when he says that the most important Union for the United Kingdom, economically and in other ways, is the United Kingdom. For its individual constituent parts, trading within the single market of the United Kingdom is far more important than trading with the European Union.

Crispin Blunt (Reigate) (Con): I commend my right hon. Friend for the constructive, positive and realistic tone she has set today with her statement and the letter to Donald Tusk. I also congratulate her and her Government on the use of the last nine months to prepare us for this point, making up for the lack of preparation for this moment by the last Administration. May I urge on her the preparation that is implicit in this letter, to ensure that if it is impossible to get a deal home—although that will be coped with by the United Kingdom and the European Union, as it must be—we are in a position to cope with that?

The Prime Minister: I thank my hon. Friend. We are trying to approach this in a realistic and pragmatic way, as he says. Of course, the Government will be working across all Departments to ensure that we have preparations in place, whatever the outcome will be. As I made clear in my letter to President Tusk, while both the European Union and the UK could cope if there was no agreement, that would not be the ideal situation. It is not what we will be working for, and we should be actively working to get the right and proper deal for both sides.

Edward Miliband (Doncaster North) (Lab): The Prime Minister is right to say in her statement that the eventual deal must work for the 48% as well as the 52%, because whether we were remainers or leavers, we will live in the same country together after Brexit. May I emphasise to her that national unity must be earned and not just asserted, and it must be shown in deeds and not just in words? We are a long, long way away from it, as I think she will agree. As she reflects on the last eight months, can she say what she thinks she needs to do differently in the next 24 months to achieve that national unity, which, frankly, eludes us at the moment?

The Prime Minister: There are two things that we will be doing over the next 24 months, as a Government. One is putting in place our plan for Britain, which is about ensuring that we see a United Kingdom where the economy works for everyone, where we have a much fairer society and where success is based on merit, not privilege. That is what is driving this Government, and that is what we will be putting into place domestically. For the unity of the UK, the most important element in the negotiations with Europe is to get the best possible deal in terms of co-operation on security, but also on the free trade arrangements that will bring prosperity to our economy.

Mr Owen Paterson (North Shropshire) (Con): May I thank my right hon. Friend for and congratulate her on resolutely sticking to her promise to the British people to trigger article 50 before the end of March? There will be celebrations all around the country, nowhere more so than in our remote coastal communities, where the health and wealth of our fishing grounds has been trashed by the common fisheries policy. To re-establish fully our national control of the full exclusive economic zone, we will have to abrogate our membership of the 1964 London convention on fisheries, which requires two years’ notice. Does my right hon. Friend intend to trigger that soon?

The Prime Minister: I know that my right hon. Friend has always had a particular interest in the impact of the common fisheries policy, and he has looked at that issue very carefully. We are looking very carefully at the London fisheries convention and at what action needs to be taken. He is right that this would require two years, but we of course expect to conclude the deal with the European Union within two years and there will then, as I have indicated, be an implementation period beyond that particular time. We hope to be able to say something about the London fisheries convention soon.
Margaret Beckett (Derby South) (Lab): There are many across this House who will be very aware of the sheer scale and complexity of the negotiations that will face our team, and very conscious of the importance of getting those right. It has never been more true that the devil will be in the detail. As the detail emerges, will the Prime Minister ensure that everyone in her team stops the practice that has been so prevalent of claiming that every awkward question is evidence of a desire to overturn the will of the British people, because nothing will more surely destroy the unity of purpose that she seeks?

The Prime Minister: The right hon. Lady is absolutely right that these will be very complex negotiations. It was right to wait the nine months we did before invoking article 50, so we have been able to do a considerable amount of preparation. As we move forward, some very technical discussions will of course need to take place, as well as the higher level discussions that will be required. I assure the right hon. Lady that we consistently ask ourselves difficult questions to ensure that we are testing every approach that we put forward, so that we can get the best possible deal.

Michael Fabricant (Lichfield) (Con): First, may I reassure my right hon. Friend that Donald Tusk has indeed received the letter? He tweeted about it one minute early—at 12.29 pm our time—which shows the keenness of our team. May I also tell the Prime Minister that Donald Tusk has said he is missing us already, but that he recognises it is in the European Union’s interest, as well as that of the United Kingdom, that we achieve an agreement that will benefit both sides in this negotiation?

The Prime Minister: This is absolutely right, and I am pleased to hear that President Tusk has taken that view. This is not just about the United Kingdom for the future, but about the European Union for the future. This Government, and every Government, will consider the UK’s interests, and that of our friends around the world, as we enter into these negotiations. But we want to ensure—we start off from a good position, because we are of course operating under the same rules and regulations as the European Union—that we get a really good trade deal with the EU.

Given that the European Union appears to want to start the negotiations by talking only about money and that there are about 18 months to go, how will the Prime Minister ensure there is sufficient time to reach the agreement to provide tariff- and barrier-free trade and access to the European market for our services that she has promised Britain’s businesses she will bring back from the negotiations?

Hilary Benn (Leeds Central) (Lab): The Prime Minister will no doubt recall the referendum speech she made last April, in which she said that “the big question is whether, in the event of Brexit, we would be able to negotiate a new free trade agreement with the EU and on what terms.”

As I have said in answer to other questions, the point of course operating under the same rules and regulations as the European Union—that we do not get a really good trade deal with the EU.

The Prime Minister: As the right hon. Gentleman will be aware, we do not yet know how the European Council will choose to frame the negotiations; it will meet on 29 April to determine that. There will be two parts, if you like, to the work going forward: one is the process of withdrawal and the terms of withdrawal; and the other is what the future relationship will be. It is clear in article 50 that the former should be done in the context of the latter, so it is not just reasonable but entirely right and proper that we look at those two issues alongside each other.

As I have said in answer to other questions, the point about a comprehensive free trade agreement is that we will not be operating as a third party, such as Canada, for example, when it started its negotiations with the European Union. We are already operating on the same basis—we already have free trade between the European Union and the United Kingdom—and I believe that sets us on a better basis on which to start the negotiations, and that it will be possible to get a comprehensive free trade agreement.

Mr Douglas Carswell (Clacton) (UKIP): The Prime Minister has the good will of the country as she seeks a new relationship with our European allies. Will she confirm that in transposing EU directives and regulations of fundamental rights is not imposed, given that we have long-standing assurances that it will not have legal force in this country?

The Prime Minister: I say to the hon. Gentleman that we will be publishing a White Paper on the great repeal Bill tomorrow, which will make it clearer how we are going to transpose not just the acquis, but relevant judgments of the European Court of Justice. I am very well aware of this and this Government have taken the very clear position that we do not think the European charter of fundamental human rights is applicable.

Nicky Morgan (Loughborough) (Con): In her letter to President Tusk, the Prime Minister, as she did in January, said:

“We are leaving the European Union, but we are not leaving Europe.”

She will know that 16.1 million people voted to do neither last June, but the result is as it is and needs to be honoured. Will my right hon. Friend say how she will keep this Parliament fully engaged throughout the process, and will she do her utmost to secure a trade deal that we can all support rather than listening to the siren voices that seem to think no deal is a good option?
Mr John Baron (Basildon and Billericay) (Con): I commend the Prime Minister for her handling of triggering article 50, and indeed for respecting the wishes of the British electorate in the referendum. May I suggest that there is another reason to make sure that guaranteeing the rights of EU nationals—both those living here and those on the continent—should be a very high priority? Not only is it the right thing to do and will establish good intent, but should there be no agreement, it would be clear to the world that that was not actually our fault and that we were not using EU nationals as bargaining chips.

The Prime Minister: I am very clear in the letter that I have sent to President Tusk that we intend the work on the rights of EU nationals and UK nationals living in the EU to be undertaken as part of the negotiations at an early stage. As I have said before, I genuinely believe there is good will to do that, and I hope we will be able to achieve that at an early stage of the negotiations and give EU citizens living here and UK citizens living in the European Union reassurance about their future.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The last Prime Minister did not want this day to come, although it followed from many of the decisions he took over many years, and he will be remembered as the Prime Minister who unintentionally led Britain out of Europe. I know this Prime Minister does not want to see the break-up of the United Kingdom, but she will also know that holding us together requires more than just the rhetoric of unity. Will she therefore say what she will do in both the content and the style of her negotiations not to fuel further division and not to play into the hands of others, but to ensure voices from all over the country are genuinely heard in this debate so that she does not become the Prime Minister who unintentionally leads the break-up of Britain?

The Prime Minister: First, I say to the right hon. Lady that she referred to the decision on the referendum as one of leaving Europe, but it is about leaving the European Union, not leaving Europe. We want a deep and special partnership with the European Union. We will obviously continue to be part of Europe, and we will want to continue to work with our friends and allies in Europe.

As we go ahead, we will continue to undertake discussions not just with the devolved Administrations in the United Kingdom, but with businesses and other organisations across the United Kingdom—Government Departments are speaking with their interlocutors in a whole range of sectors—to ensure that all views and all considerations are taken into account as we go forward in the negotiations. We want to make sure that we fully understand the concerns and interests that people have, and that is why we have already started talking widely with not just the devolved Administrations, but others across the United Kingdom to ensure that we collect those views and take them into account.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): May I congratulate my right hon. Friend on her resolve in carrying forward the democratic outcome of the referendum? No matter what the differences are across this House, I can assure her that every single Member of this House wishes her well for the negotiations ahead. Can she confirm that, no matter how those negotiations progress over the coming months and years, the United Kingdom will continue to prioritise co-operation and the exchange of information with the other European countries, to ensure that our internal and external security is not compromised in any way whatsoever?

The Prime Minister: I am happy to give my right hon. Friend that assurance. Our co-operation on security and justice and home affairs matters is very important to us and to the member states of the European Union. Obviously, it is something that I worked closely on when I was Home Secretary. I assure her that we will be looking to ensure that that co-operation can continue. As we look at the challenges that we face across the globe, now is not the time for less co-operation; now is the time to ensure that we continue to co-operate and, indeed, build on that.

Dr Alasdair McDonnell (Belfast South) (SDLP): May I remind the Prime Minister that Northern Ireland voted 56% remain? Indeed, my own constituency voted almost 70% to remain. With respect, may I warn her about the Trojan horse being pushed out to her in the form of honey words from Members on the Bench behind me? The Prime Minister says that the interests of all nations and regions of the UK will be taken into account in the negotiations. What measures has she been able to, or does she intend to, put in place to ensure that Northern Ireland’s views, needs and special circumstances are taken into account in the negotiations?

The Prime Minister: I thank the hon. Gentleman for his question. The point he made about the vote in Northern Ireland is one that I attempted to show earlier, which is that different parts of the United Kingdom voted in different ways: some voted to leave, some voted to remain. The overall result of the referendum of the United Kingdom was that we should leave the European Union, and that is what we will be doing. Obviously, we maintained contact with the Northern Ireland Executive up to the point at which they ceased to exist when the election was taking place. We have continued, however, to talk about the issue to political parties in Northern Ireland. The best result to ensure that the voice of the devolved Administration in Northern Ireland can be heard in these negotiations is for the parties to come together and for us to see that strong and devolved Government, who will provide us with that interlocutor.

Mr Steve Baker (Wycombe) (Con): Since the vote, the economic news has confounded expectations. Economists for Free Trade have told us how WTO rules with the right policies can cut consumer prices and raise GDP, and the Legatum Institute special trade commissioners have given us every reason to believe that we will not only secure the right trade deal for us, but liberate trade right around the world. Does the Prime Minister agree that the time for “Project Fear” is over?

The Prime Minister: My hon. Friend is right. Obviously, there were predictions about what would happen to the economy if the United Kingdom voted to leave. Those predictions have not proved to be correct and we see a strong economy. Of course, as we go forward we want to build on that. We want to ensure that we get those comprehensive trade agreements. I believe that a comprehensive free trade agreement with the European
Union should be our aim. That is what we will be working for, but we will also be looking to promote trade around the rest of the world. As my hon. Friend has said, it is in the interests of everybody—not just the UK or the EU, but countries around the world—that we stand up for the benefits of free trade and promote free trade around the world.

**Dame Rosie Winterton** (Doncaster Central) (Lab): As has been said, the Prime Minister referred in her statement to “taking account of the specific interests of every nation and region of the UK”, but leading councils in Yorkshire have had no contact whatsoever from the Government. Will she please now work with local government and local enterprise boards in all English regions to analyse the effect of Brexit on jobs, trade and investment, so that negotiations can achieve, as was promised by the Secretary of State for Brexit, not just an aspiration, but the “exact same benefits” as we have from membership of the single market and the customs union? The Prime Minister sidestepped the question from the Leader of the Opposition, so may I ask it again? Does she believe that the English regions can get the exact same benefits as before?

**The Prime Minister**: The right hon. Lady has asked a number of questions. I am very clear that we want to ensure that we get that comprehensive free trade agreement that gives our businesses the benefits that they have had as members of the European Union. My right hon. Friend the Secretary of State for Exiting the European Union is talking to local mayors and local authorities. The right hon. Lady mentioned local enterprise partnerships. As it happens, I had a roundtable with representative chairmen of LEPs on Tuesday in Birmingham and talked to them about the future, so we are listening to those voices from across the regions.

**Alistair Burt** (North East Bedfordshire) (Con): Like millions of others in the United Kingdom, I am proud of the European Union and the contribution that the UK has made to it during my political lifetime, and I am a little sad about today. However, I stand unequivocally with the Prime Minister as she calls for a united approach to a new future. Does my right hon. Friend agree that in order to make that national endeavour meaningful, her door and those of her Ministers should always be open to all parties in the House, from all sides of the discussion, because a new script for the relationship between the European Union and the United Kingdom should be written as much by those who value the EU as by those who campaigned to leave it?

**The Prime Minister**: I thank my right hon. Friend for his question. As I said in my statement, there will be those in this House who are celebrating and those who are sad and disappointed at the decision that has been taken. I reassure him that as we move forward and ensure that we get the best possible arrangements for the future, I want to listen, and Ministers want to listen, to all voices in this House, including those who were ardent on both sides of the campaign. As I have just indicated, we are also, of course, listening to all parts of the United Kingdom.

**Alex Salmond** (Gordon) (SNP): Today is the day that the right hon. Member for Maidenhead has become the first Prime Minister in recent history to have to be reminded that Scotland is a country, not a constituency of England. She refused to reply to the question of whether there had been an economic assessment of the impact of leaving the EU with no deal. Has there been such an assessment? Will she publish it? And if there has not been an assessment, how does the Foreign Secretary know that it is “perfectly okay”?

**The Prime Minister**: I say to the right hon. Gentleman that I am well aware that Scotland is a constituent nation of the United Kingdom. The point is a very simple one and it was made from the Bench behind him earlier: different parts of the United Kingdom voted in different ways. Different constituencies voted in different ways. Scotland, Wales and Northern Ireland voted in different ways—Wales voted to leave; Scotland and Northern Ireland voted to remain—but the overall response of the United Kingdom was a vote to leave the European Union, and that is what we are putting into place. I say to the right hon. Gentleman that we are looking at the arrangements that need to be put in place, whatever the impact—whatever the decision that is taken at the end. But crucially, what I am very clear about—I was clear in my letter to President Tusk—is that we should work to get that comprehensive free trade agreement, so that we are not in the position of having no deal but we have a deal that is to the benefit of everybody in the UK, including the people of Scotland.

**George Freeman** (Mid Norfolk) (Con): May I congratulate the Prime Minister on the cool, constructive clarity and conviction that she has brought to this momentous period in British politics, and on her commitment today to negotiate on behalf of everyone in this country—the 48% as well as the 52%? Does she agree that we must also redouble our commitment to domestic reform—that compassionate Conservative programme—which is so key to industry and to skills and infrastructure, both for our post-Brexit economic prosperity and for the unity we will need to succeed? She wrote in her excellent letter to Mr Tusk:

> “The task before us is momentous but it should not be beyond us.”

Does she agree that that applies to Members of this House as well, and that we should reject the shrill voices of Scottish and English nationalism so that we pull together, not pull apart?

**The Prime Minister**: My hon. Friend is absolutely right. The question people responded to in the referendum was about leaving the European Union, but I believe the vote to leave was also a vote for wider change in this country. That is why it is so important that we put forward and deliver our plan for Britain, for a stronger, fairer society for all—a country that really does work for everyone. It is important that right now we pull together and recognise that the task ahead is to ensure we get the right result for the whole of the United Kingdom.

**Caroline Flint** (Don Valley) (Lab): Regardless of how people voted in the referendum, I suspect there is an even bigger majority today for all of us to get on with trying to get the best deal we possibly can. Many
businesses are worried. With the triggering of article 50, they feel the clock is ticking and that everything might need to be resolved within two years. Can the Prime Minister reassure businesses? At the end of the two years, what we have will be pretty much the headlines. There will have to be transitional arrangements to ensure that we explore the devil in the detail. This House must be able to discuss it, but more importantly we must get it right for businesses and the rest of Britain.

The Prime Minister: The right hon. Lady is right. Businesses want the certainty of knowing where they will stand so that they can plan for the future. Two things are important. It is important that we bring the acquis into UK law through the great repeal Bill, so that on the day we leave everybody knows those rules still apply and everybody knows where they stand. It is also right that it is a tight timetable to get agreement on our future relationship. There will need to be an implementation period to ensure that that is put into practice in a way that makes practical sense for businesses and Governments.

Dr Julian Lewis (New Forest East) (Con): Will the Prime Minister reaffirm that the defence of Europe depends not on the EU but on the deterrent effect of article 5 of the NATO treaty, which means that an attack on any European NATO member will involve the United States in its defence from the first hour of the first day? In the spirit of unity, will she join me in congratulating two statesmen on opposite sides of the Brexit debate, Sir John Major and Lord Tebbit of Chingford? They may not share the same views on Europe, but they do share the same birthday today.

The Prime Minister: I am very happy to wish a happy birthday to members of the Conservative party.

My right hon. Friend raises the important issue of NATO. As I indicated earlier to my hon. Friend the Member for Louth and Horncastle (Victoria Atkins), NATO is the bedrock of our security and our defence. Article 5 lies at the heart of that security and defence. We will continue to contribute to NATO in the way we have in the past, and we will continue to encourage others to ensure that NATO is able to provide that security in the future, as it has in the past.

Mr Pat McFadden (Wolverhampton South East) (Lab): I remind the Prime Minister that defence is about more than weapons; it is about values and collective solidarity.

There are two kinds of future stemming from the process triggered today. The first is that we spend two years desperately trying to secure, in the Secretary of State’s words,

“the exact same benefits as we have”—[Official Report, 24 January 2017; Vol. 620, c. 169].—

while gaining control of immigration, which, as Ministers have suggested, may make little difference to the numbers. In which case, people will ask, “What is the point?” Or there is another future where we crash without an agreement, defaulting to WTO rules with all that that would mean for industry, agriculture and services. In which case, people will ask, “What is the price?” So which future does she think is the more likely: “what is the point” or “what is the price”?

The Prime Minister: I have to say that I think the right hon. Gentleman is framing the question in the wrong way. People voted to leave the European Union, but I believe that we as a country still want to have a good trading relationship with it. People overwhelmingly voted to know that the UK Government are in control of key decisions previously taken by the EU institutions: immigration rules, spending our budget and the relationship of the UK courts to decisions taken here in this Parliament. Underlying the vote was our ability to set our own laws and for those laws to be determined by our courts. This was not just a question of money. It was about values. It was about the value of that self-determination.

Claire Perry (Devizes) (Con): May I join others in commending the Prime Minister for a clear, concise and very generous approach to the negotiations, both in her statement today and in her letter to President Tusk?

The Prime Minister will know that the reason we currently have a strong economy is partly due to the decisions taken by the previous Government and partly because nothing has actually changed economically, other than the sharp depreciation in our currency. As we go into a period of enhanced risk and uncertainty for our country and businesses, a process I think she will lead us through admirably, does she not agree that it is time to start talking facts and sense to the British people, rather than rhetoric and ideology, and in particular reject the idea that no deal and a reliance on WTO rules would somehow be okay? I am sure she will have seen recent research from the National Institute Of Economic and Social Research, which suggests that a WTO deal, despite all the trade deals we want to sign with China, Brazil, India and America, would represent a loss of trade of a quarter—a quarter—to the British economy. We cannot do that to this country. I hope she will tell us that we are not going to do that to our country. Can we start talking in facts and perhaps trust experts a little bit more?

The Prime Minister: My hon. Friend is absolutely right. The Conservative-led Government’s long-term economic plan, on which we all stood at the last election, has enabled our economy to have the necessary strength. We are pleased that we are able to maintain and build on that strength in our economy. She talks about the WTO arrangements. What I say in the letter to President Tusk is very clear:

“If...we leave the European Union without an agreement the default position is that we would have to trade on World Trade Organisation terms.”

In that kind of scenario, both the UK and the EU would of course cope with the change, but it is not the outcome that either side should seek. We must therefore work hard to avoid that outcome. I am clear that we want a comprehensive free trade agreement with the European Union, and that is what we will be working for.

Kate Hoey (Vauxhall) (Lab): On what is a genuinely historic day for our country, may I pay tribute to the Prime Minister and to the Brexit Ministers for their determination and dedication in getting to this stage today to implement the will of the British people? Does she agree that one area on which we should be able to move forward very quickly in negotiations is getting back control of our fishing grounds?
The Prime Minister: My right hon. Friend the Member for North Shropshire (Mr Paterson), the former Secretary of State for Environment, Food and Rural Affairs, mentioned the London fisheries convention. The Department for Environment, Food and Rural Affairs is looking at this issue and we hope to be able to say something soon. As we look at the whole raft of negotiations, we will be looking at policies that affect not just trade in goods and services, but agriculture and fisheries here in the United Kingdom, and security and crime. We will be looking particularly at the London fisheries convention in due course.

Neil Carmichael (Stroud) (Con): The Prime Minister’s letter to President Tusk is not one I ever hoped to read, but having done so I welcome the eight principles. Does the Prime Minister agree that to bring them to fruition it would be very helpful to include all of us in this process, because even the most ardent pro-European is also incredibly ambitious for this country?

The Prime Minister: I am very happy to give my hon. Friend that reassurance. What I hope we will see, and what I think he has indicated we will see, is people on both sides of the argument coming together with that ambition for the future. It is important that we take all views into account as we develop that.

Mr Ben Bradshaw (Exeter) (Lab): In her letter and again in her statement today, the Prime Minister has made it clear that she believes it will be necessary to agree the terms of the divorce alongside the details of our future relationship with the European Union. If the other 27 come back in their reply and say that they want to agree the terms of the divorce first, including the issues of citizenship rights, our liabilities and borders, particularly with Northern Ireland, how will she respond?

The Prime Minister: We will go into a negotiation with the European Union about the best way to take these issues forward. I have been putting forward the case, as have other Ministers, that it makes sense from a pragmatic point of view to ensure that at the end of the two years, we have both of these decisions concluded, namely the withdrawal process and the future relationship. That is because I do not think it is in anybody’s interest for the UK to agree withdrawal, withdraw and go on to one set of arrangements, subsequently having to negotiate another set of arrangements that come into place at a later date. It makes much better sense—for individuals, for businesses and indeed for Governments—to conclude those two parts of the negotiation at the same time.

Mr Peter Bone (Wellingborough) (Con): Some Government Members and some Opposition Members have worked throughout their political career to extract the United Kingdom from the European superstate. Sometimes we were isolated, sometimes we were insulted, but thanks to the British people, today we are leaving the European Union. In the past, when there has been a major change in our relationship with Europe, it has happened through conflict, bloodshed and turmoil. Does the Prime Minister agree that the whole country can celebrate the fact that this change is happening peacefully and democratically?

The Prime Minister: I am happy to endorse that, because it is a tribute to the way in which we in the UK have approached the issue and indeed to the way in which our European partners have been willing to approach it. I think we will be willing to approach it in that way in the future. The eyes of the world will be on us as we go through this negotiation to see precisely how we conduct it. I want it to be conducted positively, constructively and respectfully.

Joanna Cherry (Edinburgh South West) (SNP): After the Brexit deal has been negotiated, the European Parliament and every other member state in the European Union will have a say on whether to accept that deal. Can the Prime Minister not see that to deny the people of Scotland a say at the same time would show utter contempt for democracy in Scotland?

The Prime Minister: We have been very clear that there will be a vote in this Parliament when we come back with a deal from the European Union. It will take place in both Houses and it will happen before the deal comes into force. We expect that to be undertaken before the European Parliament has had an opportunity to debate and vote on this issue. Within this House, of course, there are representatives from all parts of the United Kingdom.

Mr Jacob Rees-Mogg (North East Somerset) (Con): Does my right hon. Friend recall the words of Francis Drake:

“There must be a begynnynge of any great matter, but the contemewning unto the end antyll it be thorowly flynished yeldes the trew glory”?

I wish my right hon. Friend good luck and good fortune in her negotiations until she comes to true glory and is welcomed back to this House as a 21st century Gloriana.

The Prime Minister: I think my answer to that is that I thank my hon. Friend!

Liz Kendall (Leicester West) (Lab): Will the Prime Minister clear up some confusion on her own side about immigration policy? The Times reports that the International Trade Secretary is now arguing for more immigration from countries that are outside the EU in return for striking new trade deals. Does the Prime Minister agree?

The Prime Minister: The Government have a clear position on our work to reduce net migration into this country. Leaving the European Union will enable us to introduce rules in respect of those who are moving from the EU member states into the United Kingdom, but we continue to ensure that we are bearing down on abuse in our immigration system and that we have the rules that we believe are right so that we can continue to bring the brightest and the best here to the UK.

Dr Tania Mathias (Twickenham) (Con): I thank the Prime Minister for her statement and for being very clear that we are not leaving Europe and that we seek to guarantee the rights of EU citizens in our country. When she says “as early as we can”, does she agree with me as a fellow European that “as early as we can” means today?
The Prime Minister: In the negotiations, I want reciprocal rights for EU citizens and UK citizens. It is not just about what time we say should be allotted for that discussion; it will be for the remaining 27 member states of the EU to negotiate with us on that. We need reciprocity, but I believe that there is good will, so I am hopeful that we will be able to start this discussion at an early stage of negotiations.

Mr David Winnick (Walsall North) (Lab): Given the reference of some Members to the British people, is it not important to recognise that a large majority of this country’s people are not fanatically for or against the UK being in the European Union? If we want to bring the people together, as the Prime Minister says she does, that should very much be borne in mind. If, during the negotiations undertaken by her predecessor, we had seen some flexibility from the European Union over the free movement of labour, is it not quite likely that we would not be debating this issue now?

The Prime Minister: David Cameron put an enormous effort, as did others across Government, into the negotiations leading to the deal that he brought to the British people. The hon. Gentleman’s assumption is that the only issue on which people voted was free movement, but I do not think that is right. I think that wanting control over our borders was one key issue, but it was also about more than that, including control of our laws, control of our money and self-determination. That was what was driving the decision.

Seema Kennedy (South Ribble) (Con): Many vegetable growers in South Ribble rely on migrant labour and easy access to European markets for their exports. Can my right hon. Friend reassure my constituents that British farming will be a priority in her and her team’s negotiations?

The Prime Minister: I can assure my hon. Friend. Friend that the Secretary of State for Environment, Food and Rural Affairs is working very closely with farming communities across the whole United Kingdom in looking at their interests for the future and the arrangements that will be put in place once we leave the common agricultural policy.

Kelvin Hopkins (Luton North) (Lab): I welcome the triggering of article 50, because it will make possible the democratic socialist future that I and many others have struggled for all their lives. The Prime Minister will be aware that we have a trade deficit with the EU of over £60 billion a year and another deficit of about £20 billion a year on investments, income and remittances, and that we are paying more than £10 billion a year in our contribution to the EU budget. That is total of £90 billion—a huge sum that amounts roughly to about £6,000 a year for a family of four. Does that not put Britain in a very strong position in the negotiations, specifically about trade?

The Prime Minister: I think we are in a good position on the trade negotiations, because companies in other EU member states can see the benefits of trade with the United Kingdom. I believe that there will be real benefit to both sides as we negotiate a good trade deal for both of us.

Rebecca Pow (Taunton Deane) (Con): I wholeheartedly welcome the Prime Minister’s message of looking forward with optimism and hope. Without that sort of viewpoint, I for one would never have made it to this place. Today, my heart is tinged with a little sadness, but we must always aim for better, which is why I wholeheartedly welcome the tone and spirit of the Prime Minister’s words. With that in mind, does she agree that it is crucial for all sectors to be treated fairly in the future negotiations and that in the south-west, our biggest sector of food, farming and agriculture must not be sold or traded at the expense of other sectors?

The Prime Minister: As I have said, we are working hard in all Departments to ensure that the interests of different parts of the United Kingdom are taken into account. We recognise that the value of certain sectors and jobs varies, and that there are parts of the United Kingdom—for instance, as my hon. Friend says, the south-west—where food and farming are a particularly important element. I can assure my hon. Friend that we will be seeking a comprehensive package that will provide a good deal for everyone in the United Kingdom.

Stephen Kinnock (Aberavon) (Lab): In her letter to Donald Tusk, the Prime Minister says: “If...we leave the European Union without an agreement...we would have to trade on World Trade Organisation terms. In security terms a failure to reach agreement would mean our cooperation in the fight against crime and terrorism would be weakened.”

Is she really saying that the security of our country will be traded like a bargaining chip in these negotiations?

The Prime Minister: We will not be trading the security of our country, but we have a relationship with the European Union. There are certain elements of the European Union, in justice and home affairs, of which we are currently members and of which, on leaving the European Union, we would not be members. We need to negotiate what our future relationship will be. It is very simple and very pragmatic: the aim will be to ensure co-operation on these matters.

Robert Neill (Bromley and Chislehurst) (Con): I welcome the Prime Minister’s repeated use of the word “pragmatic” in her responses. Many of us believe that this country is at its very best when we are pragmatic, rather than ideological. The Prime Minister mentioned the importance of co-operation on justice and home affairs. Does she accept that co-operation on other aspects of judicial and legal services will also be crucial in underpinning her prioritisation of our financial services sector, which is so critical to any negotiation?

The Prime Minister: My hon. Friend is absolutely right. The strength of our legal services, and the co-operation that we have on justice and legal matters, are also an important part of the relationship that we have. My right hon. Friend the Lord Chancellor has been working with the judiciary to examine exactly those issues and consider how we can proceed with them to ensure the right level of co-operation in the future.

Hywel Williams (Arfon) (PC): I thank the Prime Minister for giving me advance sight of her statement. She referred to “the British spirit” and to a “fairer”, “united” Britain, but fairness is a proper respect for all
views from all parts of the islands, not just, as she put it, “taking account of the specific interests” of nations and regions beforehand, and not just consulting about which repatriated powers should stay in Westminster and which should be dribbled down while she drives through her extreme version of Brexit. As we leave the European Union, there must be a better way than just her way.

The Prime Minister: The hon. Gentleman referred to my vision for Brexit. As I have made very clear, in the House this afternoon and elsewhere, we want that comprehensive free trade agreement, we want good security co-operation, and we want good security on justice and home affairs matters. That is what is in the letter to President Tusk. I do not consider it to be an extreme view of Brexit; I consider it to be a good deal for the United Kingdom.

Craig Mackinlay (South Thanet) (Con): I congratulate my right hon. Friend on the very reasonable underlying tone of her letter to President Tusk. As she will know, this is a day for which I have campaigned for some 26 years. Does she agree that the dividends of the restoration of democracy to our institutions, the ending of huge fiscal transfers to the European Union and the potential for international new trade deals are prizes from which everyone in our country will benefit in years to come?

The Prime Minister: As I said earlier, I know that there are Members on both sides of the House who have campaigned for this for a very long time. My hon. Friend is absolutely right. I think that what underlay the vote for people was that sense of the need for the United Kingdom to be able to have control of its budget, control of its laws and control of its immigration rules, and not simply be subject to decisions made in Brussels.

Ann Clwyd (Cynon Valley) (Lab): I am proud to have been a Member of the European Parliament—I was one of the first to be elected, in 1979, along with Boris’s father, who I do not think shares Boris’s views any longer. The Prime Minister has reflected today on the role of the European Parliament. I am sure she will agree that while it is one of three important institutions with which negotiations will take place, at the end of the day it has the power of veto, and that is a very important power. If the European Parliament were to invite her—as it does invite Heads of State and Prime Ministers—to appear before it, give her views and answer some questions, would she agree to do so?

The Prime Minister: The right hon. Lady is right to say that the European Parliament will play an important role in the process. Obviously, the structure of the negotiations that has been established means that the key negotiator will be the European Commission, operating under the mandate of the European Council, but arrangements are made for interaction with the European Parliament as part of that as well. I know that Heads of Government are, from time to time, invited to address the European Parliament, and were I to receive such an invitation, I would of course consider it very seriously.

Jason McCartney (Colne Valley) (Con): This is indeed a momentous day. On behalf of the whole House, may I pass on our congratulations to our hon. Friend the Member for Morley and Outwood (Andrea Jenkyns) on the birth of a baby boy this morning, Clifford George?

The Prime Minister has spoken of more decision-making powers for the devolved Assemblies. With that in mind, does she agree that now is the time to turbo-charge devolved powers to Yorkshire and the north, and to give real backing to the northern powerhouse?

The Prime Minister rose—

Mr Speaker: Order. In congratulating the hon. Member for Morley and Outwood (Andrea Jenkyns) on the excellent news to which the hon. Member for Colne Valley (Jason McCartney) has just referred, I think it right also to congratulate the hon. Member for Filton and Bradley Stoke (Jack Lopresti), who I think had some hand in the matter as well. [Laughter.] Well, he had a role, anyway.

The Prime Minister: Thank you, Mr Speaker. I am glad that I did not have to give clarification of your statement. I congratulate both my hon. Friends on the birth of Clifford George this morning, and I am sure that the whole House will send its best wishes to mother and father, and to their baby son.

As others have said in the House, it is important for us to take into account the views of the various parts and regions of the United Kingdom. We have some very important deals, including a number of city deals, around the country, and the devolution deals. The directly elected Mayors will be in place on 4 May. We will also, of course, look into how we can further boost the economies throughout the United Kingdom, including the northern powerhouse and the midlands engine. I was in Birmingham yesterday to discuss exactly that issue.

Several hon. Members rose—

Mr Speaker: Order. I heard the hon. Member for Coatbridge, Chryston and Bellshill (Philip Boswell) earlier from his seat, and I think that it is now time to hear him from his feet.

Philip Boswell (Coatbridge, Chryston and Bellshill) (SNP): Having recently come from a Public Accounts Committee sitting on care for people with learning disabilities, may I ask whether the Prime Minister can tell us when the national health service will start receiving its extra £350 million a week?

The Prime Minister: I am pleased to say that we are putting record levels of funding into the national health service, and—as my right hon. Friend the Chancellor announced in his Budget statement—putting extra funding into social care. Decisions on how we spend our budget in the future, once we have completed the negotiations and left the European Union, will be decisions to be made here in the United Kingdom.

Alberto Costa (South Leicestershire) (Con): In less than half an hour, the Italian Foreign Secretary will visit Parliament to sign the book of condolence and lay some flowers on behalf of the Republic of Italy. May I warmly commend some words in the Prime Minister’s statement? It was the first time that she had said this to the House: “I will represent every person in the United Kingdom...and, yes, those EU nationals who include this country their home.” That includes my parents, my sister, some of my constituents, and 3 million other European Union nationals. I thank the Prime Minister
for using those warm words. Today marks a coming of age for her: she is showing the House and the country that she is the right leader at this momentous time for the country.

The Prime Minister: I thank my hon. Friend for his remarks. He has, of course, taken a particular interest in the position of EU citizens living here in the United Kingdom. I am pleased to confirm that, as I negotiate, I will be negotiating for everyone in the United Kingdom, including those EU citizens. As I have repeated in the letter to President Tusk, I hope and expect that we shall be able to look at the issue of the rights of EU citizens living here—and UK citizens living in the EU—at an early stage of the negotiations.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): May I remind the Prime Minister that, at one stage, both she and I were remainers? I remain very much a remainer; I am a passionate European, and I believe that she should take careful note of the fact that a large number of people in this country value European citizenship because it has delivered over many years peace, prosperity and security. Will she assure this House that those priorities will be maintained in all the negotiations going forward?

The Prime Minister: I simply say to the hon. Gentleman that it is, of course, possible to be a passionate European without believing that the UK should be a member of the European Union. This is a difference in terms of the values that we share. Working together co-operatively, across Europe, on the issues that he raises is important. Of course, I do believe, as those on the Conservative Benches do, that the key determinant of security and defence across Europe has been NATO. We continue to play our part in NATO, but I recognise that there are those on the continent of Europe who very much feel that for them the EU has been part of that process of delivering security and peace into the future. I want to ensure that we can continue to work together, so that we continue to see peace and security across our European continent.

Several hon. Members rose—

Mr Speaker: I call the fellow wearing the Elgar tie: Sir Gerald Howarth.

Sir Gerald Howarth (Aldershot) (Con): Although the Prime Minister did indeed support the remain side during the referendum campaign last year, she has demonstrated outstanding leadership of our country in implementing the will of the British people. So on this historic day, and recalling, of course, Sir Edward Elgar, and having campaigned myself in 1975 to leave the Common Market, may I salute the Prime Minister for her determination to unite the country in securing the very best deal not only for the United Kingdom, but for our European partners as well?

The Prime Minister: I thank my hon. Friend for his remarks. I know that he has been campaigning long and hard on this issue over the years, and it is right that we should come together now and get that best possible deal for the UK.

Seema Malhotra (Feltham and Heston) (Lab/Co-op): I also want to put on record how proud I am of what we have achieved as members of the EU, not just for our security and the economy, but also as regards peace between our nations, which twice in the last century have been at war. We know that there is more than one way to Brexit, and over the next two years there will clearly be a big debate about the trade-offs we will need to make. We also know that the Prime Minister wishes to ensure the future prosperity of Britain. So far, however, there has been no economic assessment of the Government’s plans. Will the Prime Minister confirm that an economic assessment will be published with the final deal, and that it will compare the expected outcome both to what we have now, and to the prospect if there is no deal?

The Prime Minister: The hon. Lady asked me to make a comparison with what we have now. Of course, we have decided to leave the EU and therefore to change our relationship with it, but we will make sure that Members have the necessary information when we come to the vote in Parliament on the deal we are putting forward.

Ben Howlett (Bath) (Con): This is a day that neither I nor the vast majority of my constituents wanted to see. However, may I commend the Prime Minister on her statement and her tone in the letter to President Tusk? I fully support the Prime Minister’s objective of delivering a comprehensive free trade deal with the EU on goods and services—and let us be clear that no deal would be a bad deal—but what more can this House do to help her to deliver her aims, in the interests of both Britain and the EU?

The Prime Minister: The task that this House will have of putting through the great repeal Bill and other necessary legislation will, of course, be an important part of the process of delivering on the deal that we need at the end of this negotiation that we are entering into. I have every confidence that Members on both sides of the House, of all views and from all sides of the argument in the past, will come together and ensure that we work together to get the best possible deal.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): With us having a maximum of 72 weeks in which to negotiate a UK-EU trade deal, the future for Scotland is very clear: independence in Europe, or go it alone with Westminster. Have the Government thought of rejoining the European Free Trade Association, or will the Prime Minister totally go it alone and be in absolutely no regional trade agreement at all—a situation shared only by East Timor, Somalia, South Sudan, Mauritania and São Tomé and Príncipe in the gulf of Guinea—because that is where she is taking the United Kingdom?

The Prime Minister: I have said right from the beginning that, given the position of the United Kingdom, we want to negotiate a deal that is right for the United Kingdom. That means not taking off the shelf an arrangement that other countries have, but asking what works for the UK and the EU, given the relationship we have had, given that we have been members of the EU, given the size of our economy, and given the benefits to us and the EU of getting such a comprehensive free trade deal.
Antoinette Sandbach (Eddisbury) (Con): I warmly welcome the tone of the Prime Minister’s letter to President Tusk, and wish her every success in achieving free and frictionless trade, but when it comes to returning sovereignty to this Parliament, will she undertake that she will limit any Henry VIII powers and allow MPs to vote on legislation that will affect the future of their constituents?

The Prime Minister: We will try to ensure that we have the best possible way of putting legislation through this House to enable necessary debate and discussion to take place. Obviously, as we come to the debates on the great repeal Bill, that will be part of the discussions, but I also ask hon. Members to recognise the very many changes that will need to take place that are very technical, and that are not about policy but are necessary, because of the intertwining of our legislation over the years, if we are to ensure that when we reach the point of leaving, we can have that clean break and have dealt with all the legislative consequences.

Gareth Snell (Stoke-on-Trent Central) (Lab/Co-op): I am sure that when the Prime Minister went to the polling station on 23 June last year and cast her vote for remain, at the forefront of her mind was stability for British industry, and in the recent by-election in my constituency, the Prime Minister wrote to thousands of my constituents highlighting the plan she said her party would have for the ceramic industry. The ceramic manufacturers of Stoke-on-Trent make the best pottery in the world, but what they now need is stability and confidence, so that they can reach their growth targets and create jobs. Can the Prime Minister confirm, here and now, that our future relationship with the single market and the customs union will deliver exactly the same benefits as it currently does, so that when I return to Stoke-on-Trent this weekend I can give my major employers the confidence they need?

The Prime Minister: I have to say to the hon. Gentleman that the answer I give him will be the answer I have given throughout this statement, and indeed have given in the past: we will be working for that comprehensive free trade agreement that will enable businesses to trade freely with the European Union single market, and to trade in both goods and services with the European single market. That is what we want to achieve. I recognise the need for business to have as much certainty as possible as soon as possible. One of the things in the letter that I know business has been asking for is the concept of the implementation period, so that there is not a cliff edge when we leave, and so that they are able to put any new arrangements in place and have notification of that. That is exactly what I have suggested to President Tusk we should, at an early stage, agree will be a principle that we will abide by.

Several hon. Members rose—

Mr Speaker: I call a Canterbury knight: Sir Julian Brazier.

Sir Julian Brazier (Canterbury) (Con): Thank you, Mr Speaker. In strongly welcoming my right hon. Friend’s statement, may I particularly welcome what she said about remaining good Europeans, and does she agree that the fact that we are committed to NATO and its 2% undertaking, have troops deploying to eastern European neighbours who are embattled, and have troops fighting Daesh, which has brought horror to European cities, shows just what a good European country we are?

The Prime Minister: My hon. Friend makes a very important point: it is not just about what we stand up and say; it is about what we actually do. As he says, what we are doing in NATO, the commitments we have given to our eastern European allies, and the work we are doing to counter Daesh—not just the military work we are doing, but also the co-operation between our intelligence services across Europe—are all important symbols of our commitment to ensuring that we play our part in maintaining security in Europe.

Ms Tasmima Ahmed-Sheikh (Ochil and South Perthshire) (SNP): The Prime Minister has stated that she will not provide a running commentary on negotiations. Earlier this week in the Financial Times, Michel Barnier stated: “The unity of the 27 will be stronger when based on full transparency and public debate.” I ask the Prime Minister: what exactly does it say about this so-called team approach if Members of this Parliament, and indeed devolved Governments across these islands, are set to hear more about the outcome of these vital talks from those on the other side of the negotiating table than from this Tory Government?

The Prime Minister: No, I have said clearly that when we are able to provide clarity, as we have done up until now and look to do in the future, we will do so. However, it is absolutely the case that if we are to get the best deal for the United Kingdom, we should not reveal every detail of our hand at every stage in the negotiations. We will be looking to ensure that clarity and information are available where that is appropriate.

Oliver Dowden (Hertsmere) (Con): While seeking to protect and enhance workers’ rights, will the Prime Minister also seize the opportunity afforded by leaving the European Union for greater sectoral deregulation so that businesses are able to create wealth and prosperity, which we all need and upon which our public services ultimately rely?

The Prime Minister: At the point at which we leave the European Union, the acquis will be brought into UK law, which will provide businesses with certainty. It will then be up to the UK Government and the UK Parliament to determine what regulations remain in place in the future and what deregulation should take place.

Heidi Alexander (Lewisham East) (Lab): In her letter to Donald Tusk, the Prime Minister refers to the treaty on European Union and the treaty establishing the European Atomic Energy Community. She makes no reference, however, to the European economic area agreement, which underpins our membership of the single market. When and how does the Prime Minister intend to withdraw us from the EEA?

The Prime Minister: Membership of the EEA is linked to our membership of the European Union, and our notification in relation to leaving the European Union also covers the EEA.
Mr David Nuttall (Bury North) (Con): I warmly thank my right hon. Friend for, and congratulate her on, carrying out the wishes of the majority of my constituents in Bury, Ramsbottom and Tottington by triggering article 50 today. After 40 years of membership, the negotiations ahead could be long and difficult, but does she agree that what matters is the big picture? We are taking back control for this Parliament. We are taking back control of our borders. We are taking back control of our contributions.

The Prime Minister: My hon. Friend is absolutely right. The negotiations will be detailed, but we must always keep in our vision the big picture, as he describes it, that this is about control of our laws, control of our borders and control of our budgets. That was what people voted for when they voted to leave.

Ms Margaret Ritchie (South Down) (SDLP): Michel Barnier, who will be directly involved in the negotiations, has put Northern Ireland at the top of his agenda because he was directly involved in the negotiations to establish the Special EU Programmes Body. Will the Prime Minister outline how she will ensure the protection of our fragile economy in Northern Ireland, and ensure tariff-free and continued access to the single European market, which is vital to the growing economy of the island of Ireland?

The Prime Minister: In overall terms, negotiating a comprehensive free trade agreement with what we want to achieve, which is tariff-free trade with the European single market, will cover the whole of the United Kingdom, including Northern Ireland. However, due to the land border between Northern Ireland and the Republic, we are conscious of the need for us to look carefully at the customs arrangements that will be put in place. We want to be able to have trade agreements with other countries around the world, and that has implications for the current rules in relation to membership of the customs union, but we are working actively with the Government of the Republic of Ireland to ensure that arrangements can be put in place that maintain the economy in Northern Ireland. As we have consistently said, and as the Taoiseach and others have said, we do not see a return to the borders of the past.

Mr Shailesh Vara (North West Cambridgeshire) (Con): I commend my right hon. Friend’s comments about the need for us all to work together to secure the best possible deal for our country at this momentous time in our history. She will be aware of the Supreme Court’s unanimous decision that matters relating to relations with the European Union are to be dealt with exclusively by the UK Government and the UK Parliament, and are not for the devolved institutions. Given that this country regularly speaks to the rest of the world about the need to respect the rule of law, does she agree that it is important that politicians from all four nations of our country respect the rule of law themselves?

The Prime Minister: I am grateful to my hon. Friend. As he says, it is the case that the Supreme Court found that there will be no veto for the devolved Administrations, but it is interesting that the SNP argues that a decision to remain in the European Union by Scottish voters should somehow be dealt with differently from the overall result of the referendum. When we had the referendum in Scotland in 2014 on membership of the United Kingdom, I note that the SNP argued the exact opposite. It argued that the result as a whole was the only one that counted and that if parts of Scotland such as Orkney and Shetland voted differently, that should not be taken into account.

Peter Kyle (Hove) (Lab): The Prime Minister has rightly spoken of unity. How will she respect and give a voice to the people and businesses who are extremely anxious about the journey on which the country has now embarked?

The Prime Minister: Of course we want to give certainty to businesses and others as soon as possible about the arrangements that will be put in place, but this will be a negotiation and there will be a degree of uncertainty. We cannot completely take away that uncertainty, but we can give clarity when we are able to do so, as we have been doing in the past few months.

David Rutley (Macclesfield) (Con): I welcome the approach that my right hon. Friend is taking to secure a positive outcome in the negotiations ahead. Does she agree that Brexit is now a spur to action to tackle the long-standing economic challenges of productivity, skills and export performance? Will the Government’s modern industrial strategy help in achieving those important objectives?

The Prime Minister: My hon. Friend is absolutely right. As I have said before, the vote was not just about leaving the EU; it was about changing how the country works—and changing that forever—and about getting a stronger economy that works for everyone in which everybody plays by the same rules. We want growth and prosperity in every part of the United Kingdom, which is an important part of the future and of our plan for Britain. Our industrial strategy is absolutely right at the heart of delivering that.

George Kerevan (East Lothian) (SNP): Will the Prime Minister explain why, in her long and detailed letter to President Tusk, which clearly took weeks to prepare, she somehow forgot to mention Gibraltar? Is it a case of out of sight, out of mind?

The Prime Minister: We are absolutely steadfast in our support of Gibraltar, its people and its economy. Our position has not changed. We have been firm in our commitment never to enter arrangements under which the people of Gibraltar would pass under the sovereignty of another state against their wishes, nor to enter into a process of sovereignty negotiations with which Gibraltar is not content. The letter is a notification in relation to our withdrawing from the European Union. Gibraltar is not a separate member of the EU, nor is it a part of the UK for the purposes of EU law, but we are clear that it is covered by our exit negotiations. We have committed to involving Gibraltar fully in the work that we are doing. We have been having regular discussions with the Government of Gibraltar, and we will continue to work with them in the future.

Dr Caroline Johnson (Sleaford and North Hykeham) (Con): As the representative of a constituency that voted overwhelmingly to leave, as I did, I congratulate the Prime Minister on her leadership on this historic day. Much of my beautiful constituency is rural farmland,
and local farmers would like reassurance that their livelihoods will be protected as we leave the EU. Will my right hon. Friend confirm that she will do all that she can to support British farming during the negotiations?

**The Prime Minister:** Yes. We have already been able to give some reassurance to farmers with our commitment on funding through to 2020 but, of course, we will then need to look at the arrangements that are put in place after the UK leaves the European Union. I assure my hon. Friend that my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs is working with farmers in all parts of the United Kingdom to look at what are the best arrangements for the way ahead.

**Stephen Timms** (East Ham) (Lab): There is a very big economic challenge ahead. Does the Prime Minister recognise that securing anything like the barrier-free access to the single market that she has rightly set as her goal will require some compromise—some middle ground—to be found on the question of free movement of people?

**The Prime Minister:** The decision that was taken on 23 June in relation to free movement was that it should be the UK Government who determine the immigration rules for people coming to the United Kingdom from the European Union. We will be putting forward proposals to the House in due course on what those future arrangements should be. We will not be stopping immigration from the European Union—we will not stop people coming into the United Kingdom—and we recognise that people will still move from the EU into the United Kingdom, but the important point is that the rules governing that movement will be determined by the UK Government.

**Henry Smith** (Crawley) (Con): The Prime Minister is right that the UK is leaving the institutions of the European Union, not Europe itself. She is also right to talk of this country as “global Britain”. This nation is one of the world’s leading aviation powers and is an island trading nation. May I seek an assurance that, as we increasingly become a conduit between the rest of the world and Europe, the importance of aviation will be paramount?

**The Prime Minister:** Obviously a key element of the negotiations will be ensuring that we see no disruption to aviation arrangements so that people are able to continue flying between the UK and other parts of the European Union and elsewhere in the world. We recognise the importance of our aviation industry in terms of not just the work of the airlines themselves and our airports, but aviation manufacturing, which is also important to us.

**Several hon. Members rose**—

**Mr Speaker:** Order. There must be some relief from the toil of being a Whip. I call Mr Mike Weir.

**Mike Weir** (Angus) (SNP): The Prime Minister talks grandly about self-determination, so why is she so determined not to allow the Scottish people to exercise that very right when the details of the deal are known but before we are taken out of the EU?

**The Prime Minister:** As I have said before, now is not the time to talk about a second independence referendum. I simply remind the hon. Gentleman that, of course, in 2014 the SNP was clear that it was a once in a generation—indeed, a once in a lifetime—vote.

**Mr Nigel Evans** (Ribble Valley) (Con): This is truly a red, white and blue letter day—[Interruption.] Shut up. The letter represents all the constituent parts of the United Kingdom, including Scotland, and sending it ambassador class was a nice touch.

In her letter, the Prime Minister talked about the Brexpats—EU citizens living in the UK, and British citizens, including Scots, who live and work in other parts of the European Union. I know that she has said that she will not give a running commentary on the negotiations, but will she give us an assurance that, once a deal is reached on the Brexpats, she will inform them in order to ease the anxiety that they are currently feeling?

**The Prime Minister:** I can give that assurance. The point of trying to achieve a deal at an early stage is precisely so that we can tell people the nature of that deal, so that they can be reassured and do not have to worry about their future.

**Andy Slaughter** (Hammersmith) (Lab): On days such as this, the Prime Minister should speak for the whole country, but she has chosen to speak for little more than half. Beyond empty rhetoric, what reassurances can she give to the 70% of my constituents who voted to remain, and to the one in six who are citizens of other EU countries and have real fears for their livelihoods, businesses and security?

**The Prime Minister:** As I indicated in response to my hon. Friend the Member for Ribble Valley (Mr Evans), the question of the status of EU citizens living here, and of UK citizens living in EU member states, is one that we hope to be able to address at an early stage of the negotiations so that we can give people security and an assurance for the future. Of course I recognise that there will be a degree of uncertainty for businesses until the future arrangements have been concluded and they know what they will be. I hope that we will be able to give businesses the certainty of implementation periods so that there will not be a cliff edge for them, but they can be assured that we will try to ensure that we get the most comprehensive free trade deal that is possible.

**Lucy Frazer** (South East Cambridgeshire) (Con): Many people voted to leave the EU because they felt disengaged with politics and that the institutions did not work for them. Over the next 18 months, will the Prime Minister therefore not only work to ensure that we retain a place in the world, but deliver on our domestic agenda to ensure that people feel our Government are working for them?

**The Prime Minister:** My hon. and learned Friend makes the important point that although there will be complex negotiations in relation to Brexit, it is important that the Government continue to put in place our plan for Britain and our domestic agenda for a stronger economy, a fairer society and a global outlook for the United Kingdom. Our work on trade with other nations around the world will be an important part of that.
Owen Thompson (Midlothian) (SNP): The Prime Minister told us that Brexit meant Brexit. Now that the Scottish Parliament has voted for a second Scottish independence referendum, will she realise and acknowledge that Scotref means Scotref, and agree to any section 30 application?

The Prime Minister: If we are to make a success of Brexit, we will all need to pull together at this time to ensure that we get the best possible deal for the United Kingdom. Of course, Scotland voted in September 2014 to remain a member of the United Kingdom.

Julian Sturdy (York Outer) (Con): I draw attention to my entry in the Register of Members' Financial Interests.

I welcome the Prime Minister’s statement, her tone in embracing the whole United Kingdom and her emphasis on pursuing a Brexit that works for everyone. Will she reassure me that agriculture and the environment, which are closely linked, will not become a sacrificial lamb in any future trade negotiations?

The Prime Minister: In our trade negotiations with the European Union and others around the world, we will be very conscious of the need to ensure that we respect the requirements for our environment, and for our agriculture, food and farming industry here in the United Kingdom. I assure my hon. Friend that we will continue to maintain our commitment to both those issues.

Keith Vaz (Leicester East) (Lab): I congratulate the Prime Minister on her statement, her tone in half way through. At the Home Affairs Committee, we at least gave her a chair to sit on throughout our sessions.

I congratulate the Prime Minister on her appointment of Mark Sedwill as the new national security adviser. He will be a loss to the Home Office, but an asset to her. May I press her on policing and security? We have seen the headlines in the letter to Donald Tusk, but will we remain a full member of Europol throughout the negotiations? Will we have full access to the criminal databases of the EU, and is one of her ambitions that we retain that access when we leave the EU?

Mr Mark Francois (Rayleigh and Wickford) (Con): This is a great day for our country as we take back full control of our national destiny. Historically, we have been a free trading nation that has been outward looking with a global perspective. Does the Prime Minister agree that that which is historically in our national DNA will stand us in good stead as we go through these critical negotiations?

The Prime Minister: I absolutely agree with my right hon. Friend, which is why I am optimistic and ambitious for the United Kingdom. That spirit of trading around the world—that outward-looking spirit we have always had in the UK—will indeed stand us in good steady in the future.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): Will the Prime Minister confirm her understanding of what will need to happen on the European side to ratify the new deal with the UK, which we all want to see? Will this be a decision, as part of the exit negotiations, by the Council of Ministers and by the Commission, or will this require ratification by every remaining EU member state national Parliament and, in some cases, regional Parliament? Clearly, it could cause a lot of uncertainty if just one member state opposes the terms we have negotiated for our exit.

The Prime Minister: The extent to which any part of the deal requires full ratification by every individual member state and every constituent part of the European Union will vary according to the nature of the aspect of the deal, but overall it will be necessary for the European Parliament and for the nation states to ratify.

Martin Vickers (Cleethorpes) (Con): For those of us who campaigned and voted for Brexit not just last year, but in 1975, this is a great day and one for celebration. Some 70% of my Cleethorpes constituents and of those in neighbouring Grimsby voted for Brexit last June, partly as a result of continuing anger and resentment at the sell-out of the fishing industry in the original negotiations. The Prime Minister has already reassured me that the fishing industry will be looked after, but the associated seafood industry is very much dependent on the fishing industry. I have already met industry leaders in my constituency who see both opportunities and concerns, so will she reassure me that the seafood processing industry will be a key part of the negotiations?

The Prime Minister: I can give my hon. Friend the assurance that we want to ensure not only that we get a good future for our fishing industry, but that those parts of industry that rely on fishing will also have a good future here in the UK. We will be taking that into account.

Dr Eilidh Whiteford (Banff and Buchan) (SNP): Thousands of EU nationals who are doing essential and useful jobs in our agriculture and fisheries sector, and in our public sector, still do not know what their status is going to be two years from now. Is the UK Government’s position so weak that they need to use these people as bargaining fodder in their negotiations? Why will the Prime Minister not make a good-will gesture and guarantee their rights?

The Prime Minister: As the Prime Minister of the United Kingdom and as the Parliament of the United Kingdom, I think we should all have care not just for EU citizens living here, but for United Kingdom citizens living in the European Union. We want to ensure reciprocal arrangements guaranteeing the rights on both sides.

Dr Sarah Wollaston (Totnes) (Con): I welcome the Prime Minister’s clear commitment to a positive, constructive and respectful approach to the negotiations that lie ahead. May I press her further on behalf of the fishing community in my constituency and around the United Kingdom? She will know that in the past these people have been badly let down during negotiations, so
will she give an equally clear commitment that the fishing community will receive a sufficiently high priority during the negotiations ahead?

The Prime Minister: I can confirm to my hon. Friend that we are very conscious of the needs of the fishing industry. The Department for Environment, Food and Rural Affairs has been talking to the fishing industry. The Secretary of State and others have been looking carefully at the arrangements that will need to be put in place in the interests of the fishing industry, and that will be an important part of our considerations in future.

Kate Green (Stretford and Urmston) (Lab): Young people are very distressed and sad that we are leaving the European Union. Many of them did not vote for it and many did not even get a say in this decision, but they are the generation most greatly affected by it. What will the Prime Minister do to ensure that she listens to and engages with the next generation?

The Prime Minister: The hon. Lady makes an important point, because decisions we take now about how we leave the European Union, what our arrangements are in future and what we do here in the United Kingdom in things such as technical education and our industrial strategy are about the next generation. I want to ensure that we are ambitious for the whole of this country and ambitious to ensure a bright future for the next generation, and that is what this Government will be working for.

Richard Drax (South Dorset) (Con): May I thank my right hon. Friend for the resolute way in which she has pushed through the will of the British people? Does she agree that the logical conclusion to invoking article 50 will be regaining control of our destiny? That means that all the rules and regulations that govern our lives will be made in this place or in these islands, and not by unelected bureaucrats in Brussels?

The Prime Minister: My hon. Friend has put his finger on the issue that I believe led to many people voting to leave the European Union: they wanted to feel that decisions about their future were being taken here in the United Kingdom and not in Brussels.

Several hon. Members rose—

Mr Speaker: From among the ranks of the boisterous bunch of the Scottish National party, I think we should hear a voice of serenity and good conduct. I call Michelle Thomson.

Michelle Thomson (Edinburgh West) (Ind): Thank you, Mr Speaker. The Chair of the European Parliament’s Committee on Constitutional Affairs has spoken clearly in saying:

“We have also taken note of the fact that UK citizens voted differently in Scotland and Northern Ireland, and also in Gibraltar, making it clear that the majority of them would wish to remain in the Union. It is difficult to imagine that those differences could be ignored and discarded in the process of Brexit.”

How is it that our friends and partners in Europe are so clear about making our voices heard, yet the right hon. Lady completely ignores and discards them?

The Prime Minister: The Government are not completely ignoring and discarding voices. What we are doing is focusing on the best possible outcome for the whole of the United Kingdom. I look at that best possible outcome very simply in terms of: what ends do we want to achieve? We want that free trade agreement—we want that free trade arrangement. I understood that a comprehensive free trade agreement was actually what the Scottish Government wanted to see, and we will be working for it.

John Stevenson (Carlisle) (Con): The food and drinks manufacturing sector is the largest manufacturing sector in the UK; it is innovative, it is a significant exporter and it employs a lot of people up and down the country. It is also an area significantly affected by EU law, so during the forthcoming negotiations will the Prime Minister be sensitive to the needs of this important sector and ensure that it is able to compete on a level playing field?

The Prime Minister: I assure my hon. Friend that we are listening to the voices of various industrial and other sectors around the country to ensure that we take account of the particular concerns they have as we look ahead to leaving the European Union, because we want to ensure that we are able to build on the success we already have. He talks about innovation and success, and we want to be able to build on that for the future, so we will be taking those interests very firmly into account.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): The Prime Minister’s letter to President Tusk states:

“In security terms a failure to reach agreement would mean our cooperation in the fight against crime and terrorism would be weakened.”

Given that, will she clarify whether she is still threatening to walk away with no deal if she does not get the economic deal she wants?

The Prime Minister: I go on to make it very clear in the letter that not having arrangements—not having agreements on these issues—would not be in the interests of the UK and the European Union, and we should work to ensure that we secure a deal.

Kevin Foster (Torbay) (Con): I thank the Prime Minister for her statement. Will she confirm that during the Brexit negotiations she will pay close attention to the concerns of people in Gibraltar, that we will maintain the effective working of the border with Spain and their market access to the UK, and that these negotiations will not be used as a back door to questions about their sovereignty, given that Gibraltarians, unlike some separatist movements, want to respect the result of once-in-a-generation referendums?

The Prime Minister: I can give reassurance to my hon. Friend; we have set up a Joint Ministerial Council with the Government of Gibraltar to discuss the particular issues they have and to make sure that their concerns are taken into account as we enter these negotiations. We are committed to continuing to engage with Gibraltar as we leave the EU.

Several hon. Members rose—
Mr Speaker: The hon. Member for Na h-Eileanan an Iar (Mr MacNeil) is a jovial jackanapes, so I think we should put him out of his misery and hear from the feller.

Mr MacNeil: You already have—

Mr Speaker: We have already heard from the feller—I had forgotten. I do apologise. [HON. MEMBERS: "More!"] No, once is enough. I call Dr Rupa Huq.

Dr Rupa Huq (Ealing Central and Acton) (Lab): Even an ardent remainner like me recognises that we now have a golden opportunity to reshape immigration policy. The Prime Minister spoke in her statement of “a truly global Britain”, so will she apply that principle and, at the earliest opportunity in the next two years, remove international students from net migration targets? That would send out the message that we are a welcoming nation and stem the plummeting tide of EU applications to our universities.

The Prime Minister: Whether or not international students are included in the net migration target is not a message about our country and how we welcome people. We welcome students coming to this country—we are very clear about that—but in the statistics we abide by the international definition used by countries around the world. We want to ensure that the brightest and the best are indeed able to come to the United Kingdom and get the value of a UK education.

Jeremy Lefroy (Stafford) (Con): I welcome the seven principles in the Prime Minister’s letter, particularly the first, on constructive and respectful engagement, and the fifth, about the importance of the “UK’s unique relationship with the Republic of Ireland”, the Belfast agreement and the peace process. Does she agree that to achieve the best possible outcome for all our constituents, there should on both sides be the minimum of red lines and the maximum flexibility?

The Prime Minister: I absolutely agree with my hon. Friend. It is important that we are able to be flexible in the negotiations. The key thing is that in everything we do we put the British national interest first.

Patrick Grady (Glasgow North) (SNP): I do not know whether the Prime Minister is yet aware of reports about the draft European Parliament resolution that will be discussed this afternoon, but it includes the recognition that “a large number of United Kingdom citizens, including a majority in Northern Ireland and Scotland, voted to remain in the EU”. It does not mention Maidenhead, perhaps because the people of Maidenhead, unlike the people of Scotland, did not have an independence referendum in which they were told that voting to remain in the United Kingdom also meant voting to remain in the European Union.

The Prime Minister: The Scottish National party cannot have it all ways; it wanted to leave the United Kingdom, which would have meant leaving the European Union.

Rehman Chishti (Gillingham and Rainham) (Con): I very much welcome the way the Prime Minister has taken forward the will of the British people, including the majority of my constituents. On security and on fighting terrorism and extremism, in 2014 there were 20 Daesh-inspired or enabled terrorist acts around the world, and in 2015 there were 60 such events. The United Kingdom has always had intelligence-sharing arrangements with our partners around the world, wherever they might be. Does the Prime Minister agree that there is a moral obligation on every international partner, whenever they have information that could prevent a terrorist act, to provide it to their international partners? We are all in it together to fight the evil of terrorism.

The Prime Minister: My hon. Friend is absolutely right that we are working together to fight terrorism. Of course, many of the exchanges that take place on intelligence matters are not part of European Union structures.

Susan Elan Jones (Clwyd South) (Lab): Agriculture is devolved to the Welsh Government. Will the Prime Minister confirm whether any repatriated powers relating to agriculture will transfer to the Welsh Government?

The Prime Minister: There are powers that are devolved to the devolved Administrations on the basis that they are subject to decisions taken at European Union level. Once we leave the European Union, those decisions will of course come to the United Kingdom. We want an open discussion with all the devolved Administrations about what is right to ensure that we keep a single market operating in the United Kingdom. As I said in my letter to President Tusk and repeated in my statement, it is our expectation that we will see significantly increased decision-making powers moving to the devolved Administrations when we leave.

James Cartlidge (South Suffolk) (Con): Today, we are embarking on a journey that is undoubtedly motivated in part by a desire to control immigration, but is not the reality that as we sit here, the public services and economy in entire swathes of our country are dependent on very hard-working EU migrants just to function? Does the Prime Minister agree that in seeking to control immigration, many people in this country want to see it at significantly lower levels? Does she also agree that in practice that will not be possible until such time as we reform our welfare state and education system so that we can replace our reliance on foreign labour with more use of local talent?

The Prime Minister: My hon. Friend makes an important point. We do need to ensure that people here in the United Kingdom have the skills and incentives to be able to take up the jobs that are available so that businesses here do not find it so necessary to rely on bringing in labour from abroad. Of course we recognise the valuable contribution that EU citizens are making to our economy and our society, and we will want to ensure that we take the interests of businesses and others into account as we shape our future immigration rules.

Mark Durkan (Foyle) (SDLP): The Prime Minister’s letter refers to doing nothing to jeopardise the peace process, and to the need to uphold the Belfast agreement.
Does she recognise that the Belfast agreement exists in several strands, including strand two, which provides a framework for all-island co-operation and north-south joint implementation in key areas? It was presumed that all that was going to happen in the context of common membership of the EU, and using EU programmes. If that strand is not to be diminished and the agreement is not to be damaged, how are the Government going to do all that while at the same time saying that there can be no differential treatment for Northern Ireland, either inside the UK or by the EU? They cannot uphold strand two of the agreement and also put down that red line in respect of Northern Ireland’s prospects.

The Prime Minister: We are very conscious of the arrangements in the Belfast agreement and of the practical issues that will arise as a result of the UK leaving the European Union because of the land border with the Republic of Ireland. We are also very conscious of the work taking place across the border, between Northern Ireland and the Republic of Ireland, on a whole variety of areas. That is why we are working very closely with the Republic of Ireland Government to ensure that we are able to preserve the developments that have taken place and the progress that has been made in Northern Ireland. We recognise the importance of the Belfast agreement in the peace process and the future of Northern Ireland.

Tom Tugendhat (Tonbridge and Malling) (Con): It is a great honour indeed not to be the last Member on the Government Benches to be called, Mr Speaker.

Will my right hon. Friend the Prime Minister join me in thanking all those who have done so much to increase the prosperity and liberty of the European continent over the past 40 years? On this day, of all days, we should remember that the change we have seen on the continent is so great that the President of the European Union is a man born under tyranny who now leads an impressive Union, which we have chosen to leave. Like the great democrat he is, he has taken the sovereign will of the British people quietly and sensibly, and he is working with our Government to ensure that the Prime Minister can deliver exactly what the people voted for. Will my right hon. Friend join me in hoping that the tone of friendship she has demonstrated today in her statement and in her letter, and that President Tusk has demonstrated in his reception of it, will continue through both negotiating teams and all Ministers?

The Prime Minister: I absolutely agree. As we look at the negotiation, it is important that at every level and in every part of those negotiations we maintain a constructive and positive approach. That is the best way of getting the best possible agreement at the end.

Rachael Maskell (York Central) (Lab/Co-op): On 23 June, my constituents were not asked whether they wanted to leave the single market or the customs unions. If we do not reach a tariff-free trade agreement with the EU, does the Prime Minister agree that membership of the single market and the customs union is better than no deal or a bad deal?

The Prime Minister: Constituents were asked on 23 June whether they wanted us to remain a member of the European Union, with everything that membership entailed. The majority of people throughout the United Kingdom decided to vote to leave the European Union. That has a number of consequences. I have been clear that we want to negotiate a comprehensive free trade agreement that will provide for continuing free trade between the UK and the European Union, but it will be a different relationship in future.

Mark Pawsey (Rugby) (Con): I am sure there is no dishonour in being the last Member on the Government Benches to be called.

Last week, a new car factory opened in my constituency, with £300 million of investment to build a new hybrid London taxi. Will the Prime Minister ensure that her article 50 negotiations will enable the UK to continue to secure that kind of valuable and important inward investment?

The Prime Minister: My hon. Friend makes an important point. I am pleased to say that we have seen significant commitments to inward investment into the UK, not only in the automotive industry in recent months, but in things such as the SoftBank takeover of ARM Holdings. At the UK-Qatar business and investment conference yesterday, the Qataris committed to setting up a £5 billion fund for investment in infrastructure here in the UK. That is a real vote of confidence in the UK.

Ian Blackford (Ross, Skye and Lochaber) (SNP): When the Prime Minister talks about self-determination, may I say respectfully to her that what is good for the goose is good for the gander? Will she please respect that the people of Scotland voted to remain within Europe, and that our democratically elected Parliament has now also voted on that and is seeking a section 30 agreement from this Government so that the people of Scotland, on the basis that we are being dragged out of the European Union against our will, have our right to a say? To quote back to us the 2014 referendum is disrespectful, because we were told at that point that our place in Europe was secure. Prime Minister, do the right thing: allow the people of Scotland to have their say.

The Prime Minister: I assume that the hon. Gentleman voted to leave the United Kingdom in that referendum, and that would have been a vote to leave the European Union.

Louise Haigh (Sheffield, Heeley) (Lab): As well as benefiting from the free trade in goods and services, we also benefit from the free flow of data across borders. In the nightmare scenario that we Brexit without a data adequacy agreement in place, British businesses will be forced to renegotiate millions of contracts with the European Union. Is it the Prime Minister’s understanding, as it is mine, that we cannot begin those negotiations until we Brexit? Will she make sure that preparing for those negotiations is a key priority for the future of the British economy?

The Prime Minister: We absolutely recognise that the issue of data—the exchange of data and the security of data—needs to be addressed, because it underpins so much of what else happens. As the hon. Lady will probably know, new arrangements in the form of a data protection directive are being put in place inside the European Union. We will need to ensure that, when we
leaves, the arrangements are in place to continue to enable the necessary flow of data, and I would expect them to be part of the negotiations as we go forward.

Natalie McGarry (Glasgow East) (Ind): The European Commission has today confirmed that the negotiations will be complete by autumn 2018. As we have heard, the European Parliament Brexit resolution includes recognition that a majority of people in Scotland voted to remain in the EU. Yesterday, the democratic will of the Scottish people was expressed by a democratic vote in the democratically elected Scottish Parliament for the transfer of powers to hold a democratic and legal referendum, which is wholly compatible with the publicly expressed timetables of the Prime Minister, the European Union and the First Minister. Today, and in the past few months, we have seen major EU figures and institutions respect Scotland’s democratic voice. Will the Prime Minister tell us when she will do so, too?

The Prime Minister: I have been very clear on this, and I can only repeat what I have said before: now is not the time for a second independence referendum. It is important that we work together to ensure that we get the best possible deal for everybody across the United Kingdom, including the people of Scotland.

Daniel Zeichner (Cambridge) (Lab): The Prime Minister expresses confidence that a free trade agreement with the European Union will be secured, but she will know that any trade agreement requires a mechanism to resolve disputes. She does not like the European Court of Justice, so what does she want to put in its place, how many of those agencies we will need to have up and running in the next 18 months, how much will they cost and whether we have the capacity to staff them?

The Prime Minister: The hon. Gentleman is wrong in the premise of his question. He says that the Government are going for the hardest of hard Brexits; we are not. I have been very clear in my letter to President Tusk, that we are looking for a comprehensive free trade agreement with the European Union. We can achieve that and that is what we will be working for.

Steven Paterson (Stirling) (SNP): When will Scotland receive the enhanced powers, including over immigration, that were promised during the EU referendum by the then Secretary of State for Justice?

The Prime Minister: On the powers that are being repatriated from Brussels to the United Kingdom, we have been very clear that we will be entering discussions with the devolved Administrations about how those powers should best be dealt with—whether they should remain within the UK framework or be further devolved. I am clear that significant decision-making powers will be coming down to the devolved Administrations.

Sammy Wilson (East Antrim) (DUP): I wish the Prime Minister well in these negotiations. She carries a heavy burden on her shoulders, because, of course, she carries the hopes of millions of people across the United Kingdom who look forward to the bright future outside the EU, free from the dictates of how our laws come and how our money is spent. May I also welcome the fact that her Ministers have spent so much time on dealing with the issue of the border between Northern Ireland and the Irish Republic? Sadly, we may not have a working Northern Ireland Assembly in place during those negotiations. Will she specifically tell us how the interests of Northern Ireland will be represented during the ongoing negotiations?

The Prime Minister: First, I hope that we can work to ensure that we do have a Northern Ireland Assembly and a Northern Ireland Executive in place, so that we are able to have that interlocutor in Northern Ireland as we go forward and as we take the views of Northern Ireland forward in the negotiations. It is in all our interests to work for that devolved Government not just for that reason, but because it is the right outcome and the right decision for Northern Ireland. In the absence of such a Government, we will continue to talk to the political parties within Northern Ireland and to take wider views, as we are doing, across the whole of the United Kingdom from businesses and others about their concerns for their interests within Northern Ireland and other parts of the United Kingdom.

Brendan O’Hara (Argyll and Bute) (SNP): For weeks, the Prime Minister made it abundantly clear that she did not want the Scottish Parliament to vote in favour of having a referendum on independence. No one could have been left in any doubt as to what her position was on that matter, but given that the Scottish Parliament last night voted by a clear and unambiguous majority in
favour of having a referendum on independence, my question is this: regardless of her personal preference, and recognising her commitment for constructive and respectful dialogue, will she now respect that democratic decision?

The Prime Minister: The hon. Gentleman is absolutely right: the Scottish Parliament was very clear when it came to consider that issue. As I understand it, there was a majority in favour of section 30, but I was very clear that now is not the time for a second independence referendum, or to be talking about that. Now is the time for the United Kingdom to come together and to focus on the historic decision that we have taken and the negotiations that we now have to ensure the right deal for the whole of the United Kingdom, including the people of Scotland.

Neil Gray (Airdrie and Shotts) (SNP): The Prime Minister said in July, at the same time as promising a UK-wide agreement, that she wanted to make this country work for everyone. This week we see cuts to disability support in the form of personal independence payments and employment and support allowance. Will she explain how Brexit Britain will be any different in delivering the socially just society that she keeps on promising?

The Prime Minister: In my plan for Britain, I have set out our plans for a fairer society. I have also looked ahead to the various things that we will put in place to ensure that we have a society in this country where people are able to succeed on merit and not on privilege, where we have a stronger economy, and where people play by the same rules. The hon. Gentleman mentioned issues relating to welfare, but powers relating to welfare have been given to the Scottish Government in certain areas, and I understand that they are yet to use them.

Carol Monaghan (Glasgow North West) (SNP): This morning I witnessed a construction worker telling some eastern European workers, “You lot can go home now.” Without guarantees for our EU national friends, colleagues and family, this xenophobic behaviour and rhetoric will only increase. Does the Prime Minister agree that now is the time to show leadership in granting unilaterally the rights of our EU national friends?

The Prime Minister: None of us wants to see xenophobic behaviour from people here in the United Kingdom. We have welcomed EU citizens, they have worked alongside us and lived alongside us, and they contribute to our economy and our society. Looking ahead, I want to ensure that we get a reciprocal agreement for EU citizens living here and for UK citizens—[Interruption.] The hon. Lady shakes her head. This is the Parliament of the United Kingdom. We have a duty to have a care for UK citizens.

Calum Kerr (Berwickshire, Roxburgh and Selkirk) (SNP): The Prime Minister’s commitment to get the best possible deal for the UK offers little reassurance to those in rural Scotland, because their experience, from the allocation of convergence farm payments to Scottish fishing being expendable, shows where they are in the Conservative Government’s priority list. We understand the need for UK frameworks, but will she offer those in rural Scotland reassurance today by confirming that powers over Scottish agriculture and Scottish fishing will go to the Scottish Parliament and that Scottish officials will represent Scottish interests in negotiations?

The Prime Minister: I have been very clear about the process that we will be undertaking for the repatriation of powers. We want to ensure that we have a continuing single market within the United Kingdom. The hon. Gentleman speaks up for Scottish fishing and, of course, a number of my hon. Friends have spoken up for the fishing industry in other parts of the United Kingdom. I can assure the hon. Gentleman that agriculture and fishing will be taken into account, as we recognise their importance for the whole of the United Kingdom.

Patricia Gibson (North Ayrshire and Arran) (SNP): Given that the Prime Minister earlier compared the nation of Scotland to the constituency of Maidenhead, I am not clear that she fully understands that the UK is composed of four nations and not one. Will she outline exactly what practical concessions the UK Government have made to the devolved Governments’ concerns as part of the UK-wide approach to article 50? Or is it a case of “Lemmings Unite” as we leap off the Brexit cliff together?

The Prime Minister: There is a very simple point, which is that across the United Kingdom people voted in the referendum in different ways. But the majority of the UK electorate voted to leave the European Union, and the Government are respecting that vote. We will continue to work with the devolved Administrations and have taken them into account. There are many areas in which we have common ground with the Scottish Government, such as in wanting comprehensive access to the European single market, wanting to protect workers’ rights and wanting to recognise the importance of science and innovation. We have common ground with the Scottish Government on all those points; it is just unfortunate that they do not seem to recognise where we have common ground with them and that they are not willing to acknowledge that.

Ronnie Cowan (Inverclyde) (SNP): Today’s statement was full of clichés, platitudes and jingoism, but no answers. When will the Government of Scotland, democratically elected to represent the nation of Scotland—a nation that voted to remain in the EU—be given the opportunity to contribute by supplying the facts and the figures that are so lacking? We have had one vacuous vow; we do not need another one.

The Prime Minister: The hon. Gentleman talks about representation from Scotland. Of course, he and his colleagues represent Scottish constituencies in the United Kingdom Parliament; he is a constituent part of that Parliament and will be part of the discussions as we go forward.

Callum McCaig (Aberdeen South) (SNP): In an act of self-determination, the Scottish Parliament voted yesterday to hold an independence referendum. The Prime Minister has repeatedly said that now is not the time, which is interesting as nobody is planning to hold a referendum now, only at the conclusion of the negotiations that commence today. To paraphrase Ruth Davidson, what part of “now” does the Prime Minister not understand?
The Prime Minister: I have answered questions on this throughout this afternoon, and my position has not changed.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): While the Prime Minister was delivering her Battenberg address earlier, she indicated that she would continue to ignore Scotland. Is she aware of the comments of Tory MSP Annie Wells, who says that she does not respect the sovereignty of the Scottish Parliament, and will the Prime Minister distance herself from those remarks?

The Prime Minister: I did not say that I was going to ignore the views of Scotland. In fact, we make it very clear in the letter that was sent to President Tusk that the views of all the constituent parts of the United Kingdom will be taken into account in our negotiations.

Chris Stephens (Glasgow South West) (SNP): As the Prime Minister has had difficulty with constitutional issues, let me ask about another issue dear to conservatism: workers’ rights. Will the Prime Minister pledge that employment rights for women that derive from EU legislation and ECJ rulings on equal pay, pregnancy and maternity and protection against discrimination will be retained and, if so, will she outline the processes to maintain those protections?

The Prime Minister: I set out the objectives of our negotiations in the speech I gave at Lancaster House in January, and the protection of workers’ rights was one element in that speech. In the further statements that I have made, today and at other times, I have been very clear that this Government want to protect workers’ rights and to enhance them.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): Ploughing on regardless, does the Prime Minister feel that she can simply ride roughshod over the will of the Scottish people on the EU and now the mandate of the Scottish Government? Is the Prime Minister in denial, or is this a deliberate policy of disrespect?

The Prime Minister: There is no question of riding roughshod over the votes of anybody in the United Kingdom. The United Kingdom held a referendum. This Parliament agreed that the decision to leave the European Union or not should be given to the British people across the whole of the United Kingdom, and they chose to vote to leave the European Union. The Government are now respecting the result of that referendum.

Alan Brown (Kilmarnock and Loudoun) (SNP): Despite her having a majority in this House, there are a few facts that the Prime Minister needs to remember about the 2015 general election. First, the Tories only got 36% of the vote in the UK. They got less than 15% of the vote in Scotland and only one MP—their worst performance since 1865. In last year’s Scottish Parliament election, the Ruth Davidson party was still only third in the constituency votes. By contrast, the SNP Government were re-elected with the biggest vote share of any Government in western Europe, and in their manifesto was a pledge to hold a referendum if Scotland was dragged out of Europe against its will. The Prime Minister says that she has answered this question but why, then, with absolutely no mandate in Scotland whatsoever, does she think that she can continue to stand at the Dispatch Box and try to take control of the timing of the referendum?

The Prime Minister: This is the United Kingdom Parliament and as Prime Minister of the United Kingdom I have said, and I continue to say, that I think that now is not the time for a second independence referendum. Indeed, now is not the time to be focusing on a second independence referendum. At this time, we should be focusing on working to ensure that we get the best deal for the whole of the United Kingdom as we leave the EU.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): In both her statement and her letter to President Tusk, the Prime Minister speaks of the expectation that the devolved Governments’ powers will be increased. I am sure that she will want to honour the promises made to win the referendum, so will she confirm that the powers devolved to Scotland will include immigration, as promised by the then Justice Secretary during the campaign? Or is now not the time?

The Prime Minister: The hon. Gentleman will be aware that the issue of immigration was considered by the Smith commission but was not determined by the commission as one of the issues that should be delegated. I repeat what I said in the letter and what I have said again today: I think that as a result of the repatriation down the line?

Marion Fellows (Motherwell and Wishaw) (SNP): The stated position of the UK Government was that “the UK is a family of nations, a partnership of equals”. Why then, are the UK Prime Minister and her Secretary of State for Scotland so disrespectful of the people and Parliament of Scotland, and why are they running so scared of a Scottish referendum 18 months to two years down the line?

The Prime Minister: There is no disrespect for anybody. What there is is respect for putting into place the vote that was taken by the people of the United Kingdom on 23 June last year.

Tommy Sheppard (Edinburgh East) (SNP): Last year, the Prime Minister gave her word that she would seek an agreed United Kingdom approach to Brexit with the devolved Administrations. In order to assist us in making a judgment about what her word is worth, can she give the House a single example of a suggestion or request made by the Scottish Government that she has taken on board—a single one; any one?

The Prime Minister: I have already set out that there are many areas of issues that the Scottish Government have raised in their paper on which we agree, as will become clear when we respond to that paper.

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP) rose—
Mr Speaker: Patience rewarded—Stuart C. McDonald.

Stuart C. McDonald: Thank you, Mr Speaker. I wonder, how would the Prime Minister have responded if Donald Tusk had simply said, “Now is not the time”?

The Prime Minister: The hon. Gentleman, with his background, will know that the treaty on European Union enables the member state to trigger article 50 in the way in which we have done. It is then for the European Union to respond to that by setting out the basis of two years of negotiations.

Mr Speaker: May I thank all 113 Back-Bench Members who questioned the Prime Minister? May I also thank the Prime Minister, who has been with us for the past three hours and 21 minutes, and attending to this statement for the past two hours and 46 minutes? In the name of courtesy, we ought to say a big thank you to her.

3.21 pm

Tom Brake (Carshalton and Wallington) (LD): On a point of order, Mr Speaker. The Liberal Democrats believe that Brexit will cause untold damage to the UK’s economy and influence in the world, but the Government have triggered article 50, so we will do all in our power to ensure that it is a success. But Mr Speaker, if it is not a success, what guidance can you give me on how those responsible for any such damage—the Prime Minister, and the Secretaries of State for Foreign and Commonwealth Affairs, for International Trade, for International Development and for Exiting the European Union—will truly be held to account in this House for their actions and their failure? The blame should not simply be shifted to the remainers, the European Union or anyone else they choose to blame.

Mr Speaker: I do not wish to be unkind to the right hon. Gentleman, who has served as Deputy Leader of the House, no less, but I simply say two things. First, I am, on the whole, wary of entertaining hypotheticals and, at the moment, the right hon. Gentleman, perfectly legitimately, is using the ruse of a point of order to raise a hypothetical. The second point is that, as the right hon. Gentleman knows, all Members of this House have not only a right but, frankly, a responsibility, on whichever side of the House they sit, to hold the Executive to account. That is a primary function of a Member of Parliament. All I can say is that however the situation evolves, the right hon. Gentleman can rest content that those who seek to hold the Executive to account will always have a friend in the Chair.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): On a point of order, Mr Speaker. You and I, and several other Members of this House, have taken more than a passing interest in one of the largest infrastructure projects in Europe: HS2. It has been brought to my attention on the wires this afternoon—[Interruption.] The Press Association is, I believe, known as “the wires”, for those who have been around as long as I have. It has been brought to my attention that the engineering firm that was handed a £170 million deal last month to develop phase 2b of HS2 has announced that it is pulling out of that section of the project amid alleged conflicts of interest. CH2M is also the firm that has been awarded a £350 million deal to develop phase 1 of the line from London to Birmingham.

The comments that came from the CH2M spokesman—allegedly, on the wires—say:

“The protracted delays and ongoing speculation risk further delays to this critical national infrastructure, thereby increasing costs to UK taxpayers, as well as to the firm.”

The spokesman goes on to say that the company is “fully committed to…delivering phase 1 on time and within budget”,

but this is a pretty amazing announcement from one of the main contractors on HS2.

Mr Speaker, I wondered if you had had any indication at all from the Department for Transport that a Minister intends to come to the House to explain this extraordinary state of affairs. After all, this now raises questions over the large amounts of taxpayers’ money that are being...
sunk into the project. This House needs to be the first to know, and not by reading it on the Press Association wires.

**Mr Speaker:** I am very grateful to the right hon. Lady for her point of order, to which I respond as follows. First, and very much in the margins of what she had to say, there seemed to be some furrowed brows and moderately noisy reactions to her reference to what she heard “on the wires.” It seemed to be a fairly unexceptionable observation made by the right hon. Lady. She will recall that the Father of the House in the last Parliament, the great Sir Peter Tapsell, was wont to recount to the House what he had heard on, as he put it, “the wireless” that morning, by comparison with which the right hon. Lady’s statement is positively modern.

Secondly, the matter was news to me of only a few moments ago when the right hon. Lady mentioned it to me at the Chair. It is certainly a significant development involving a large-scale contractor and very significant sums of public money. No, I have received no indication from a Minister of any intention to make a statement on the matter. That may be because there is no such intention, or it may be the courtesy of Ministers not wanting to approach me when I am attending to my duties in the Chair. I fear that that is probably the triumph of optimism over reality, but it is possible that it might explain the situation. All I would say is that, if memory serves me correctly, we have questions to the Secretary of State for Transport tomorrow. If the record is anything by which to judge—and I suspect it is—the right hon. Lady will be in her place, and there will almost certainly be an opportunity to raise this matter with the Secretary of State. I look forward to that exchange with eager anticipation as, I am sure, does the House.

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**Employment and Support Allowance**

Application for emergency debate (Standing Order No. 24)

**Mr Speaker:** I now call Neil Gray to make an application for leave to propose a debate on a specific and important matter that should have urgent consideration under the terms of Standing Order No. 24. The hon. Gentleman has up to three minutes in which to make such an application.

3.28 pm

**Neil Gray** (Airdrie and Shotts) (SNP): I seek leave to propose that the House should debate a specific and important matter that should have urgent consideration, namely mitigating support for the employment and support allowance work-related activity group. There is an urgent need for the House to discuss the cuts to be applied to the ESA WRAG.

We have known about this cut for some time; indeed, I have raised the issue in collaboration with others on a cross-party basis on a number of occasions. The cut is unanimously opposed by disability charities and disabled people’s organisations, but it comes into force next week, and the House has not been given the information we were promised about what the Government will do to ensure that ESA recipients—new and existing—are not financially penalised.

I will use the couple of minutes I have to appeal to the House for a fuller debate, but also to appeal to the Government. Next week, a cut of one third to the income of ESA WRAG participants will begin, taking their income from £100 a week down to £73 a week. That means that many sick and disabled people found unfit for work will be £30 a week worse off—money desperately needed to pay bills, stay healthy and undertake work-related activity, such as volunteering or attending courses.

A large proportion of those currently in the ESA WRAG are struggling to make ends meet on what they receive now, with that “extra” £30 a week. We have no idea what the impact on them will be when ESA for the WRAG is cut back. These are people with disabilities or mental health conditions. They want to work, but are currently unable to. Pushing them further towards, or deeper into, poverty will hinder, not help, any move towards employment. They face the double indignity of wanting to work but being unable to find a job, and then being told that the level of financial support they are struggling to live on is a disincentive to work. That should shame us.

In November, MPs from eight political parties, plus independents, helped to unanimously carry a motion I brought to the House calling for the UK Government to pause these cuts. We were promised by the Minister that mitigations would be in place before next week, but there has been no oral statement, no written statement and no announcement—just vague commitments to social tariffs and hardship funds. That is no way to treat people desperate for this support. I have been asking questions—I did so on Monday—and I do not take the lack of a proper response personally, as the expert charities have been seeking the same information, only to receive the same vague responses.
I know that time is tight this week of all weeks. I understand that, but time is not on the side of people who desperately need this support. That is why I make this request of you, Mr Speaker, and why I am grateful to have had some time to appeal to the Government. It is not too late for them to publish details of the support they have secured, which they promised will make up for the cut of £30 per week. This is the last chance we have to discuss this issue, which has united Members across political divides, before it is too late and before nothing can be done. I hope Ministers hear this and act.

Mr Speaker: The hon. Gentleman asks leave to propose a debate on a specific and important matter that should have urgent consideration, namely mitigating support for the employment and support allowance work-related activity group.

I have listened carefully to the application from the hon. Gentleman, but I am afraid I am not persuaded that this matter is proper to be discussed under Standing Order No. 24. As the hon. Gentleman, and doubtless colleagues, will be aware, the Standing Order does not permit me to give my reasons to the House. That said, and although, certainly, today was the last opportunity for the hon. Gentleman to seek such a debate before we depart for the recess, there may well be an opportunity for this matter to be debated in another way upon our return, and I am sure that the hon. Gentleman will eagerly seize any such opportunity.

Public Authority (Accountability)

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

3.32 pm

Andy Burnham (Leigh) (Lab): I beg to move,

That leave be given to bring in a Bill to set a requirement on public institutions, public servants and officials and on those carrying out functions on their behalf to act in the public interest and with candour and frankness; to define the public law duty on them to assist courts, official inquiries and investigations; to enable victims to enforce such duties; to create offences for the breach of certain duties; to provide funding for victims and their relatives in certain proceedings before the courts and at official inquiries and investigations; and for connected purposes.

Next month marks the 28th anniversary of the Hillsborough disaster and the first anniversary of the historic verdict of the second inquest. Whatever the sense of relief felt a year ago, it will never wipe away the pain of the 27 wilderness years between those two events and the incalculable toll on thousands of lives. We await accountability for that.

All those years, the evidence sat in official files, but our political, legal and coronial systems did not uncover it. Nor did the media. Worse, they actively colluded in a cover-up advanced in the Committee Rooms of this House. I said it then, and I say it again today: Hillsborough must be a watershed moment in this country—a point in history when the scales of justice are tipped firmly in favour of ordinary families fighting for loved ones.

That is what the Public Authority (Accountability) Bill, or Hillsborough law, seeks to achieve. It is a powerful Bill proposed and supported by all the Hillsborough families, and by the Hillsborough Family Support Group and the Hillsborough Justice Campaign. It has been developed with the help of their lawyers, and I pay particular tribute to Pete Weatherby, QC. As an aside, it happens to be the last Bill that will be prepared by Mr Glenn McKee from the Public Bill Office, who, after 34 years here, retires tomorrow. I am sure that colleagues on both sides of the House will join me in paying tribute to an exceptional servant to this House and to our democracy.

The Bill has formidable backing from other justice campaigns, including Inquest, from many in the legal profession, and from hon. Members on both sides of the House. Its aim is simple: to protect other families from going through what the Hillsborough families went through and from a similar miscarriage of justice. It empowers victims to secure disclosure of crucial information and prevent public authorities from lying to them or hiding the truth by making that an imprisonable offence. It empowers decent police officers and public servants to stand up to seniors trying to make them stick to a misleading corporate line, and it makes it an offence for such a line to be peddled to the media. Crucially, it creates a level legal playing field at inquests for bereaved families so that finally inquests become what they should always be—a vehicle to get to the truth.

After last year’s verdict the chair of the Hillsborough Family Support Group, Margaret Aspinall, came here to speak of her experience in the early 1990s. I do not think that anyone who was at that meeting will ever forget her talking of her pain when she was sent an
official letter with a cheque for £1,226.35, which was supposed to represent compensation for James's life. She spoke of how she was forced to cash it against her will because she could not find the money to pay her £3,000 share of the families' legal costs. She said:

"Making a mother, like myself, accept a pitance in order to fight a cause. The guilt of this has lived with me for the past 28 years."

It would at least be something if we could say that would not happen today, but sadly we cannot. Since the Hillsborough verdict, the families of those who died in the 1974 Birmingham pub bombings have, quite wrongly and unbelievably, been made to beg for legal aid. There are thousands of other hidden individual cases in which bereaved families are denied legal representation while the public bodies they are up against in court spend public money like water, hiring the best QCs in the land. As cuts to legal aid bite, the problem just gets worse.

Zane Gbangbola was a boy of seven who died following a flood in his home in Surrey that occurred as part of the national floods in 2014. His parents, Kye and Nicole, strongly believe that the problem was caused by contaminated landfill. Scientists from Porton Down were called on site. The case was even discussed at Cobra. Despite that, the family were denied legal aid. They arrived at Zane's inquest to find themselves up against a phalanx of top QCs and left feeling as though they had been put on trial. They are still fighting for answers today as to what happened to their child.

Then consider the experience of Des James, who courageously fought for years for a new inquest into the death of his daughter Cheryl at the Deepcut barracks in Surrey. When the case was finally re-heard, Mr James found himself accused by the QC acting for Surrey police of distracting the force from the Milly Dowler investigation—an accusation with no foundation.

"My wife and I were made to feel as though we were on trial and we felt as though our family was undermined at every opportunity".

Mr James said after the verdict.

The brutal and uncomfortable truth is this: bereaved families are not just denied legal funding; they have their character questioned and denigrated by lawyers for public bodies. They are thrown into courtrooms, raw with grief, pitched into an adversarial battle and effectively for public bodies they are up against in court spend public money like water, hiring the best QCs in the land. As cuts to legal aid bite, the problem just gets worse.

The Hillsborough Family Support Group has asked me to say this to the House today: for the good of the nation, there should be a level playing field at inquests. The grief, pain and heartache is enough for families to deal with; they should not have to deal with money worries, nor beg for public funds to get to the truth. Its powerful call for equality of arms has authoritative support, including from the former chief coroner, Peter Thornton, QC.

I disagree with those who say that the Bill would add costs. The practical effect of clause 4 would be to create a new incentive on public bodies to limit their own legal expenditure. By making them come clean at the outset, the Bill would cut the length of inquests and inquiries and thereby make considerable savings. It would promote good public administration and public confidence in the police. Most importantly, it would rebalance our legal system in favour of ordinary people. Until that happens, the true lesson of Hillsborough will not have been learned. What has disappointed me most in the last year is to see how things have reverted to business as usual. For the establishment, it seems as though Hillsborough was the one that got away, rather than the catalyst for change that it should have been. I say that with sadness, because I truly hoped that it would be the latter, but developments over the last year suggest otherwise.

Alongside the shoddy treatment of the Birmingham families, we had the refusal of an inquiry into Orgreave on the basis that nobody died. If that is now the Home Secretary's benchmark for whether wrongdoing can be investigated, God help us all. Nobody died at Orgreave, it is true, but innocent people were wrongly and maliciously prosecuted, and the country should know how that came to be. Nobody died during the building workers' dispute of the early '70s, either, but it does not mean we should not be told the truth about the politically motivated Shrewsbury show trial, which I believe was a serious miscarriage of justice.

Then there is the treatment of victims of contaminated blood, which is arguably the gravest injustice of all. They have been led up to the top of the hill, only to be let down once again. As with Hillsborough, there is clear evidence of serious wrongdoing if only people care to look for it. I have seen evidence that people's medical records were altered without their consent and false entries included. That is potentially a criminal matter. Next month, Mr Speaker, I hope to persuade you to allow me to use the Adjournment to present a dossier of such evidence. Just as amended police statements reopened Hillsborough, so I believe evidence of amended medical records must reopen the contaminated blood scandal. The fact that the victims remain in the darkest of wildernesses tells me that Hillsborough has not changed our country—yet. But I remain hopeful that it will.

If the Bill became law, it would be the right way for the House to make reparation and create a permanent legislative legacy for the 96 people who died on 15 April 1989. Last year, the Prime Minister asked the right reverend Bishop James Jones to conduct a review of the experience of the Hillsborough families. On behalf of the whole House, I thank the bishop again for his incredible service to those families and everyone affected by the tragedy, and respectfully ask him to consider adopting this Bill as part of his recommendations.

We like to talk of this country as a paragon of democracy and the rule of law, but I ask every Member of this House to think of the constituents they have met at their surgeries who have spent years fighting for justice, picture the lines on their faces and the black shadows beneath their eyes, and ask, "Is this country fair to people who, through no fault of their own, find themselves fighting for loved ones?" We all know the answer: no. The fight is too hard, it takes too great a toll and it grinds people down. This is not a country of justice, as we like to claim.
There is a possibility that I may not be around in the House long enough to see this Bill become law, but I have enough faith in the decency and humanity of colleagues from all parts of the House to be confident that one day it will. I commend the Bill to the House.

Question put and agreed to.

Ordered,

That Andy Burnham, Steve Rotheram, Maria Eagle, Derek Twigg, Alison McGovern, Bill Esterson, Sir Peter Bottomley, Tim Farron, Jess Phillips, Mark Durkan, Chris Stephens and Caroline Lucas present the Bill.

Andy Burnham accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 12 May, and to be printed (Bill 163).

**Personal Independence Payment: Regulations**

*Emergency debate (Standing Order No. 24)*

3.44 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): I beg to move, That this House has considered changes to Personal Independence Payment Regulations.

Thank you, Mr Speaker, for granting this vital debate on the new personal independence payment regulations. Although I welcome the opportunity to debate this issue, it is highly regrettable that the Government have had to be dragged to the House to be held to account for this nasty piece of secondary legislation.

As the House will know, the Government have ignored two urgent questions on this matter, an early-day motion signed by 179 Members calling for these punitive regulations to be annulled, and a 38 Degrees petition, signed by more than 185,000 people, asking them not to make the changes. When pushed at business questions on Thursday, the Leader of the House said there would be a debate, but could not say when. Only late last night did it become clear that the debate has now been hastily scheduled for 19 April. What particular kind of arrogance or disregard for democracy are the Government revealing? This does not bode well for their accountability to this place in the future negotiations.

For the record, we should note that today’s debate does not allow for a substantive vote on the regulations. As the Government have failed to allow a debate before the EDM praying-against period comes to an end on 3 April, the regulations will not be automatically revoked, should the House vote against them on 19 April. I would be grateful to the Minister for Disabled People, Health and Work if she explained why, given that we have risen early twice this week, the Government have been incapable of finding time for such a debate before the Easter recess. The Government are hoping that because they have delayed the debate, the objection to the regulations will be kicked into the long grass, but it will not be.

Toby Perkins (Chesterfield) (Lab): On behalf of many of my constituents, I thank my hon. Friend for securing this debate. Does she agree that the very least we owe to people who find themselves, through no fault of their own, in the most difficult of circumstances is to tell them whether we have voted for decisions made in Parliament that are having an appalling impact on their incomes?

Debbie Abrahams: My hon. Friend makes an excellent point. That is what we have been trying to do since the emergency regulations were laid before Parliament.

Let us remind ourselves how the emergency regulations were introduced and what they have changed. The regulations, which were laid before the House on 23 February and came into force two weeks ago, amended the legislation under which disabled people or people with a chronic condition are assessed for eligibility for personal independence payments. The new regulations followed two upper tribunal rulings. The first judgment on 28 November 2016 held that needing support to take medication and monitor a health condition should be
scored in the same way as needing support to manage therapy, such as dialysis, undertaken at home. The second, also on 28 November, ruled that people who find it difficult to leave their house because of severe psychological distress should receive the enhanced rate of support under the mobility component of PIP.

In a letter to me last week, the Secretary of State for Work and Pensions said that he became aware of the rulings on 8 December. Two and a half months later, the Government laid their emergency legislation before Parliament. I am sure that the irony of something taking two and a half months in an “emergency” has not been lost on you, Mr Speaker. During those two and a half months, not only were the Government unable to bring the regulations before the House, but they also bypassed their own Social Security Advisory Committee. They have ignored SSAC’s recommendations on wider engagement, testing or piloting changes, and the analysis of impacts.

Mr Ranil Jayawardena (North East Hampshire) (Con): I note what the hon. Lady says about legal cases, but is not the point that those legal cases broadened the provisions, and that the regulations will simply restore the policy to what it has been and should be, which is one of targeting support at those who need it most?

Debbie Abrahams: I will come on to that in a moment, because I think Members have unfortunately been hoodwinked, and I will absolutely expose what the Government have said.

This move undermines and subverts not just our democracy, but independent tribunal judgments. It is unprecedented, and we should be concerned about future actions that the Government may take in relation to court cases that they lose. It is also highly unusual for such a fundamental change to be introduced by a statutory instrument under the negative procedure, bypassing debate and scrutiny in this House.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): It is clear to me, from the huge number of cases that I have dealt with, that the entire PIP system is fundamentally flawed. It results in the most appalling decisions and causes distress to thousands of disabled people and their families. Does my hon. Friend agree that there should be an independent review of how PIP assessments are carried out, given the obvious failings in the system?

Debbie Abrahams: My hon. Friend is absolutely right. There are long-term issues with the PIP assessment process as a whole. I will address that later. It is interesting that the Government let out yesterday that they will make an announcement, following a recent review, tomorrow, just as we rise for recess.

On Monday, the other place debated and passed a regret motion tabled by my noble Friend Baroness Sherlock, asking the Government to reconsider the regulations urgently, but the elected House of Commons has been denied that opportunity during the vital praying-against period. As I have said, that is very worrying behaviour by the Government.

The Minister for Disabled People, Health and Work claims that the changes restore PIP to its original policy intentions, but that does not hold water. During the PIP consultation in 2012, Ministers were quoted on numerous occasions saying that mental health conditions would be given parity with physical health conditions as part of the PIP assessment. For example, Esther McVey said that the PIP

“assessment is being designed to consider...physical, sensory, mental, intellectual and cognitive impairments.”—[Official Report, 26 November 2012; Vol. 554, c. 147W]

Mrs Madeleine Moon (Bridgend) (Lab): The Samaritans produced a report earlier this year that points to a significant association between socioeconomic disadvantage and suicidal behaviour. The report cites Gunnell and Chang, who wrote:

“Those who are already vulnerable, such as individuals who are supported by social welfare or who have preexisting mental health problems are at greatest risk.”

Is not it shocking that the Government have not looked at the risk of suicide among those who will be denied financial support for their mental health needs?

Debbie Abrahams: I totally agree with my hon. Friend. My hon. Friend the Member for Bishop Auckland (Helen Goodman) has given a very moving account of how one of her constituents was affected and, unfortunately, took their own life last week.

Helen Goodman (Bishop Auckland) (Lab): Does my hon. Friend agree that the Government seem to be in a place where the NHS is catching up with the need to treat mental health conditions properly, but other public services, whether they be the Department for Work and Pensions or the Prison Service, are simply stuck in the past, and that this must change?

Debbie Abrahams: My hon. Friend is absolutely right. The situation makes an absolute mockery of the claim that there is parity of esteem. She rightly mentions what the NHS is trying to do, but sadly there are still issues with treatment for mental health conditions.

Mr Jayawardena rose—

Debbie Abrahams: I will make some progress, and then I will come back to the hon. Gentleman.

The Government’s response to the PIP consultation reiterated that psychological distress would be included in the PIP assessment, as did the Government’s argument in the 2015 upper tribunal case of HL v. the Secretary of State for Work and Pensions. Ministers have also said that people with mental health disorders who suffer psychological distress would not lose out on PIP. However, the new guidelines for PIP assessors, issued on 16 March, state:

“Descriptors c, d and f under new mobility activity 1 are amended”,

and the

“effects of psychological distress are not relevant”.

The assessment cannot take into account the psychological distress that someone experiences. They cannot score the 12 points needed to get the enhanced PIP mobility rate, so instead of £57 a week, they will be able to get only £22 a week.
Stephen Kinnock (Aberavon) (Lab): In recent months, I have had 44 PIP cases in my constituency, with dozens going to appeal. Eighty have already gone to appeal, and in every single one of those cases, the decision has been overturned. Does my hon. Friend agree that that is a massive and inexcusable waste of time, money and resources?

Debbie Abrahams: Absolutely. It is very important to note the association between ill health and disability in former industrial areas, and as my hon. Friend rightly says, the impact of assessments that cannot be done right first time. Why is that? Why have the Government not been able to get assessments right first time?

Andrew Stephenson (Pendle) (Con): Will the hon. Lady give way?

Debbie Abrahams: If the hon. Gentleman will give me just two minutes, I will make a little bit more progress and come back to him.

Someone who experiences psychological distress because of a mental health condition can score a maximum of 10 points under “planning and following a journey”, unless they also have a cognitive, sensory or physical impairment. That falls short of the 12 points needed to qualify for the higher rate of the mobility component. In the 2016 case of MH v. the Secretary of State for Work and Pensions, the upper tribunal ruled that psychological distress by itself cannot satisfy descriptors under activity two unless the psychological distress causes a change in someone’s physical condition. It is therefore the regulations, not the tribunal rulings, that undermine the intention of the primary legislation by restricting the number of people whose mobility is severely limited by their mental health condition who are able to qualify for the enhanced mobility rate of PIP.

Andrew Stephenson: I thank the hon. Lady for giving way. It is very important that we get the regulations right, but does the shadow Minister accept that more people with mental health conditions qualify for support under PIP than under the old disability living allowance regulations?

Debbie Abrahams: No, I certainly do not agree with that at all. I will come on to that in a bit more detail, because we must dispel the fallacies that the Government have come out with in the past few weeks.

Mr Kevan Jones (North Durham) (Lab): Will my hon. Friend give way?

Mr Speaker: Order. Before the hon. Gentleman intervenes, I point out that there are 10 other Members who wish to make speeches in the debate, including the Minister who will wind up. The hon. Member for Oldham East and Saddleworth (Debbie Abrahams) is being very generous, not only with her own time, but with time that would otherwise be available to others. I know she will want to tailor her contribution accordingly.

Mr Jones: I advise my hon. Friend not to put much credence in planted Whips’ questions from Tory Back Benchers. Another element of concern relates to people whose mental health condition worsens when they have a failed assessment. In some cases, they end up going into hospital, which is another cost for the NHS.

Debbie Abrahams: I could not agree more with my hon. Friend. That is such a relevant point, which, again, has not been factored into the Government’s silo approach.

The third justification the Government have used for bringing in the new regulations is that PIP is much more generous to people with mental health conditions—we have just been talking about that. The mental health charity Mind completely refutes that. Its data, based on Department for Work and Pensions statistics, reveal that 55% of people with mental health conditions previously supported by DLA get either reduced or no awards when they transfer to PIP. Indeed, the Government’s own data, when appropriately weighted, show that only 12% of people with a mental health disorder and another condition are on the enhanced mobility award.

These new regulations are nothing more than a shameful cut. Once again, this Government are trying to balance the books on the backs of the sick and disabled. The Government’s own analysis estimates that the new regulations will affect more than 160,000 people by 2023, the majority of whom will have mental health conditions. Many of these will be newer applicants, but the regulations will also affect those who are being reassessed, who will not be eligible for the full support to which they would have been entitled under the rulings of tribunals—an effective cut of £3.7 billion.

PIP helps disabled people to fund their living costs and, in particular, the additional costs that they face because of their condition. The disability charity Scope has estimated that these additional costs amount to approximately £550 a month, and are the key reason why disabled people are twice as likely to live in poverty as non-disabled people. For someone who might not be able to leave their home on their own, PIP would help with extra heating costs, or might pay for someone to assist them when they have to travel to medical appointments, for example. PIP is a vital source of income to prevent real hardship, yet to the shame of this Government, people are being denied this support.

Rachael Maskell: Absolutely, that is very important to note.

Rachael Maskell: Yes, but for the last time.

Debbie Abrahams: Absolutely, it is very important to note the association between ill health and disability in former industrial areas, and as my hon. Friend rightly says, the impact of assessments that cannot be done right first time. Why is that? Why have the Government not been able to get assessments right first time?

Debbie Abrahams: No, certainly do not agree with that at all. I will come on to that in a bit more detail, because we must dispel the fallacies that the Government have come out with in the past few weeks.
Debbie Abrahams: Absolutely, and I know that my hon. Friend has first-hand experience of that in a professional capacity.

I have been contacted by so many people telling me their stories of living with a severe mental health problem and how it affects them, including men and women, and also members of the armed forces and emergency services. I recall that in my early years as a Member of Parliament, I had a constituent who had suffered from post-traumatic stress disorder who was able to make a successful final appeal to the tribunal, but not a successful earlier appeal. Many more in the same situation have been turned down at an earlier stage, perhaps because of the way in which the decisions were made.

There are, of course, other factors that enter into the decision-making in relation to the personal independence payment. Most disabled people I have met belong to the category of people who are disabled on account of a physical impairment and who are looking for a work-related activity group. There are also appeals against decisions that have been made in error, perhaps for reasons that have been identified in recent regulations. Regulations that have been published since 2012 have been challenged and referred for mandatory reconsideration. The caseload of reconsiderations is increasing. The Government have spent an additional £3 billion a year on DLA, which normally triggers an assumption by claimants that they will not receive the benefit for which they were hoping, that letter spells out why that is, and that is one of the things that we need to improve.

It is exactly a week since the horrendous attack in Westminster, when four people, including our colleague PC Keith Palmer, were murdered, and 50 were injured. The following day, the Prime Minister rightly said that she was looking “at what further support can be made available for victims in a wider sense, because there will be people who were not physically injured in the attack... but... for whom there may be other scars. It is important to provide that support.”—[Official Report, 23 March 2017; Vol. 623, c. 942.]

However, because of the new regulations, support for people suffering psychological distress is being restricted. Warm words need to be backed up by action. Let there be no more cuts in support for disabled people. Enough is enough.

Several hon. Members rose—

Mr Speaker: Order. May I very politely suggest to the House that, although we will not at this stage have a formal time limit on Back-Bench speeches, if each Back-Bench contributor feels able to confine himself or herself to five or six minutes or thereabouts, everyone will get in? We will start with the sage from Swindon: Mr Justin Tomlinson.

4.6 pm

Justin Tomlinson (North Swindon) (Con): It is a pleasure to speak in this debate. Having spent 14 very happy months as the Minister responsible for these matters, I want to pass on some of the observations that I made during that time.

Let me make it absolutely clear that stakeholders and charities recognise that PIP is a better benefit than DLA. It is not perfect—much more work is still to be done to deliver further improvements—but the statistics show why it is better. Under DLA, only 16.5% of all claimants access the highest rate of benefit; under PIP, the figure is over 25%. PIP is better, in particular, at identifying those with hidden impairments, including mental health conditions. Under DLA, only 22% of claimants with mental health conditions access the higher rate of benefit, whereas the figure is about 66% under PIP. Improvements under this benefit mean that the Government have spent an additional £3 billion a year—about 6% of such spending—supporting those with long-term health conditions and disabilities.

In all the debates about this matter that I have attended, people have understandably said that a 65% success rate on appeal must mean that the quality of the assessments is not good enough. We must establish what is going wrong. Most successful appeals succeed because of additional evidence that has been submitted late, and that is one of the things that we need to improve.

Catherine West (Hornsey and Wood Green) (Lab): If the system is so good, why do people need to come and see us? In my office, we have almost a 100% success rate when it comes to securing what people are entitled to without any intervention from any of us.

Justin Tomlinson: When a claimant comes to speak to any of us, as their Member of Parliament, presumably we talk to them about the respects in which they feel the decision was not right. When claimants receive a letter that says that they will not receive the benefit for which they were hoping, that letter spells out why that is, which normally triggers an assumption by claimants
that their particular challenge has not been considered. A claimant will then submit additional late evidence, the claim will be looked at again and a different decision may be reached, but that does not mean that the original decision was wrong on the basis of the facts that were originally presented.

I am keen to find a way in which assessors can automatically access claimants’ medical records, with their consent. Many people have to fill in a 50-page form in which they must specify their challenges, and they sometimes under-egg those challenges.

Mr Kevan Jones: I know that the hon. Gentleman has been a Work and Pensions Minister, but he is just wrong. In my experience of constituency cases, the assessors do not consider some of the evidence, even when people take it along with them. When I have intervened and asked why that is, the cases have been overturned. I am sorry, but the system is not working.

Justin Tomlinson: I am not wrong. I said that the vast majority of successful appeals were due to the late submission of additional evidence. That is a fact.

Tracy Brabin (Batley and Spen) (Lab): rose—

Justin Tomlinson: I will give way once more, but I am conscious of the time.

Tracy Brabin: People in my constituency are taking deckchairs to their citizens advice bureau at 5 or 6 in the morning in order to queue outside. Is not that yet another addition to their stress and the pressure they face, and should it not be made clearer that people can have the assessments that they need?

Justin Tomlinson: I am trying to explain what we can do to help to improve the situation, because there are cases in which there are mistakes—1.5 million people are going through the PIP process. However, we know that the PIP process is far better than that for DLA because we are spending £3 billion more, and because of the success rate in getting those with the biggest challenges on to the highest rate of benefit—the proof is in the pudding.

This debate has arisen because a legal judgment has suggested that there are certain areas in which additional money should be spent. As I argued when we considered this during proceedings on an urgent question, if we are to spend money to make further improvements, that needs to be done in a co-ordinated manner, not an ad-hoc way.

Let me set out how this would work. We have lots of impressive charities with great policy teams, and they lobby on the basis of the experiences of their users. Individual MPs also raise concerns and suggestions for improvement through debates in the Chamber and Westminster Hall, and by tabling parliamentary questions, and the policy teams then work through them. There have already been significant changes, such as the much-needed and very welcome changes for terminally ill claimants, and the fact that waiting times rightly improved. I am sorry, but the system is not working.

Stephen McPartland (Stevenage) (Con): I do not always agree with the Government on welfare, but I do believe that the assessments have been improving. My concern is that the situation surrounding the 50-page application form, with which people are struggling, is not improving. People’s access to assessments—they can be put in taxis for up to an hour—is also a growing problem.

Justin Tomlinson: My hon. Friend was one of the greatest advocates of change, and I had many constructive and challenging meetings with him as he brought forward suggestions. The point is that we have to look at this in a co-ordinated manner. Further improvements can be made to the initial application form and the way in which some of the descriptors are applied. The Government are also considering allowing assessments to be recorded automatically so that they can then be used in an appeal. That would benefit both the assessors and the claimants, who have been asking for this.

Heidi Allen (South Cambridgeshire) (Con): I broadly agree with what I am hearing—PIP is a work in progress and the process needs to get better—and I could give 100 stories of my experience of sitting through the PIP process to show where it is going wrong.

I agree that gradual change is a great thing, but the courts have given us a loud and clear message that we have got it wrong on mental health. In this age where we are desperately trying to change society’s views of mental health and parity of esteem, we have to listen to the courts—they have given us a judgment for a reason.

Justin Tomlinson: I understand that point, and there might well need to be further improvements in that particular area, but they have to be made in a co-ordinated manner, not an ad hoc way. PIP is not about a condition; it is about the challenges that individuals face in their everyday lives.
Several hon. Members rose—

Justin Tomlinson: I will not give way because other people wish to speak.

If additional money is to be spent, it should go into the court system to speed up the appeals process, which would be helpful. There is a particular problem for those who could lose their Motability car before their appeal is heard. As I said, there should also be automatic access to medical records, which should be shared between ESA and PIP assessments when possible. Those assessments are often similar, so that would make the claimant’s life a lot easier.

We need to do more to signpost additional help. The Government are spending £11.4 billion more to support people with mental health conditions. The biggest challenge is often identifying people with such conditions so that they can be given support, but PIP is good at identifying them. We should be offering them additional support and saying, “If you would like them, these are the sorts of services that are available in this local area that you can take advantage of.”

I urge the Minister to continue to improve the situation and to work with the policy teams. I spoke to people from Macmillan yesterday, and they are grateful that they are able to continue to access senior Ministers to discuss suggestions. We have some brilliant stakeholders and really knowledgeable charities and policy teams. Let them help to shape where these further improvements will happen.

4.15 pm  

Corri Wilson (Ayr, Carrick and Cumnock) (SNP): It is a relief that we are having this debate on the Floor of the House, and I thank you for granting it, Mr Speaker, following the application of the hon. Member for Oldham East and Saddleworth (Debbie Abrahams). It is a shame that the House has had to drag a Minister to the Dispatch Box so that the Government can be held to account on this matter after weeks of their refusing to debate it. As we have heard, 179 Members from eight different parties signed an early-day motion to annul the statutory instrument that implements the changes. The truth is that the Government have been shying away from accountability for the regulations from the start. They initially refused to comply with the upper tribunal ruling by bringing forward these changes in the first place, and then they did not even have the decency, nor the courtesy, to refer a draft of the regulations to their own Social Security Advisory Committee. If the Government are so confident that the regulations will hold up to any kind of scrutiny, why have they avoided due process by trying to sneak the changes in through the back door?

My party and other Opposition colleagues will not allow the Government to take these unfair backwards steps. Sense estimates that the changes will affect 150,000 people. Those people will lose out on PIP, which supports the extra cost of living with a disability, while the Government save £3.7 billion. That smacks of hypocrisy, given that the “Work, health and disability” Green Paper said that the Government would not seek to make any further cuts to the social security budget. Is that the real reason why they did not want the regulations to be scrutinised?

Given the Government’s attitude to PIP and the assessments, it seems fitting that they will sneak out the second independent review of personal independence payments tomorrow—the day the House rises for Easter recess. What are they so scared of that they have scheduled the release of the report so that they can face no immediate scrutiny? During the passage of the Welfare Reform Act 2012, which established the new personal independence payment system, Ministers were clear that PIP was an important step to achieve the parity of esteem between physical and mental health that we want. Ministers even talked about the descriptors for the mobility component taking into account someone’s ability to plan and follow a journey. They said that PIP was designed to assess the barriers that individuals face, not to make judgments based on the type of impairment. Personal independence payments are supposed to support people with the additional costs of disability.

We have heard about the court ruling that the regulations seek to undermine. The court ruled that people who find it hard to leave the house because of anxiety, panic attacks and other mental health problems should be able to receive the higher rate of PIP.

Norman Lamb (North Norfolk) (LD): These changes run the risk of again increasing the stigma of mental health, because they say to people with anxiety that causes them to stay inside that that is not really serious. Is that not completely in conflict with the principle of equal treatment for mental and physical health?

Corri Wilson: I completely agree with the right hon. Gentleman. We should not be treating one disability differently from another.

I have said this before, but it bears repeating that the Government cannot simply move the goalposts every time they lose a battle in court. The regulations do nothing more than pander to the old stigmas and attitudes towards mental illness. If a person needs help, he or she needs that help regardless of the nature of their disability or health condition.

In evidence to the Lords Secondary Legislation Scrutiny Committee, Disability Agenda Scotland, an alliance of Scotland’s major disability organisations, raised a number of concerns. It said:

“We disagree with the Government’s presentation of the change that this will not be a ‘cut’ for people currently receiving PIP, as it is a clear diversion from the stated aims of the legislation back in 2012 (to award the enhanced mobility component ‘if a person’s mobility is severely limited by their physical or mental condition’).”

Essentially, the Government are intent on trying to spin their way out of this outrageous, stigmatising move against those with severe mental health conditions. Disability Agenda Scotland also fears:

“Current recipients may also lose out in future despite no change to their condition, if they are reassessed under the new criteria.”

It will come as no shock that the DWP’s own evaluation of the changes shows that the Government have no idea of their long-term impact—no idea! They simply do not care and are happy to push forward a move that makes a clear distinction between people with different conditions, against the ruling of the Court.

There are clearly concerns about assessment processes for personal independence payment, and the Scottish Association for Mental Health’s report on PIP, “What’s
the Problem?”, sets out those concerns. One of the main themes running through its research is a distrust of the process. One person said:

"People advise you not to shave, and turn up dishevelled—to show that mentally they are unwell! Just because you’re articulate doesn’t mean you don’t have a mental health problem.”

There is simply no consistency in the assessment process, yet the Government keep shifting the sands in a piecemeal way, which only exacerbates the problem and the impact on the lives of those who are simply trying to claim what they are entitled to.

The Government have form on pulling the safety net from under those who are desperately or life-threateningly ill. Such is the impact of sanctions on those with mental health conditions that many become destitute and dependent on food banks. The Government do not strike me as keen to ensure parity of esteem for those with mental health conditions; they seem intent on doing everything they can to make people dependent on support, rather than empowering people to live independent lives. We know that, in practice, “parity of esteem” means nothing to the Government, who have instructed private companies carrying out assessments to award the higher rate of the mobility component only to people with physical, cognitive or sensory impairments.

The Scottish Government, on the other hand, are determined to build a social security system with dignity and fairness at its heart. The process of building that system and taking over responsibility for personal

Dr Rupa Huq (Ealing Central and Acton) (Lab): The hon. Lady describes the situation in Scotland, but I assure her that seats such as mine are also affected. People might call Ealing Central and Acton metropolitan, elitist or suburban, but we have had 120 such cases recently. She talks about parity of esteem, and people keep pointing out to me that that is another example of how this Government say one thing and do another.

Corri Wilson: I agree with the hon. Lady. I am sure that most of us in the Chamber will have had constituents queuing at our door with personal independence payment issues.

I hope that lessons can be learned from today’s debate. The Government should stop forcing important legislation through the back door. They should have consulted their own Social Security Advisory Committee, and they should not have had to be dragged to the Dispatch Box for an emergency debate because they simply did not give the House answers.

The Government have not even waited on the second independent review of personal independence payments before manipulating the system. The Minister needs to stop mucking people about, back away from these ill judged and ill thought out changes and call a vote on annulling the regulations. If the Government do not do so, it will show how intent they are on bulldozing through legislation without scrutiny, and in spite of an independent judicial ruling.

The bottom line is that these changes are being implemented to save the Government money, no matter the cost to our communities and those with mental health conditions. This is no way to treat our vulnerable people in society, and I ask the Government to reconsider.

Several hon. Members rose—

Mr Speaker: Order. I please ask hon. Members not to stick to five minutes each, otherwise either a Member who wants to speak will not get in, or there will not be time for a proper ministerial response, about which hon. Members would understandably, but too late, be the first to complain.

4.24 pm

Nusrat Ghani (Wealden) (Con): It is a pleasure to speak in this important debate. I appreciate the concerns set out by the hon. Member for Oldham East and Saddleworth (Debbie Abrahams), but the bigger picture is clear: the Government spend £50 billion a year to support people with disabilities and health conditions, which is an increase of £7 billion since 2010. The Government moved away from DLA to PIP on the basis that support should be given to those experiencing the greatest barriers to living independently. PIP supports people according to their overall level of need—not on the basis of a specific medical condition, but based on how their freedom to live independently is impaired. That is the right approach.

I chair the all-party group on eye health and visual impairment. Yesterday, I led a Westminster Hall debate on preventing avoidable sight loss, but of course in many cases sight loss is unavoidable. How we support those with limited ability to live independently is important. Sight loss affects nearly 2 million people in the UK, and the huge personal challenges and hurdles that people with sight loss have to overcome to live independently can never be underestimated. Through my work with the all-party group, I have seen at first hand the Government’s commitment to helping people dealing with sight loss.

Last year, the then Minister for Employment, my right hon. Friend the Member for Witham (Priti Patel), who is now the International Development Secretary, facilitated a meeting with her team about support to help blind and partially sighted people. We hope my hon. Friend the Minister for Disabled People, Health and Work will meet us soon to discuss how PIP can best support people with sight loss, and I am grateful to her and to Work and Pensions Ministers for their focus on this important issue. I am sure that she will agree that the Royal National Institute of Blind People does commendable work, and I urge people who are blind or partially sighted to contact the RNIB, which has created a toolkit for completing the PIP form effectively—both for the mobility part and the daily living component.

I wish to share with the House the personal experiences of PIP which have been collated by the RNIB and are available on its website.

Heidi Allen rose—

Nusrat Ghani: I am sorry, but there just is not enough time to give way.

Research and evidence was gathered by the Thomas Pocklington Trust, Sense and the RNIB, and the key finding of the study, which reflected real-life experiences of people with sensory loss and visual impairment, is that those participants who transitioned from DLA to PIP received a “positive” financial outcome with PIP. However, I hope the Minister will reflect on the feedback on the process, which some found confusing. Assessors need always to work to deliver a positive experience at
face-to-face assessments. Regardless, the evidence from this study, available on the RNIB website, shows that switching from DLA to PIP meant a more positive financial outcome, and that is welcome.

Opposition Members have accused the Government of betraying people with mental health conditions, but we are spending £11.4 billion on mental health this year alone, and more people with mental health conditions are receiving the enhanced PIP daily living and mobility rates than were previously getting the equivalent under the DLA system.

Norman Lamb: Will the hon. Lady give way?

Nusrat Ghani: There just is not enough time for everyone to get in. Some 66% of people getting PIP with a mental health condition get the enhanced daily living amount, which compares with 22% who were receiving the highest rate of DLA.

I will finish by focusing on this Government’s record on helping disabled people into work. Since 2013, the number of disabled people in work has increased by half a million. However, those with sight loss are at the bottom of the table, and I hope we can do more to ensure that they get—

Mr Kevan Jones: On a point of order, Mr Speaker. The hon. Lady is making a good speech, and she makes some valuable points about PIP, but it has got nothing to do with the regulations we are talking about today.

Mr Speaker: The Chair has to make a judgment about pertinence and at this stage I am content with my own judgment. If the hon. Gentleman is not, I shall do my best to bear that burden with such stoicism and fortitude as I am able to muster.

Nusrat Ghani: We have heard experiences of where PIP is not working, but I wanted to share experiences of where it is working, as it is important to hear them, too. The point I was trying to make is that we have got many more people with disabilities going back into work, but I want to make sure that we campaign hard for those who have sight loss to ensure that they have those opportunities, too. Half a million more people are benefiting from opportunities to secure work. We have half a million more people who can support families and loved ones; half a million more people are supporting themselves, their communities and the economy. I thank the hon. Member for Oldham East and Saddleworth for giving us the opportunity to reflect on that and, no doubt, welcome those figures as well.

4.29 pm

Stephen Timms (East Ham) (Lab): I congratulate my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) on securing this debate and on the important case she made from the Dispatch Box.

I wish to challenge some of the assertions the Secretary of State has made in commenting on the changes in the regulations since they were announced. I have no doubt that her comments were made in good faith, but I think they were incorrect. In particular, the changes do not restore the original intention of the benefit. The Secretary of State suggested that the changes are not a cut, but they obviously are, and they affect a substantial number of people. The equality analysis produced by the Department tells us that of the current case load, 143,000 people would have had their mobility award reduced to zero had it been made under the new regulations, and that a further 21,000 would have had their payment reduced. This is not, therefore, a minor or insignificant cut; it is a substantial cut that will affect a large number of people.

Table 6 in the equality assessment is titled, “Conditions most likely affected by reversing effect of UT”—upper tribunal—“judgment on mobility activity 1”, and the list includes schizophrenia, learning disability, autism, cognitive disorder due to stroke, dementia and post-traumatic stress disorder. According to the Government, those are the people most affected.

Karl Turner (Kingston upon Hull East) (Lab): My right hon. Friend clearly knows something about the new regulations, and I do, too. The reality is that those with psychological illness cannot now qualify for enhanced mobility payments because activity 1 be attracts only a maximum of 10 points. Twelve points are needed to allow mobility payments, so this is clearly a cut and the Government should just fess up.

Stephen Timms: My hon. Friend is right. I wish to say a little more about the precise content of the regulations. The Secretary of State told us at the beginning of the process that nobody would have their current benefit cut; I think Ministers now accept that that statement was incorrect. Regulation 2(4) states:

“In the table in Part 3 (mobility activities), in relation to activity 1 (planning and following journeys), in descriptors e, d and f, for ‘Cannot’ substitute ‘For reasons other than psychological distress, cannot’.”

The changes explicitly carve out people who cannot plan and follow a journey because of psychological distress.

The Secretary of State has said not to worry, because people with cognitive impairments can still qualify for the highest rate of the mobility component. That may well be the case, but that is a different group of people. The changes explicitly carve out people whose mobility impairment arises from psychological distress. Was that the original intention? On 7 February 2012, the right hon. Member for Basingstoke (Mrs Miller)—if I remember rightly, she was the predecessor but two of the hon. Member for North Swindon (Justin Tomlinson)—said in a written answer that “when considering entitlement to both rates of the mobility component we will take into account ability to plan and follow a journey, in addition to physical ability to get around. Importantly, PIP is designed to assess barriers individuals face, not make a judgment based on their impairment type.”—[Official Report, 7 February 2012, Vol. 540, c. 232W].

That is a clear statement of the original intent of this benefit. If the Secretary of State has been advised that the original intention was something different, he simply needs to check the record.

The changes in the regulations are different from the original intention. They introduce an explicit judgment based on impairment type; the original intention was to have no such distinction. The regulations introduce a distinction that was not in the benefit’s original intention. They say that someone is in if they struggle to plan and follow a journey, but if their problem is because of...
psychological distress, they are out. It is an explicit judgment, it is explicitly contingent, and it carves out a large group of people with mental health problems.

Norman Lamb: Does not that carve-out ultimately amount to nothing but discrimination against people suffering mental distress? Also, is it not the case that any references to spend on mental health in any other area are totally irrelevant to this issue? This rule change is about discrimination.

Stephen Timms: That is absolutely explicit in the regulations. That group is now being discriminated against, which is contrary to the original intention. The Secretary of State talked about restoring the original aim of the policy, but the change does not do that; it is different.

The Secretary of State suggests that it was never the intention to include this group of people with mental health problems, but his predecessors told the House, in terms, that it was the intention to include people irrespective of their impairment type. That was the intention of Ministers in 2012, but these regulations will thwart it. I hope that, like the other place, we will say no to these changes.

4.35 pm

Graham Evans (Weaver Vale) (Con): It was a privilege to serve on the Work and Pensions Committee with the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) in the last Parliament.

I wish to focus my speech on two particular areas. First, it is not the case that the Government are using the change as a cost-cutting exercise. Secondly, I will address some of the comments made by Opposition Members on mental health and physical conditions in relation to PIP.

We spend £50 billion every year on benefits—up by £7 billion since 2010—to support people with disabilities and health conditions, so, rather than being subjected to austerity cuts, these benefits have seen an increase in Government spending. That figure is 6% of all Government spending, or 2.5% of GDP. It is significantly more than countries such as France and Germany spend, and higher than the OECD average. It is more than we spend on the defence of the realm.

As I have said, this change is not, as some Members have suggested, a cost-cutting exercise. The Government have made it abundantly clear that they will seek no further savings through welfare in this Parliament. I ask my hon. Friend the Minister for Disabled People, Health and Work to reassure the House that she will continue to defend the disability budget.

The changes restore the original aim of the policy by clarifying the assessment criteria to make sure that it is explicitly contingent, and it carves out a large group of people with mental health problems.

The hon. Gentleman says that parity of esteem applies to the way in which PIP works, but the right hon. Member for East Ham (Stephen Timms) has specifically explained how the carve-out of mental distress means that it is clearly discriminatory. Does he not agree with that?

Graham Evans: I cannot comment on the specific case to which the right hon. Member for East Ham (Stephen Timms) referred. All I would say is that there is variation from case to case, and we can all give examples. In my experience, these changes to PIP have, overwhelmingly, been better for people with mental illness in my constituency.

Victoria Borwick (Kensington) (Con): I also have a number of local residents concerned about those with mental health issues having access to the higher rate mobility allowance. I think that it has had the unintended consequence—this is where I seek my hon. Friend’s advice—of young people, post-transition, not necessarily being able to still have access to their blue badge or disability or mobility access.

Graham Evans: That is for the Minister to answer.

The Disability Confident fair brought together employers in Weaver Vale and those with disabilities and mental health issues and I encourage Members to consider doing something similar. I learned a lot about the challenges facing my constituents and the fair helped to bring employers and those with disabilities together. This Government have done a lot more to ensure that our welfare system is a strong safety net for those who need it. PIP is a more modern, dynamic and fair benefit than its predecessor, DLA, focusing vital support on those in our constituencies who need it the most.

4.40 pm

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I congratulate my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) on securing the debate and reaffirm her points about how disappointing it is that the Government did not find time for a debate and a vote on these regulations before they came into force. I would say to the Government that it does not reflect well on this House and on the Government as regards public trust on our proceedings if we do not conduct these debates and votes before such significant regulations come into force.
As others have said, we know that disabled people are twice as likely to live in poverty as non-disabled people. PIP helps to level the financial playing field between disabled and non-disabled people. I represent a constituency with a significant level of poverty where 3,410 people are in receipt of PIP. We have all received representations from a range of third sector organisations about this assessment process and we have all seen, as I have in my constituency, the impact of how the assessment process works.

I want to highlight two organisations I work with. One is the Motor Neurone Disease Association, and I am pleased to be patron of its Merseyside branch. Its analysis shows that over the three years from 2013 to 2016, the proportion of people with MND who saw their award reduced as they moved from DLA to PIP was 13%. This is a condition that by its nature is both progressive and terminal. When I spoke to the MNDA this morning, I was told that the organisation wanted me to raise the quality of assessments in the debate because it believes that the poor quality of assessments has contributed to the issues mentioned today.

**Heidi Allen:** On that point, one thing that has struck me when I have been through PIP assessments—either mock assessments or those that I have observed with a constituent—is the generalist nature of the assessors. They are expected to be experts in mental health, physical health and mobility, and it is just not possible, in my view. I think that there needs to be triaging.

**Stephen Twigg:** That is borne out by the experience in my local office. Disability Benefits Consortium research suggested that 71% of respondents said that assessors had not sought any evidence or information about the specific condition, and I think that that is part of the reason why 65% of those who challenge a decision are successful.

Mr Jim Cunningham (Coventry South) (Lab): We must always be careful when a Government say that they are targeting somebody or something, as we know that that is a codeword for cuts and a reduction in benefits. My constituents often find it an ordeal because they are going into the unexpected, and they do not know what the outcome will be.

**Stephen Twigg:** My hon. Friend makes his point very powerfully.

The other condition I wanted to say something about is epilepsy. I am one of the honorary vice-presidents of Epilepsy Action, an organisation that has also been in touch with me today to say that they fear that these proposals could penalise people with epilepsy who might rely on support or supervision to manage their medication and monitor their health condition. The DWP’s own case study recognises that a person with epilepsy who has a seizure might need a friend or carer to administer medicine, without which they might go into status epilepticus. We know that that can lead to brain damage or to death.

I reaffirm what my hon. Friend the Member for Oldham East and Saddleworth said from the Front Bench. We have an opportunity through this debate to raise concerns on a cross-party basis, but I urge the Government to listen to those concerns. As the hon. Member for South Cambridgeshire (Heidi Allen) said earlier, we have been sent a message by the tribunals about parity between mental and physical health. Let us say clearly that we have listened to that message and urge the Government to reconsider the regulations.

**Stephen Twigg:** [Interruption]

4.44 pm

**Helen Whately** (Faversham and Mid Kent) (Con): As someone who spends a great deal of time on work to improve care and support for people with mental health conditions, I will begin my remarks with a couple of contextual points before moving promptly to talking about the question of PIPs.

I am thankful that mental health has never been a higher priority for any Government. The Prime Minister has made it clear that it is a priority for her. We have the “Five Year Forward View for Mental Health” and extra funding for mental health. Campaigners, charities and professionals that I work with in the mental health sector have said to me that right now is a golden moment to improve mental health care because of this unprecedented commitment by the Government to mental health.

**Gerald Jones** (Merthyr Tydfil and Rhymney) (Lab): Will the hon. Lady give way?

**Helen Whately:** I will just make a little bit of progress. I will then be happy to take interventions, if there is time.

The Secretary of State for Work and Pensions and the Minister for Disabled People share the commitment to mental health. It is shown in the recently published Green Paper on work, health and disability and, for instance, in the Stevenson and Farmer review of employment for people with mental health problems.

There is strong evidence that PIP is a better benefit for people with mental health conditions than its predecessor. My hon. Friend the Member for North Swindon (Justin Tomlinson) has already mentioned one of the statistics. I will not go beyond saying that it is important to note that people with mental health conditions are far more likely to receive the mobility component of PIP than its equivalent under DLA. Some 28% get the enhanced mobility component, compared with 10% getting the equivalent under DLA. That is relevant to this debate.

We should reiterate that the whole point of PIP, as the Minister has said in the Chamber before, is that the award is based on how the condition affects someone’s day-to-day life, not on their diagnosis. It is based on their needs and the consequent costs.

**Gerald Jones:** Does the hon. Lady agree that for the Government to suggest that mobility impairments caused by psychological issues are not relevant is an insult to anybody with a mental health condition? Does she also agree that mental health conditions should be treated no differently from physical ones?

**Helen Whately:** I do not agree with the first of the hon. Gentleman’s two points. He should continue to listen to what I have to say. I agree with his second point and, if he listens to what I have to say, he may find that we are aligned on that.
I thank the Minister for being exceptionally assiduous in responding to and discussing my concerns on these matters. I have had several meetings with her in which she has emphasised her commitment to achieving the original aim of PIP, which is to support people to live full and independent lives. I have questioned her about the regulations in my role as chair of the all-party parliamentary group on mental health, and as a local Member of Parliament. For instance, we have discussed the case of a lady I met in Maidstone a few weeks ago who had been set on fire on a bus. That lady told me that she has been unable to go out of the house without being accompanied by somebody she trusts since then. Throughout the discussion about the regulations, she has been worried that the welfare system might not treat her the same as someone who has been unable to leave the house because of a physical disability. The Minister has assured me that that is not the case and that people are, and will continue to be, given payments based not on their diagnosis, but on their needs.

Will the Minister now clarify to us all that somebody suffering with severe psychological distress such as post-traumatic stress disorder, who needs to get out and around—for instance, to go to work or to take their children to school—but finds it impossible to do so without significant assistance, could and would receive the enhanced rate mobility component of PIP, if their needs justified it?

Given the concern about the issue and the regulations, I also ask for the Minister’s reassurance on three counts regarding implementation. First, will she ensure that the guidance to PIP assessors is absolutely clear that people with mental health conditions can and should receive PIP awards based on their needs and costs, and that that may well be the enhanced level? Secondly, will she ensure, through the audit system that she has told me about, that this happens in practice? Thirdly, will she ensure, through the audit system that she has told me about, that that may well be the enhanced level? Secondly, will she ensure, through the audit system that she has told me about, that this happens in practice? Thirdly, will she ensure, through the audit system that she has told me about, that this happens in practice?

Mr Kevan Jones: Will the hon. Lady give way?

Helen Whately: I am just wrapping up.

Finally, I look forward to my hon. Friend the Minister assuring us all that the Government’s welfare system does, and will continue to, treat people the same, whether their needs arise from mental or physical conditions.

4.50 pm

Kate Green (Stretford and Urmston) (Lab): I, too, congratulate my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) on bringing this important matter before the House. I want to concentrate on a couple of the misapprehensions that have arisen in this afternoon’s debate and to clarify my understanding of the position, in the hope that the Minister will confirm it.

First, on the original policy intent, we heard from my right hon. Friend the Member for East Ham (Stephen Timms) that Ministers told us during the passage of the Welfare Reform Bill in 2011 and 2012 not only that psychological stress and other conditions would be eligible to be covered by PIP, but, specifically, that the benefit would be judged on the basis not of the condition but of the overall impact on someone’s life. If psychological stress is having a significant impact on somebody’s life, why will it be excluded in assessing them for the higher rate of PIP? That simply contradicts what we were told at the time of the Bill’s passage. What is more, the Government themselves acknowledged in 2015 in the case of HL that psychological stress was to be included. They now say that was a mistake. Frankly, it is not good enough for Governments to go around making mistakes when something as important as this is at stake for our constituents.

Secondly, the Government have said that nobody will suffer a cut to their benefits. It is not clear whether they are still saying that, but to be clear, I have two things I would like to point out to the Minister. First, on 15 March, in the course of the urgent question heard in this House, the Secretary of State acknowledged to me that some people who had had their award increased as a result of the decision in the first tribunal could see that higher award reduced back to the level of the original Department for Work and Pensions award. He was very careful with his wording: he did not say that all awards would be protected but that the original DWP award would be. Does that mean that if the Secretary of State tells us that some people will, in practice, see their awards reduced?

If that is the case, when will that happen? I ask that because the second thing the Government are doing, as well as introducing these regulations, is appealing the two tribunal decisions. My understanding is that that is specifically to catch the people who currently see their benefits on a higher level, and who would enjoy that higher level of payments because the regulations would come in too late for them to be impacted and to see their benefits reduced again. Is the Minister now telling us that if the Government are successful in those appeals, they will reduce the benefits of people who got awards before the application of these regulations back to the level of the original DWP award?

Thirdly, can the Government reconcile the three cases decided in the upper tribunal on 9 March with the decision to strip out psychological stress, in part because it is a fluctuating condition? As we heard in the decisions made on 9 March in the upper tribunal, it is not just whether something is occasional that determines whether someone should be eligible for a higher rate of PIP; it is also about the overall impact of the harm caused by that condition. As we heard from my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg), there is no better example of that than someone with epilepsy. They may suffer occasional seizures, but when they do, the harm they experience could be considerable, resulting in brain damage or even death. Will the Minister therefore explain how she reconciles those decisions on 9 March with the assertion that psychological stress should not attract the highest rate of award in appropriate circumstances because it is a fluctuating condition?

Several hon. Members rose—

Mr Speaker: Order. I advise the House I would like the Minister to have 10 minutes in which to reply, so she needs to be on her feet at four minutes past 5.

4.53 pm

Patricia Gibson (North Ayrshire and Arran) (SNP): With regard to these PIP changes, the Government have done all they can to avoid parliamentary scrutiny. They
have ignored the concerns repeatedly expressed by MPs and the Disability Benefits Consortium, as well as the deafening clamour of concerns out there.

There can be no doubt that these PIP changes are having a fundamental and life-limiting effect on those affected by them. The whole point of PIP is to help with the extra costs resulting from disability or long-term ill health, replacing DLA. The effect, real or accidental, is clear discrimination against those living with mental health challenges that could put vulnerable claimants at risk. That was the conclusion of the House of Lords.

The Disability Benefits Consortium is extremely concerned that these changes will restrict access for disabled people who need PIP through their facing additional costs. Clearly, the criteria are now far too strict, resulting in almost 50% of disabled people and people with long-term health conditions losing access to some or all of their support on being assessed. In addition, over 60% of PIP appeals are successful. To those who have had their support withdrawn or reduced, I would say this: go to your MP for help. The process is distressing and upsetting, but please appeal any decision that you think is unfair, because over 60% of appeals are successful. This shows on its own that the process is not working. It also shows that the system causes unnecessary distress for far too many claimants.

My constituency office in Ardrossan has numerous examples of such cases leaving claimants confused, frightened, bewildered and in serious financial difficulty.

There are also particular concerns around the mobility component, with over 750 returning their Motability vehicles every week due to the withdrawal of essential support. We know from the DWP’s own analysis that 146,000 disabled people could lose financial support as they drop from the higher rate of mobility to no entitlement at all. It is also conceded by the DWP that there is difficulty in predicting these numbers, and so the final numbers losing financial support could in fact be much higher.

It is vital that the PIP assessment criteria are reviewed to ensure that there are clear definitions in place before any changes are made. The criteria are far too narrow and restrictive. They simply do not recognise the impact that many long-term conditions and disabilities have on a person’s ability to undertake daily living activities, and often fail to take account of hidden and fluctuating symptoms, including cognitive difficulties. What kind of people are suffering under this system? Those with MS and those with Parkinson’s—serious chronic conditions. Those with such conditions very often also suffer from depression and anxiety. If that is not specifically and separately diagnosed, in terms of PIP assessments, it does not exist. Those with long-term conditions and disabilities that include depression and anxiety as a common symptom will not score under the original descriptor.

These changes, on top of the arbitrary cut of £30 a week to the ESA work-related activity group which is also due to be imposed, show the complete disregard for disabled people felt by this Government. How can putting disabled people into greater hardship help to remove the barriers that will help them back to work? Where are the disability employment support programmes outlined in the Green Paper? We need to treat disabled people with dignity and respect. This Government need to listen and show some compassion and understanding, and stop trying to build an austerity programme on the backs of the poor and the disabled.

4.58 pm

Tom Brake (Carshalton and Wallington) (LD): I want to start by thanking the Minister. Last Wednesday, as I was coming down the escalator, she, in a large crowd of people, was coming in the opposite direction and let us know in no uncertain terms that we should leave the building. I thank her for that.

Moving on to the debate, I thank my staff, who, like others, have a 100% success rate in the appeals that we have taken up in our office. I thank you, Mr Speaker, for facilitating this debate—or, in fact, forcing it on the Government. The Government should have facilitated it in a timely manner, and they stand condemned for failing to do so in spite of a cross-party request that they make time available. I am pleased that the original prayer that we tabled with the support of the main Opposition party has led to the successful securing of this debate under Standing Order No. 24, thanks to the hon. Member for Oldham East and Saddleworth (Debbie Abrahams).

As Members have said, PIP helps disabled people to meet some of the costs related to their impairment or condition, and the Government have a stated intention of securing parity of esteem for physical and mental health. How does stopping people with mental health problems securing extra support through PIP for their journey—that is activity 11, I believe—help to achieve parity of esteem?

The Government claim that they are simply affirming what was originally intended in the legislation. I dispute that, and the evidence backs me up. Members have quoted what the right hon. Member for Basingstoke (Mrs Miller) said about that, particularly the phrase that “PIP is designed to assess barriers individuals face, not make a judgment based on their impairment type.”—[Official Report, 7 February 2012; Vol. 540, c. 232W]

Lord Freud said:

“One of the big differences between ?the personal independence payment and DLA is that the personal independence payment looks at the person’s ability to plan and execute a journey, not just at their physical capacity.”—[Official Report, House of Lords, 7 February 2011; Vol. 725, c. 9]”

Those examples alone demonstrate that the Government’s intention was to allow people with mental health problems to receive PIP to assist them if their mental health meant that they could not travel without assistance. If the Government want to change the law because of the extra costs associated with funding parity of esteem, so be it, but let us have proper scrutiny, a proper debate and a proper vote, not this piece of parliamentary jiggery-pokery.

Mr Speaker: We are most grateful to the right hon. Gentleman. I advise the Minister that she should sit down no later than 5.13 pm.

5.1 pm

The Minister for Disabled People, Health and Work (Penny Mordaunt): I start by thanking hon. Members, from all parts of the House, who have contributed to the debate. There are many points that I need to answer.
and I do not have much time, but I will do my best, and I will write to hon. Members about any outstanding points.

As hon. Members know, at the core of PIP’s design is the principle that awards should be made according to a person’s level of need, not whether their condition is of one sort or another. Those who have higher need, greater limitations on their ability to participate in society and higher costs associated with their condition will get more support.

Stephen Timms: Will the Minister give way?

Penny Mordaunt: I will answer the questions that have already been raised, and if I have time I will take interventions at the end.

That approach—using the social definition of disability—is important, and assessments are therefore complex. The assessor will try to understand the impact on a person’s life and how their disability or health condition affects them in their caring duties, parenting, social life and daily living.

As the House has heard many times, recent legal judgments have interpreted the assessment criteria for PIP in ways different from what the coalition Government originally intended. The upper tribunal judgments were concerned solely with the interpretation of the wording and, as my hon. Friend the Member for South Cambridgeshire (Heidi Allen) has said, not with policy. We have therefore made amendments to clarify the criteria used to decide how much benefit claimants receive. The changes restore the original aim of the policy, which was agreed by Parliament following extensive consultation, and they add essential clarity for all.

Stephen Timms: Will the Minister give way?

Penny Mordaunt: I will make some progress. As my right hon. Friend the Secretary of State for Work and Pensions said in the House and in his letter last week to the hon. Member for Oldham East and Saddleworth (Debbie Abrahams), it is important to be clear about what these regulations are not. They are not a policy change, they are not intended to make new savings and they will not result in any claimant seeing a reduction in the amount of PIP previously awarded by the DWP. There is no change to the budget and no change to the guidance that we give to assessors.

To answer the point raised by the hon. Member for Stretford and Urmston (Kate Green), she is right to say that between the making of the rulings and the coming into force of the regulations, a handful of people—we think about eight—will have been awarded a higher amount in the tribunal rulings. We will not claw back money from those people, but we will look at those cases and our intention is to restore them to the original benefit level. That is one reason why we have acted quickly. There will be no change in the amount of PIP paid to people who have previously been awarded a certain amount by the DWP, or in the amount paid to people who will be assessed on the same principles and the same policy in the future.

It is entirely appropriate for the Government to act to restore clarity to the law, as Governments have done before and will no doubt continue to do in the future. Indeed, Labour, when in government back in 2000, introduced a change to the rules for disability living allowance that overturned a commissioner’s decision holding that telephone conversations with someone with severe depression and chronic anxiety should count as qualifying attention for the care component of DLA. That decision was seen to have significantly widened the gateway not only to DLA, but to attendance allowance, and the then Government took a similar decision to the one we have taken to restore the original policy intent.

Let me assure the House that we want to ensure our policies are working and being delivered effectively, and we will continue to review our policies, including on PIP, regularly. I remind everyone that this Government have already introduced two formal statutory reviews of the PIP assessment, and we remain committed to publishing Paul Gray’s independent review, as set out in legislation. We remain committed to making continuous improvement in the PIP assessment and our decision making, and to improving the advice we provide to guide people through the process.

We know that feedback from claimants and stakeholders gives us valuable insight into the services we deliver. That is why we are setting up service user panels for PIP and ESA claimants, their carers and advocates, and representative groups to gather views on PIP and ESA.

The panels, which will start next month and will initially run for 12 months, will ask for people’s views on their experiences of claiming, capture new ideas for improvement and test reactions to specific changes and proposals. We wish to reach as many people as possible.

Stephen Timms rose—

Penny Mordaunt: I am coming to the right hon. Gentleman’s point, if he will give me a moment.

We are working with charities and representative organisations to promote awareness and draw on their expertise. Following references to the panels in another place last month, we have started to see requests from claimants who are keen to participate. We are carrying out pilots to test whether there are any benefits to audio recording face-to-face assessments. The pilots, which started on 13 March, will last for six weeks and involve 400 claimants. We are trialling telephoning claimants to ensure all that the evidence they wish to be considered has been collected and submitted. That is critical to reducing the number of cases going to mandatory reconsideration and appeal, as my hon. Friend the Member for North Swindon (Justin Tomlinson) pointed out. We are giving people fuller reasons why they have not been successful to ensure that they understand those reasons exactly.

We have strengthened clinical support and clinical mentoring for the healthcare professionals who carry out assessments. Our assessors discuss with people the impacts on their life before taking a medical history. The hon. Member for North Durham (Mr Jones) raised the critical issue of ensuring that there is support throughout the assessment process, particularly for people with a mental health condition. I will not list all the things we do, but he will know that processes are in place, with special markers for such individuals. We are always interested to hear how we can improve those processes, but they are already part of the system.

Stephen Timms: Will the hon. Lady give way?
Penny Mordaunt: I want to respond to the points that have already been raised. I will take an intervention if I have time, if the right hon. Gentleman will bear with me.

The health and work Green Paper and Paul Gray’s second review will both look at the issue of shared health records, which hon. Members mentioned. We have also been working more closely with Motability to ensure that the issues of appeals and counterproductive bureaucracy—hon. Members also referred to those issues—are resolved, and we will report back to the House as soon as possible. I assure my hon. Friend the Member for Kensington (Victoria Borwick) that the particular focus has been on young people and students. We are looking at what further we can do, and I assure my hon. Friend the Member for Wealden (Nusrat Ghani) that we are indeed working closely with the RNIB.

Let me turn to the specifics on mental health and the regulations. Supporting people with mental illness is a priority for this Government. That is why we are spending more on mental health provision than ever before—£11.4 billion this year alone. We have introduced the first ever access and waiting standards for mental health services. These changes and investments are already making a difference. Since 2010, the number of people accessing mental health services has risen by 40%—

Stephen Timms rose—

Penny Mordaunt: I am coming on to the right hon. Gentleman’s point.

The number of consultant psychiatrists in this country has risen by 5%. We are working to join up the healthcare system, the welfare system and society more widely so that we focus on the strengths of people with disabilities or health conditions and what they can do if properly supported. It is for that reason that in the summer of 2015 the health and work unit was created in the Department of Health, and why in October last year we published, “Improving Lives”, the work and health—

Norman Lamb: On a point of order, Mr Speaker. You rightly ensured that the Minister had enough time to answer questions, but none of what she is saying is about the key issue in the regulations.

Mr Speaker: The right hon. Gentleman must seek to intervene if he can and pursue other mechanisms if he cannot.

Penny Mordaunt: I am coming on to the regulations, but I think that the key to this whole debate is that people are questioning the parity between mental health and physical health. I point out to the House that mental health was never more prominent on any previous Government’s agenda.

Stephen Timms rose—

Penny Mordaunt: If Members will allow me, I will turn to the regulations—I will not repeat the statistics that show that PIP is more favourable than DLA for those with a mental health condition. Let me tackle the issues relating to the regulations.

Several Members have concluded that if someone is suffering from psychological distress, that would not count towards their score and they would somehow be prevented from scoring the maximum on the descriptors. That is not the case. As time is tight, perhaps I could place some case studies in the Library if that is in order, Mr Speaker. As has been pointed out, if someone is suffering from autism, PTSD, depression or a similar condition, they can score 12 points on that descriptor.

Let me cover the issues on process. We have used the most appropriate parliamentary procedure. It is set out in the Welfare Reform Act 2012. In the light of the significant and urgent consequences of the judgments, the amendments were passed to the Social Security Advisory Committee on 8 March—that is, after the regulations were laid. We have welcomed the Committee’s response and the fact that it did not wish to have the regulations referred to it for public consultation. We have also responded in full to the Committee’s recommendations. In particular, we have made it clear that we are committed to continuous improvement, as we recognise that it is important, for both quality and consistency, to ensure that PIP policy is clearly articulated. We have also made it clear that we will ensure that healthcare professionals who carry out the assessments fully understand what those amendments mean. The regulations were today passed by the Joint Committee on Statutory Instruments.

In the seconds I have left, I reassure the House that the regulations simply restore the original aim of the policy, as previously debated, and that we are delivering PIP in line with its original intent. We stress again that the changes will not result in claimants seeing a reduction in the amount of PIP awarded by the Department.

Question put and agreed to.

Resolved.

That this House has considered changes to Personal Independence Payment Regulations.

Karl Turner: On a point of order, Mr Speaker. In an earlier intervention on my right hon. Friend the Member for East Ham (Stephen Timms), I forgot to mention an indirect interest: my wife sits as a tribunal judge. I apologise to you, Mr Speaker, and the House.

Mr Speaker: I am extremely grateful to the hon. Gentleman. He has made the position clear and he has done so very quickly, and the House will have noted that.

Mr Charles Walker (Broxbourne) (Con): On a point of order, Mr Speaker. May I apologise to you and the House for inadvertently misleading it during my Adjournment debate last Thursday on the Ratty’s Lane incinerator? I said that in 2012 Hertfordshire County Council objected to 46 of Veolia’s HGV movements a day. That figure was provided to me by Veolia on 4 March 2016, but I have since discovered that the actual number is 268 HGV movements a day. That figure was provided to me by Veolia on 4 March 2016, but I have since discovered that the actual number is 268 HGV movements a day. [Interruption.] Nothing Veolia tells me turns out to be the reality of the situation, but I owe it to this House to do my homework more thoroughly, so may I apologise to you again, Mr Speaker, for misleading this House and to my esteemed colleagues in this place, who indicate that they share my sense of outrage?

Mr Speaker: I am very grateful to the hon. Gentleman for his point of order. He is certainly a witty wag. I would add that, as far as Veolia is concerned, the hon.
PENSION SCHEMES BILL [LORDS]
(PROGRAMME) (NO. 3)

Ordered,
That the Order of 30 January 2017 (Pension Schemes Bill [Lords] (Programme)), as varied by the Order of 22 March 2017 (Pension Schemes Bill [Lords] (Programme) (No. 2)) be further varied as follows:

(1) The Order of 22 March 2017 (Pension Schemes Bill [Lords] (Programme) (No. 2)) shall be rescinded.

(2) Paragraphs (4) and (5) of the Order of 30 January 2017 (Pension Schemes Bill [Lords] (Programme)) shall be omitted.

(3) Proceedings on Consideration shall be brought to a conclusion immediately after the conclusion of proceedings on the Motion for this Order.

(4) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion 90 minutes after the commencement of proceedings on the Motion for this Order.—(Richard Harrington.)
(1) By a date to be set by the Secretary of State in regulations, approved Master Trust Schemes must ensure that at least a third of the trustees of the scheme are Member Trustees.

(2) Member Trustees must be individuals who are—
(a) members of the Master Trust scheme; and
(b) not members of senior management of a company that is enrolled in the Master Trust scheme.

(3) Member Trustees must be appointed by a process in which—
(a) any member of the scheme who meets the condition in subsection (2) is to apply to be a Member Trustee,
(b) all the active members of the scheme, or an organisation which adequately represents the active members, are eligible to participate in the selection of the Member Trustees, and
(c) all the deferred members of the scheme, or an organisation which adequately represents the deferred members, are eligible to participate in the selection of the Member Trustees.

(4) Member Trustees should be given sufficient time off by their employer to fulfil their duties.

(5) For the purpose of this clause “senior management”, in relation to an organisation, means the persons who play significant roles in—
(a) the making of decisions about how the whole or a substantial part of its activities are to be managed or organised, or
(b) the actual managing or organising of the whole or a substantial part of those activities.”

This new clause requires Master Trusts to make provision for some form of member representation within Master Trusts.

Brought up.

Question put. That the clause be added to the Bill.

The House divided: Ayes 187, Noes 289.

Division No. 192] [5.31 pm

AYES

Abbot, rh Ms Diane      Brabin, Tracy
Abrahams, Debbie        Bradshaw, rh Mr Ben
Alexander, Heidi        Brennan, Kevin
Aliin-Khan, Dr Rosena   Brown, Lyn
Ashworth, Jonathan      Brown, rh Mr Nicholas
Bailey, Mr Adrian       Bryant, Chris
Benn, rh Hilary         Burden, Richard
Betts, Mr Clive        Burnage, Richard
Blomfield, Paul         Burnham, rh Andy

Nokes, Caroline         Wiggan, Bill
Holloway, George        Williamson, rh Gavin
Howell, Ben             Wilson, Mr Rob
Howlitt, Ben            Wilson, Sammy
Huddleston, Nigel       Wollaston, Dr Sarah
Hurd, Mr Nick           Wrage, William
Jackson, Mr Stewart     Wreath, rh Jeremy
James, Margot           Zahawi, Nadhim
Javid, rh Sajid         Tellers for the Noes:
Jayawardena, Mr Ranil   Christopher Pincher and
Jenkin, Mr Bernard      Chris Heaton-Harris
Jenrick, Robert         
Johnson, rh Boris       
Johnson, Dr Caroline    
Johnson, Gareth         
Jones, Andrew           
Jones, rh Mr David      
Jones, Mr Marcus        
Kawczynski, Daniel      
Kennedy, Seema          
Kinahan, Danny          
Kirby, Simon            
Kwarteng, Kwasi         
Lancaster, Mark         
Latham, Pauline         
Leadsom, rh Andrea      
Lee, Dr Phillip         
Lefroy, Jeremy          
Leslie, Charlotte       
Letwin, rh Sir Oliver   
Lewis, rh Brandon       
Lewis, rh Dr Julian     
Lidington, rh Mr David  
Lord, Jonathan          
Loughton, Tim           
Mackinlay, Craig        
Main, Mrs Anne          
Mak, Mr Alan            
Malthouse, Kit          
Mann, Scott             
Mathias, Dr Tania       
Maynard, Paul           
McCarron, Jason         
McCarron, Karl          
McLaughlin, rh Sir Patrick
McPartland, Stephen     
Mercer, Johnny          
Merriman, Huw           
Metcalfe, Stephen       
Miller, rh Mrs Maria    
Milling, Amanda         
Mills, Nigel            
Milton, rh Anne         
Mitchell, rh Mr Andrew  
Mordaunt, Penny         
Morgan, rh Nicky        
Morris, Anne Marie      
Morris, David           
Morris, James           
Morton, Wendy           
Mowat, David            
Mundell, rh David       
Murray, Mrs Sheryll    
Munro, Dr Andrew        
Neill, Robert           
Newton, Sarah           
Nokes, Caroline         
Norman, Jesse           
Nuttall, Mr David       
Opperman, Guy           
Osborne, rh Mr George   
Paisley, Ian            
Parish, Neil            
Patel, rh Priti         
Paterson, rh Mr Owen    
Pawsey, Mark            
Penning, rh Mike        
Penrose, John           
Percy, Andrew           
Perry, Claire           
Philp, Chris            
Pickles, rh Sir Eric    
Poulter, Dr Daniel     
Pow, Rebecca            
Prentis, Victoria       
Pritchard, Mark         
Pursglove, Tom          
Quin, Jeremy            
Quince, Will            
Raab, Mr Dominic        
Redwood, rh John        
Rees-Mogg, Mr Jacob     
Roberson, Mr Laurence   
Robinson, Gavin         
Robinson, Mary          
Rosindell, Andrew       
Rudd, rh Amber          
Rutley, David           
Sandbach, Antoinette    
Scully, Paul            
Selous, Andrew          
Shannon, Jim            
Shapps, rh Grant        
Sharma, Alok            
Shelbrooke, Alec        
Simpson, rh Mr Keith    
Skidmore, Chris         
Smith, Henry            
Smith, Julian           
Smith, Royston         
Solloway, Amanda        
Soubry, rh Anna         
Spelman, rh Dame Caroline
Spencer, Mark           
Stephenson, Andrew      
Stevenson, John         
Stewart, Bob            
Stewart, Iain           
Streeter, Mr Gary      
Stride, Mel             
Stuart, Graham          
Sturdy, Julian          
Sunak, Rishi           
Swayne, rh Sir Desmond  
Swire, rh Sir Hugo      
Syms, Mr Robert         
Thomas, Derek           
Throup, Maggie          
Timpson, Edward         
Tohurst, Kelly          
Tomlinson, Justin       
Tomlinson, Michael      
Tracey, Craig           
Tredinnick, David       
Truss, rh Elizabeth     
Tugendhat, Tom          
Turner, Mr Andrew       
Vaizey, rh Mr Edward    
Vara, Mr Shailesh       
Vickers, Martin         
Villiers, rh Mrs Theresa
Walker, Mr Charles      
Walker, Mr Robin        
Warburton, David        
Warman, Matt            
Wharton, James          
Whately, Helen          
Wheeler, Heather        
White, Chris            
Whitaker, Craig         
Wiggin, Bill           
Williams, Craig         
Williamson, rh Gavin    
Wilson, Mr Rob          
Wilson, Sammy           
Wollaston, Dr Sarah    
Wragg, William          
Wright, rh Jeremy       
Zahawi, Nadhim

Noes

Abbott, Ms Emma        Brabin, Tracy
Abrahams, Debbie       Bradshaw, rh Mr Ben
Alexander, Heidi       Brennan, Kevin
Aliin-Khan, Dr Rosena  Brown, Lyn
Ashworth, Jonathan     Brown, rh Mr Nicholas
Bailey, Mr Adrian      Bryant, Chris
Benn, rh Hilary        Burden, Richard
Betts, Mr Clive       Burgon, Richard
Blomfield, Paul        Burnham, rh Andy

Tellers for the Ayes: 
Jeff Smith and Thangam Debbonaire

NOES
Davies, Dr James
Davies, Mims
Davies, Philip
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodd, rh Mr Nigel
Donelan, Michelle
Donn, Nadine
Douglas, Steven
Dowden, Oliver
Dolley-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr lain
Dunne, Mr Philip
Elliot, Tom
Ellis, Michael
Ellison, Jane
Ellwood, rh Mr Tobias
Eustice, George
Evans, Graham
Evans, Mr Nigel
Ewen, rh David
Fabricant, Michael
Fallon, rh Sir Michael
Fernandes, Suella
Foster, Kevin
Fox, rh Dr Liam
Francois, rh Mr Mark
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Mark
Gale, Sir Roger
Garnier, rh Sir Edward
Gauke, rh Mr David
Ghani, Mrs Nusrat
Gillan, rh Mrs Cheryl
Gill, John
Goodwill, Mr Robert
Gove, Mr Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffith, Andrew
Gummer, rh Ben
Gunn, Sir Sam
Halfon, rh Robert
Hall, Luke

Aftiyie, Adam
Aldous, Peter
Allen, Lucy
Allen, Heidi
Amess, Mr Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriet
Barclay, Stephen
Barwell, Gavin
Bellingham, Sir Henry
Benyon, rh Richard
Beresford, Sir Paul
Berry, James
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Brady, Mr Graham
Brazier, Sir Julian
Bridge, Andrew
Brine, Steve
Buckland, Robert
Burns, Sir Con
Burns, rh Mr Simon
Burrows, Mr David
Butt, rh Alistair
Carmichael, Neil
Cartledge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Colville, Oliver
Costa, Alberto
Courts, Robert
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glyn
Twigg, Derek
Vaz, rh Keith
Vaz, Valerie
West, Catherine
Williams, Hywel
Wilson, Phil
Winnick, Mr David
Winterton, rh Dame Rosie
Woodcock, John
Wright, Mr lain
Zeichner, Daniel
| Hancock, rh Matt | 343 | Hancock, rh Matt |
| Hands, rh Greg | 344 | Hands, rh Greg |
| Harper, rh Mr Mark | 345 | Harper, rh Mr Mark |
| Harrington, Richard | 346 | Harrington, Richard |
| Harris, Rebecca | 347 | Harris, Rebecca |
| Harrison, Trudy | 348 | Harrison, Trudy |
| Hart, Simon | 349 | Hart, Simon |
| Haselhurst, rh Sir Alan | 350 | Haselhurst, rh Sir Alan |
| Heald, rh Sir Oliver | 351 | Heald, rh Sir Oliver |
| Heappey, James | 352 | Heappey, James |
| Heaton-Jones, Peter | 353 | Heaton-Jones, Peter |
| Henderson, Gordon | 354 | Henderson, Gordon |
| Herbert, rh Nick | 355 | Herbert, rh Nick |
| Hinds, Damian | 356 | Hinds, Damian |
| Hoare, Simon | 357 | Hoare, Simon |
| Hollingbery, George | 358 | Hollingbery, George |
| Hollinrake, Kevin | 359 | Hollinrake, Kevin |
| Hollobone, Mr Philip | 360 | Hollobone, Mr Philip |
| Holloway, Mr Adam | 361 | Holloway, Mr Adam |
| Hopkins, Kris | 362 | Hopkins, Kris |
| Howarth, Sir Gerald | 363 | Howarth, Sir Gerald |
| Howell, John | 364 | Howell, John |
| Howlett, Ben | 365 | Howlett, Ben |
| Huddleston, Nigel | 366 | Huddleston, Nigel |
| Hurd, rh Mr Nick | 367 | Hurd, rh Mr Nick |
| Jackson, Mr Stewart | 368 | Jackson, Mr Stewart |
| James, Margot | 369 | James, Margot |
| Javid, rh Sajid | 370 | Javid, rh Sajid |
| Jayawardena, Mr Ranil | 371 | Jayawardena, Mr Ranil |
| Jenkin, rh Sir Alan | 372 | Jenkin, rh Sir Alan |
| Jenkint, rh Oliver | 373 | Jenkint, rh Oliver |
| Johnson, rh Boris | 374 | Johnson, rh Boris |
| Johnson, Dr Caroline | 375 | Johnson, Dr Caroline |
| Johnson, Gareth | 376 | Johnson, Gareth |
| Jones, Andrew | 377 | Jones, Andrew |
| Jones, rh Mr David | 378 | Jones, rh Mr David |
| Jones, rh Mr Marcus | 379 | Jones, rh Mr Marcus |
| Kawczynski, Daniel | 380 | Kawczynski, Daniel |
| Kennedy, Seema | 381 | Kennedy, Seema |
| Kinahan, Danny | 382 | Kinahan, Danny |
| Kirby, Simon | 383 | Kirby, Simon |
| Kwarteng, Kwasi | 384 | Kwarteng, Kwasi |
| Lancaster, Mark | 385 | Lancaster, Mark |
| Latham, Pauline | 386 | Latham, Pauline |
| Leadsom, rh Andrea | 387 | Leadsom, rh Andrea |
| Lee, Dr Phillip | 388 | Lee, Dr Phillip |
| Lefroy, Jeremy | 389 | Lefroy, Jeremy |
| Leslie, Charlotte | 390 | Leslie, Charlotte |
| Letwin, rh Sir Oliver | 391 | Letwin, rh Sir Oliver |
| Lewis, rh Brandon | 392 | Lewis, rh Brandon |
| Lewis, rh Dr Julian | 393 | Lewis, rh Dr Julian |
| Lidington, rh Mr David | 394 | Lidington, rh Mr David |
| Lord, Jonathan | 395 | Lord, Jonathan |
| Loughton, Tim | 396 | Loughton, Tim |
| Mackinlay, Craig | 397 | Mackinlay, Craig |
| Main, rh Mrs Anne | 398 | Main, rh Mrs Anne |
| Mak, rh Mr Alan | 399 | Mak, rh Mr Alan |
| Malthouse, Kit | 400 | Malthouse, Kit |
| Mann, Scott | 401 | Mann, Scott |
| Mathias, Dr Tania | 402 | Mathias, Dr Tania |
| Maynard, Paul | 403 | Maynard, Paul |
| McCartney, Jason | 404 | McCartney, Jason |
| McCartney, Karl | 405 | McCartney, Karl |
| McLoughlin, rh Sir Patrick | 406 | McLoughlin, rh Sir Patrick |
| McPartland, Stephen | 407 | McPartland, Stephen |
| Mercer, Johnny | 408 | Mercer, Johnny |
| Merriman, Huw | 409 | Merriman, Huw |
| Metcalfe, Stephen | 410 | Metcalfe, Stephen |
| Miller, rh Mrs Maria | 411 | Miller, rh Mrs Maria |
| Milling, Amanda | 412 | Milling, Amanda |
| Mills, Nigel | 413 | Mills, Nigel |
| Mitchell, rh Mr Andrew | 414 | Mitchell, rh Mr Andrew |

**Tellers for the Noes:**
Christopher Pincher and Chris Heaton-Harris

**Question accordingly negatived.**

**Clause 11**

**SYSTEMS AND PROCESSES REQUIREMENTS**

_Amendment proposed: 1, page 8, line 13, at end insert—
( ) A minimum requirement of annual reporting of administration, fund management costs and transaction costs for each asset class, drawdown product and for active and passive asset management strategies._—(Alex Cunningham.)

This amendment would introduce annual reporting and inclusion of transaction costs requirements for Master Trusts.

**Question put.** That the amendment be made.

_The House divided: Ayes 188, Noes 286._

Division No. 193] [5.43 pm

**AYES**

- Abbott, rh Ms Diane
- Abrahams, Debbie
- Alexander, Heidi
- Allin-Khan, Dr Rosena
- Ashworth, Jonathan
- Bailey, Mr Adrian
- Benn, Mr Hilary
- Betts, Mr Clive
- Blomfield, Paul
- Brabin, Tracy
- Bradshaw, rh Mr Ben
- Brennan, Kevin
- Brown, Lyn
- Brown, rh Mr Nicholas
- Bryant, Chris
- Burden, Richard
- Burgon, Richard
- Burnham, rh Andy
- Butler, Dawn
- Campbell, rh Mr Alan
- Campbell, Mr Ronnie
- Carmichael, rh Mr Alistair
- Champion, Sarah
- Chapman, Jenny
- Clwyd, rh Ann
- Coaker, Vernon
- Coffey, Ann
- Cooper, Julie
- Cooper, Rosie
- Cooper, rh Yvette
- Corbyn, rh Jeremy
- Crasby, rh Sir David
- Warman, Matt
- Wharton, James
- Whately, Helen
- Wheeler, Heather
- White, Chris
- Whittaker, Craig
- Whittingdale, rh Mr John
- Wiggins, Bill
- Williams, Craig
- Williamson, rh Gavin
- Wilson, Mr Rob
- Wilson, Sammy
- Wollaston, Dr Sarah
- Wragg, William
- Wright, rh Jeremy
- Zahawi, Nadhim

- Creasy, Stella
- Crardash, Jon
- Cummins, Judith
- Cunningham, Alex
- Cunningham, Mr Jim
- Dakin, Nic
- David, Wayne
- De Piero, Gloria
- Dowd, Jim
- Dowd, Peter
- Dromey, Jack
- Dugher, Michael
- Durkan, Mark
- Eagle, Maria
- Edwards, Jonathan
- Efford, Clive
- Elliot, Tom
- Ellman, Ms Louise
- Esterson, Bill
- Field, rh Frank
- Fitzpatrick, Jim
- Fiello, Robert
- Fletcher, Colleen
- Flint, rh Caroline
- Flynn, Paul
- Fovargue, Yvonne
- Foxcroft, Vicky
- Furniss, Gill
- Gapes, Mike
- Gardiner, Barry
- Glass, Pat
- Glindon, Mary
NOES

Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Barwell, Gavin
Bellingham, Sir Henry
Benyon, rh Richard
Beresford, Sir Paul
Berry, James
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Brady, Mr Graham
Brazier, Sir Julian
Bridgen, Andrew
Brine, Steve
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Carmichael, Neil
Cartlidge, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Colville, Oliver
Costa, Alberto
Courts, Robert
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glyn
Davies, Dr James
Davies, Mims
Davies, Philip
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodd, rh Mr Nigel
Donelan, Michelle
Dorries, Nadine
Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, rh Mr Tobias
Eustice, George
Evans, Graham
Evans, Mr Nigel
Evonnel, rh David
Fabricant, Michael
Fallon, rh Sir Michael
Fernandes, Suella
Foster, Kevin
Fox, rh Dr Liam
Francesco, rh Mr Mark
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Garnier, rh Sir Edward
Gauke, rh Mr David
Ghani, Nusrat
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damien
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, rh Ben
Gyimah, Mr Sam
Halcon, rh Robert
Hall, Luke
Hancock, rh Matt
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Harrison, Trudy
Hart, Simon
Haselhurst, rh Sir Alan
Heald, rh Sir Oliver
Heappey, James
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hurd, Mr Nick
Jackson, Mr Stewart
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jennick, Robert
Johnson, rh Boris
Johnson, Dr Caroline
Johnson, Gareth
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kirby, Simon
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsmom, rh Andrea
Lefroy, Jeremy
Leslie, Charlotte
The Parliamentary Under-Secretary of State for Pensions (Richard Harrington): I beg to move, That the Bill be now read the Third time.

We return to this Bill after last Wednesday’s traumatic events. My thoughts and sympathies, and those of all the House, are with those who were affected. I take this opportunity to thank hon. Members from both sides of the House and the House staff for their support and professionalism in what was a very difficult time for us all.

I am pleased to see Madam Deputy Speaker in the Chair, as she has not heard any of this before. This Bill focuses on master trusts, introducing a new authorisation regime for them and setting out how they must satisfy the Pensions Regulator of certain criteria before they can begin, or continue, to operate.

The criteria were developed in discussion with the industry, and respond to specific key risks. Although the Bill provides some detail, more will be set out in regulations after further consultation with the industry and others. The Bill gives the regulator new powers to supervise master trusts, and to step in when schemes risk falling below the required standards. It also gives the regulator additional powers when a master trust experiences a key risk event. A scheme that has experienced such an event will be required either to resolve the issue or to wind up. As well as giving the regulator new powers, this Bill supports continuity of savings for members, protects members when a scheme is to wind up, and supports employers with their automatic enrolment duties.

To protect members of existing schemes, some aspects of the regime will have effect from 20 October 2016. Schemes are required to report triggering events to the regulator, and there are restrictions on certain charges until the event is resolved. The Bill also amends existing legislation so that regulations can override relevant contract terms that are inconsistent with those regulations. We intend to use this provision, along with existing powers, to make regulations that cap early exit charges and ban member-borne commission in some occupational schemes.

When this Bill was introduced in the other place last October, it was welcomed across the pensions industry as an essential piece of legislation that would protect the millions of people now saving for their retirement through master trusts. I am pleased to say that the Bill has been broadly welcomed by those in all parts of both Houses. We have listened to the points raised in both Houses, and have continued to engage with stakeholders. I can confirm that we have brought forward a number of Government amendments to address their concerns. In the other place, amendments in Committee mainly related to how the regulator would enforce the new authorisation regime.

Amendments on Report in the Lords focused on regulation-making powers in the Bill, in acknowledgement of the report from the Delegated Powers and Regulatory Reform Committee. One amendment inserted a power to make limited consequential changes to legislation to ensure that the law works as it should. We also made a change to allow the provisions on fraud compensation in the Pensions Act 2004 to be modified for master trusts.

Question accordingly negatived.

Third Reading
On Third Reading in the Lords, we made one minor technical change to clarify that regulations on scheme funders’ accounts may require them to be audited. In Committee in this House, we agreed further changes. First, the Committee removed a clause that had been inserted after a narrow vote on Report in the other place, which provided for a scheme funder of last resort to meet the costs when a master trust is being wound up without the necessary funds to transfer the accrued benefits. We discussed that once again on Report last week, when the House accepted the Government’s argument that this additional provision is unnecessary.

In response to a point raised in the other place about an unintended consequence of the Bill, we made amendments to enable a scheme funder to engage in activities in relation to any part of the scheme, not just the money purchase section. The original requirement in the Bill that the scheme funder be a separate legal entity, and carry out only activities directly relating to the master trust scheme in question, was amended to address concerns about the impact of the requirement on business. The amendments enable scheme funders to operate more than one master trust, and also give the Secretary of State the flexibility to make exceptions to the requirement that scheme funders’ activities be limited to the master trusts of which they are the scheme funder or prospective funder.

I thank hon. Members on both sides of the House for their contributions, including the shadow spokesman, the hon. Member for Stockton North (Alex Cunningham), and the hon. Member for Ross, Skye and Lochaber (Ian Blackford)—not least because I can now say the name of his constituency without reading it. I particularly thank the Bill team from the Department for Work and Pensions, and everyone who has contributed to making this Bill an excellent piece of legislation.

It will come as no surprise to the Minister to hear me express my gratitude to all our teams for all the hard work they put in to try to ensure that the Bill, which is about closing the gaps in all our pensions, is as effective as possible. Increasing protections for master trust savers, the vast majority of whom were automatically enrolled through their sponsoring employer.

This has not been the easiest Bill to scrutinise. The content is, of course, technical, and an unusual amount of legislation is left to secondary regulations, which is a concern. That is becoming a hallmark of this Government and is entirely regrettable. It has not only brought criticism to the Government from the Select Committee on Work and Pensions, which has suggested that the Government are writing legislation in lieu of policy, but has made it difficult for this House to get a full picture of how the legislation will operate in practice.

Nevertheless, we are about to point out a number of significant gaps in the Government’s approach to the legislation, as well as some parts that we believe require further thought. As my hon. Friend the Member for Stockton North mentioned last week, we tried to table amendments in Committee to ensure our commitment to the WASPI—Women Against State Pension Inequality—women to extend pension credit to those worst affected, ensuring that hundreds of thousands of those women became eligible for up to £156 a week. Sadly, the amendments were not selected. It is a real disappointment that the Government did not use the Bill to address the plight of these women. Labour has a clear, costed plan targeted towards the most vulnerable women, and we are exploring further options to help as many as we can.

Given that we understand that this will be the only pensions Bill in this Parliament—the Pensions Minister can put me right on that—there are many other pensions issues that should have been included in a more comprehensive Bill. As we have said before, this was a wasted opportunity.

Let me move on to the specifics of the Bill. It is a shame that the Government did not heed the advice of our noble Friends in the other place and provide for a funder of last resort. Our amendment would have ensured that scheme members were protected in the event of a master trust becoming insolvent, and would have offered them a clear route for the drawdown of their savings.

The Minister believes that the new regulatory framework provides sufficient protection to make this provision unnecessary, yet he seemed unwilling to accept that no future master trust would go bust. I am glad that he has such faith in the regulatory regime, and I genuinely hope, for the sake of scheme members, that his faith is justified.

We hope to improve the clauses relating to pause orders. Under the legislation, the regulator can step in following a triggering event to halt accumulation and decumulation from a failing master trust. The Government have made an exception for people getting divorced to allow them to access funds held under a pause order, but they did not see fit to offer the same opportunity to, for example, disabled people or those in ill health. This is likely to cause distress to those who desperately need to draw down their savings. The Government did little to consider what would happen to savers affected by a pause order who wished to continue putting aside contributions from their salary and their sponsoring employer for retirement. Our amendment suggested that the employer take responsibility for holding on to these savings until the pause order ended or a new master trust was found. The Government again unfortunately rejected this practical suggestion.
The lack of transparency of costs and charges is a scandal of the pensions industry, and there have been Government promises to tackle it for years. I remember, several years ago, as a member of the Select Committee on Work and Pensions, one of the Treasury Ministers in the last Parliament promising that this would be done, but we are still waiting. It is one of those issues that we are taking far too long to tackle. I appreciate that a review will be published at the end of the year, but that will be too late for legislation. Again, it will be up to the industry to determine what, how and when it will publish its costs.

The matter of charges is a real scandal. I wonder whether anybody here knows the charges on their pension scheme. The charges affecting all savers have been estimated at up to £120 billion a year. We need to decide whose side we are on. Are we going to look after savers or prop up the pensions industry? We tried to raise the issue of opaque costs and charges being applied to members’ savings pots by investment managers and brokers, but again, the Government failed to respond. For too long, people have been encouraged to put their faith and, more importantly, their money in a distant savings pot, with very little information about where that money is invested, the performance of their savings and, importantly, the costs and charges incurred on the investment. In short, neither the scheme trustees nor the scheme members have been able adequately to ascertain whether they are getting value for money on their investments. In almost every other market, people looking to purchase goods or services are provided with basic information about performance and cost in advance of their purchase. This is a necessary requirement to ensure that they are getting value for money, yet this basic principle is not operating in our pensions system.

Part 2 of the Bill makes a small step towards greater transparency regarding the charges applied for those hoping to make the most of pension freedoms and to remove their savings from a master trust, but we maintain that it is not enough. Much more could have been done to shine a light on transaction costs applied to investment returns. The Minister committed the Government to implementing the recommendations of the Financial Conduct Authority’s report on the asset management market. Surely this would have been a great opportunity for the Government to make a start.

There is a lot of work to be done to tackle the problem of opaque and excessive costs and charges being extracted from workers’ savings by investment managers. This Bill merely scratches the surface. The question of governance also remains unanswered by the Government, despite the Opposition’s attempts to clarify. We believe that the Bill should have increased member representation on trustee boards. Their money is being invested, and they should be involved. The Pensions Act 1995 introduced the requirement for company pension schemes to have member-nominated trustees. If the scheme’s sole trustee is a company including the employer, rather than an individual, scheme members will have the right to nominate directors to that company.

The Pensions Act 2004 enshrined the right to have at least a third of the trustees of a trust-based scheme nominated by scheme members. That stems from the basic democratic principle that those for whom decisions are being taken should have a say in those decisions. The Pensions Regulator agrees that master trusts are covered by that legislation, which is why some already have member-nominated trustees.

The regulator has, however, turned a blind eye to this matter, on the basis that having multiple sponsoring employers presents a barrier. That is not acceptable, and we have urged the Government to clarify and apply the law in this regard. Scheme members should be represented among the trustees of master trust funds—it is, as I said, their money, and they have a direct interest in ensuring there is a sound and sustainable investment strategy that delivers good value. It is disappointing that the Government did not take up this matter, which requires urgent action. Nor was a convincing argument given as to why master trusts should not have to meet their statutory requirements, especially in the light of the increased risk being borne by scheme members.

It is also disappointing that the Bill does nothing to build on the success of Labour’s policy on auto-enrolment by ensuring that saving into master trusts is accessible and encouraged for a number of groups that were excluded from auto-enrolment by the Government’s changes to the eligibility criteria. Throughout these debates, we have recognised that the Government have announced a review of auto-enrolment, but we have not yet heard an explanation of why it comes after the Bill. The self-employed, women, those working multiple jobs, carers and people on low incomes could all benefit hugely from an enhanced opportunity to save towards their retirement. Although the Government did not feel they could commit to a proper statutory basis for their review, we shall hold them to account in the review itself to ensure it properly serves excluded groups.

To conclude, we of course welcome legislation to strengthen the regulatory footing of master trusts. We have, however, tried throughout these debates to address a number of serious issues through pragmatic engagement with the Bill, and by highlighting its many gaps. One would think that the Government would have had time to include much more detail on this piece of primary legislation to allow for proper scrutiny in both Houses. It seems, however, that they were unable to get their act together on this aspect of pensions. [ Interruption. ] There is some clashing from the Government Benches—I think there is dissent there. However, we hope that, through these debates, we have at least drawn attention to these important issues, and to the need to create further security and dignity in retirement for working families across the UK.

6.12 pm

Ian Blackford (Ross, Skye and Lochaber) (SNP): May I associate myself with the remarks made by the Minister and the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) about the events of last Wednesday? We should reflect on the fact that those events were unfolding outside this Chamber while we were having our debate. Our thoughts are very much with those who, in the line of duty, defended our interests, including the police officer who lost his life, as well as with the others who lost their lives, those who have been injured and all those who have been affected.

As we have this debate, we should reflect on the responsibility that all Members have to build an architecture that creates a climate in which consumers around the
UK can safely invest in pension schemes and savings, and in which there is an element of trust. I broadly welcome the Bill’s role in improving the landscape. It is an important step forward in so far as it puts in place the necessary protection for those who are investing through auto-enrolment. It is crucial that we have the regulation in the Bill.

Like the Labour spokesperson, the hon. Member for Oldham East and Saddleworth, I would have been happier if the Government had accepted some of our amendments. Having said that, I was very much encouraged by the Minister’s response last week, particularly to an amendment I tabled regarding section 75 of the Pensions Act 1995. I welcome the commitment to revisiting this issue. As has been said, the Bill has to be seen in the wider context of what we are seeking to achieve on pensions.

Two of my new clauses were not selected for debate, one of which was on the establishment of a pensions and savings commission. I still believe that the Government should consider that proposal, because an awful lot is going on in this landscape, some of which was described by the hon. Member for Oldham East and Saddleworth. There is the forthcoming review of auto-enrolment. We have had the Cridland review, the Green Paper on defined-benefit pension schemes and the FCA paper. I think that there is a willingness among all of us to work collegiately to improve the interrelationship of all these factors. I look forward to the debates that we will have in taking this forward. This all comes back to my point about how we can create further confidence so that we get effective saving in the pensions landscape.

I put this in the context of the Green Paper, one of the most striking features of which is the indication at its beginning that the average defined-benefit pot is £7,000. We all have to accept that pension savings are not at an appropriate level. We all want people to save to such an extent that they can have dignity in retirement through both their workplace pension and the state pension provision. I look forward to working with the Government on the review of auto-enrolment. While we are improving the protection for today’s consumers, we need to do more to protect other people, particularly a lot of women who have been excluded, such as those in part-time jobs who are below the threshold, and the self-employed.

I applaud the Government for what they are doing. While the Bill is a very necessary step forward, there is much more that we can do by working together for the mutual benefit of those who invest in pension schemes.

Question put and agreed to.

Bill accordingly read the Third time and passed, with amendments.
and debating legislation. He rightly champions the point that there is no restriction on our debating legislation even if it does not directly affect our constituencies. Private Bills must be sponsored by Back-Bench Members, for obvious reasons, and some of the MPs directly affected by the Bill are Ministers. Given the interest that I have expressed in waterways and their consistent management, I think that it is appropriate for me to sponsor this Bill. Of course, all Members will have the opportunity to participate in the debate, and I hope that we will hear from at least one local Member who is directly affected. I am sure that my hon. Friend will also share his insights into the Bill.

Sir Henry Bellingham (North West Norfolk) (Con): I am not directly affected by the Bill, but the drains and waterways in question are adjacent to my constituency. I support the Bill 100%, and I am delighted that my hon. Friend is sponsoring it. I think it is appropriate for him to do so, because a local MP might encounter conflicts of some kind. It makes a great deal of sense for an MP from another part of the country to sponsor this important Bill to give the commissioners more powers, and we are grateful to him for doing so.

Kevin Foster: I thank my hon. Friend for his intervention; I could not have put it better myself.

Why do we need a Bill? As many hon. Members know, I regularly make the point on Fridays that legislating is not something to do for the fun of it or a unique form of parliamentary sport. For a Bill to be worthy of parliamentary time, there must be a clear need for it. This private Bill is being promoted by the Middle Level Commissioners, a statutory corporation constituted under the Middle Level Act 1862. The commissioners provide flood defence and water level management to the Middle Level area, and they are the navigation authority for the Middle Level river system. The legal framework that governs the commissioners’ navigation function is made up of several 18th and 19th-century Acts that regulate the use of these waterways, which were mainly laid out in the 17th century.

Mr Stewart Jackson (Peterborough) (Con): May I, through you, Madam Deputy Speaker, offer my sincerest apologies for my lateness? I was detained coming into the Palace.

Does my hon. Friend agree that the area covered by the Middle Level Commissioners is not strictly analogous to that of other navigation authorities, in that the Middle Level area consists essentially of interconnected drainage basins rather than stand-alone, bespoke rivers and canals?

Kevin Foster: My hon. Friend shows his exceptional knowledge of his constituency and the assets that support it. He is right. Fundamentally, as I will come on to say when I talk about the regulatory framework, the waterways in question were built as a drainage system, but they have gone on to be used by pleasure boats and other vessels. One of the reasons why the Bill is necessary is because some of the uses were not envisaged at the time of the 1862 Act. Clearly motorboats did not exist at the time, and the concept of canal usage was very different.

Mr Chope: Will my hon. Friend give way?

Kevin Foster: I will make some more progress and then I will be only too happy to give way again.

The regulation of these waterways, which were mainly laid out in the 17th century, is considerably out of date and does not align with modern requirements or the statutory framework applicable to other navigation authorities, including neighbouring ones. In particular, the current legal framework that governs the commissioners does not include adequate provision for the registration of vessels using the waterways or the levying of charges for the use of the waterways and associated facilities. In my briefings with the promoters, it was remarked that the framework means that the exemptions are for pleasure craft and those transporting manure. As a result, the commissioners currently do not receive any income from the navigation of the waterways, so money raised through drainage rates and levies has to be used to fund navigation, rather than flood defences. In the financial year ending on 31 March 2016, this amounted to £178,929.06 of unfunded expenditure. The commissioners are therefore seeking to update and clarify their powers to enable them to regulate and fund their waterways properly.

The powers sought are similar to those already used by other large inland navigation authorities, such as the Canal & River Trust, the Environment Agency and the Broads Authority. In essence, the future maintenance and management of the waterway will be funded in a similar way to others, not based on one set of users, and those who benefit can be asked to contribute.

Why do we have a private Bill? The commissioners originally proposed to update their governing legislation in the 2000s using a Transport and Works Act order. They approached the Department for Environment, Food and Rural Affairs, which rightly considered that the introduction of the proposed registration and charging schemes would be outside the powers of a TWAO, so the proposals did not proceed any further. Having consulted on updated proposals, the commissioners approached DEFRA again last year, but in October 2016, the Department confirmed that its position had not changed and that a TWAO could not be used. Its reasoning was that a TWAO could not be used to impose charges on navigation governed by primary legislation that does not itself contain charging provisions, as is the case for Middle Level navigation. It was therefore suggested that the commissioners should pursue a private Bill to update their powers.

I am sure that Members will agree that this is the right approach. It is welcome that we can debate these important subjects in our consideration of the Bill. Although this is the first opportunity for a wider debate in the House on this matter, the proposals will not come as a surprise to those who might be affected, as there has already been a wider consultation.

Mr Jackson: My hon. Friend is making a very good speech. May I put it to him that, at first sight, the Bill is an attempt to regularise the Middle Level vis-à-vis legislation for other navigation authorities, but what is missing from it—this might be different with secondary legislation—is any commensurate commitment to upgrade facilities that are similar to those of other navigation authorities? That is the Achilles heel of the Bill, and it is where it might need to be looked at again by this House or the other place.
Kevin Foster: I will respond to those comments when I come on to the petitions. However, I agree with my hon. Friend: clearly nobody wants to pay extra charges for the same facilities, but if we do not change the legal framework, those using the Middle Level for drainage are being asked to pay for facilities for those using it for navigation, making it very unlikely that facilities will ever be developed. These things need to go hand in hand. When I move on to the petitions, I will say a bit more about the commissioners’ views about the facilities that people who are required to pay should expect in exchange.

Mr Chope: Is it right to say that the consultation took place at the same time as the EU referendum, the outcome of which we are celebrating today? Is it also right to say that, for example, the March cruising club, whose headquarters is almost opposite the commissioners’ offices, was not consulted, and that other petitioners were not consulted either?

Kevin Foster: I know that my hon. Friend would agree with me that people are more than able to deal with two issues at the same time. The EU referendum was very important and many hon. Members engaged with it—I know that he engaged passionately and put his side of the argument—but they can also deal with other things, as was true today, when hon. Members have had various items on the agenda. I would not say immediately that the fact that the consultation coincided with the referendum meant that nobody took part in it. Petitions against the Bill have been deposited, and if the Bill is read a Second time, the petitioners can be heard in more depth. I hope that my hon. Friend will support the Bill on Second Reading so that we can consider how to work constructively with the Bill in more depth. I hope that my hon. Friend supports the Bill on Second Reading so that we can consider how to work constructively.

It might be helpful if I list the supporters. They include the Inland Waterways Association, the East Anglian Waterways Association, the Association Of Nene River Clubs, the National Association of Boat Owners, the Middle Level Watermen’s Club, the Residential Boat Owners’ Association, the Association of Waterway Cruising Clubs and five local councils. My hon. Friend the Member for North West Norfolk (Sir Henry Bellingham), who represents a nearby constituency, has also indicated his support.

Sir Henry Bellingham: My hon. Friend is being generous in giving way. He made the key point earlier to my hon. Friend the Member for Christchurch (Mr Chope), which is that the powers need to be brought up to date, made more fit for purpose and more modern, and brought into line with similar powers over other waterways, as exercised by the Environment Agency, the Canal & River Trust and the Broads Authority, which is near my constituency. An update is long overdue.

Kevin Foster: I thank my hon. Friend for putting succinctly the exact points that need to be made. The current system of regulation dates from another era and it needs to be brought into line with the successful system elsewhere. The House is not being petitioned to revert other areas to the old system, but there is a demand for change.

It might be helpful if I go through the consultation that took place between February and June 2016. The commissioners notified affected parties, including those with navigation interests, land drainage interests and local authorities, and published newspaper notices and placed details on their website. Of the 23 responses received, 18 were supportive, three neutral and two opposed.

It is also right that I mention the concerns. Six petitions against the Bill have been deposited by individuals with varying interests in the navigation of the waterways, including the March cruising club, which my hon. Friend the Member for Christchurch (Mr Chope) has mentioned, and the National Bargee Travellers Association. The commissioners have been considering the points raised in the petitions. As I touched on in response to my hon. Friend’s intervention, if the Bill is given its Second Reading the commissioners will respond to those points prior to the Opposed Private Bill Committee. Both the commissioners and the petitioners will then have the opportunity to give evidence directly supporting their case to the Committee, which will determine the line-by-line detail of the Bill and whether its principle has been proved.

The Bill is long and complex and, for the benefit of Members, I do not intend to go through every aspect of it or of the petitions. There are, however, two issues that I think I should cover to assist the House. The first relates to houseboat owners. For some, the Middle Level is their home, not just a pleasure watercourse. I acknowledge, therefore, that one of the petitioners is the National Bargee Travellers Association. I have raised that issue in relation to the Bill’s powers and have been advised that the commissioners are a public authority bound by the Human Rights Act to comply with the European convention on human rights. If removing a vessel would interfere with its owner’s article 8 rights—namely the right to respect for private and family life, home and correspondence—that could be done only if it is proportionate to do so. The courts have indicated that it is more likely to be proportionate if a vessel plainly fails to meet safety standards or its owner consistently refuses to show that they have insurance, but it is not likely to be proportionate if there is a genuine dispute about breach of licence conditions.

The commissioners can spell that out in more detail in registration byelaws, if the Bill is passed. Of course, those byelaws will also be subject to ministerial confirmation. We could also explore the issue in more detail in the Bill Committee. Ultimately, those who make the place under discussion their home could also benefit from gaining better facilities and a more secure future via a modernised system of regulation and a modernised legal framework for the Middle Level.

My hon. Friend the Member for Peterborough (Mr Jackson) highlighted the second point, which is the idea of people paying more but not getting any facilities in return—in other words, a tax on using this stretch of water. I accept—I hope that the Bill’s promoters do as well—that this has to be a two-way street. Those who navigate cannot be charged more if they are going to receive a pretty similar service. There has to be a clear benefit. I have raised the issue with the Bill’s promoters and they have advised me that the commissioners recognise
that navigators being asked to pay charges will have to get something in return for their money—there is no two ways about that. They have agreed with the Inland Waterways Association, the East Anglian Waterways Association and the National Association of Boat Owners that they will set up a users’ panel, if the Bill is passed and the framework modernised. The panel will be able to discuss an annual programme of maintenance improvements before each year’s charges are set. The precise arrangements for the panel have not yet been agreed, but the commissioners could certainly set out more detail before the Bill Committee if that would be helpful.

I hope that that provides some reassurance to the House, but again this is a matter we could explore in some depth in Committee. I would just make the point that, as with the older regulatory Acts, we may wish to consider carefully how much we want to put on the face of a Bill and how much could sensibly be left to allow some flexibility for the day-to-day management of the levels.

There is a lot of detail I could go into, particularly in relation to the patchwork of rather elderly Acts that regulate this waterway. To allow time for debate, I will not go through them all. I am, however, happy to respond to points raised during the debate and I look forward to the Minister’s comments. I hope that the Bill receives its Second Reading, so that its promoters and petitioners can make their case in Committee, and the Middle Level can have the modern, up-to-date system of regulation it deserves.

6.35 pm  

**Sue Hayman (Workington) (Lab):** I am pleased to speak to the private Bill on behalf of the official Opposition. I thank the hon. Member for Torbay (Kevin Foster) for so thoroughly covering the background and setting out why the Bill is needed. I would like to emphasise a few points, because I think it is important that the House has a clear understanding of the proposals and of why the Bill is needed.

The Bill amends and updates the powers of the Middle Level Commissioners to regulate navigation on the Middle Level of the fens. It will bring the Middle Level into line with powers granted to the Environment Agency, the Canal & River Trust, and the Norfolk Broads Authority. We have heard that the existing legislation dates from the 18th and 19th centuries, primarily the Middle Level Act 1862, and so it is remarkably out of date.

The Middle Level Commissioners provide flood defence and water level management to the Middle Level area, and are the navigation authority for the Middle Level river system. The Middle Level, the largest of the Great Level of the fens, was reclaimed by drainage of the land in the 17th century. It consists of over 120 miles of watercourses, with 100 miles of them being statutory. But for the operations of the commissioners and the local internal drainage boards, much of this fenland would be underwater, as much of it is below sea level. This would have a devastating impact on the 100,000 people who live and work in the area.

The commissioners have consulted widely and thoroughly with interested parties, the substantial majority of whom were in favour of the proposed changes. In a nutshell, the Bill would allow the Middle Level Commissioners to: charge vessels to use the waterways; fine people for staying longer than allowed at moorings; check that boats using the waterways have valid insurance; remove broken or abandoned boats; and enter into arrangements with other navigation authorities for the mutual recognition of registrations and licences.

Chris Howes, a local boat enthusiast, told the *Wisbech Standard* in March 2016 that he agreed with the commissioners’ plans, citing the apparently abandoned boats rotting away on the Old Nene that could be got rid of under the new powers. He said:

“the proposals are potentially so exciting, and so beneficial to Fenland, it’s hugely important that they come to fruition...If we want Fenland to aspire to be a tourist destination in the same way that Holland is, generating income to invest in our currently largely inaccessible waterways is a necessary stage.”

Iain Smith, the chief executive of the Middle Level Commissioners, said:

“it is important to update the laws, enabling us to have better control of the waterways we oversee.”

Additional income for the commissioners could make a real difference to fenland and to the waterways. I personally know the area well, having lived near there for a number of years, and would support any efforts to boost the local economy.

The Bill would bring legislation covering the Middle Level into the 21st century, in line with other navigation authorities. We support it.

6.39 pm  

**The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey):** Thank you for calling me to speak, Madam Deputy Speaker. I congratulate my hon. Friend the Member for Torbay (Kevin Foster) on his opening remarks. I am delighted to see in his place my hon. Friend the Member for North West Norfolk (Sir Henry Bellingham), because today is his birthday. That just shows how dedicated he is to his constituency duties. As he accurately identified, although his constituency is covered by the Middle Level Commissioners, this particular part of the navigation covers other stretches, including parts of the constituencies of my right hon. Friend the Member for South West Norfolk (Elizabeth Truss) and my hon. Friend the Member for North East Cambridgeshire (Stephen Barclay) who, as members of the Government, cannot speak directly to this Bill.

**Sir Henry Bellingham:** I am grateful to my hon. Friend for her extremely kind remarks. She will be aware of two things. First, she will know that quite a lot of the navigation traffic—boats and other craft—start their journeys in King’s Lynn or in my constituency and go upstream into some of these waterways. Secondly, on a point that I am sure she will come to, she and I share a passion for flood defences, and one has to remember that the extra money will be used to secure some of these waterways to prevent flooding. Flooding would obviously be devastating for all the surrounding farm areas and the many people who make their living in this area.

**Dr Coffey:** As my hon. Friend shows, he is assiduous in ensuring that people who start their journey in his constituency are well served. I recognise what he said about how the management of waterways can help with flooding.
[Dr Thérèse Coffey]

The main purpose of the Middle Level Bill is to amend and update the powers of the Middle Level Commissioners to regulate navigation on the Middle Level of the fens in the city of Peterborough and the counties of Cambridgeshire and Norfolk. The commissioners are the navigation authority for these waterways, and have powers under a range of local Acts passed between 1663 and 1874. They are the fourth largest inland navigation authority in the country by length of navigable waterway.

As my hon. Friend the Member for Torbay set out, the commissioners have previously lobbied my Department, which is the lead policy Department responsible for inland navigation matters in this country. They wanted us to take forward legislation to amend the navigation powers, but given the constraints on Government time for legislation and the fact that the focus of the provisions is local, it was on our advice that the commissioners brought forward this private Bill. I welcome the work they have done in bringing forward the legislation that we are considering today.

As for Government scrutiny of the Bill, as the Minister responsible for inland navigation matters, I want to be satisfied that the proposed legislation and the measures included in the Bill are fit for purpose. I believe that they are, because the existing legal framework that governs the commissioners’ navigation function is now considerably dated. Some of the current laws under which the commissioners are working not only date back more than 250 years, but do not align with modern requirements. Furthermore, the current laws do not align with the statutory framework applicable to other navigation authorities—including, in particular, the commissioners’ neighbouring navigation authority, the Environment Agency, which is responsible for navigation on the River Nene and the Great Ouse. This Bill will update this dated legislation.

Unlike many other navigation authorities, such as the Environment Agency, the commissioners do not have charging powers to license boats that use their navigations. The Bill will allow that to happen and give the commissioners powers to introduce a registration scheme for vessels using the waterways. It will give the commissioners powers similar to those already exercised by other authorities such as the Environment Agency, the Canal & River Trust and the Broads Authority in respect of their own navigations. Importantly, the Bill will not alter the commission’s existing duty to protect and maintain the navigations, or affect the public’s right of navigation on the waterways. The Government would consequently be content for the Bill to make progress.

6.43 pm

Mr Stewart Jackson (Peterborough) (Con): I begin with the remark that all politics is local. We are now discussing the Middle Level Bill, while earlier today we were talking about major geo-political issues, including the invoking of article 50. Such is the cornucopia of discussions the House of Commons.

We should not divide on this Bill. It is important to have a full and comprehensive debate today, but it should then proceed to Committee so that, as my hon. Friend the Member for Torbay (Kevin Foster) who so eloquently introduced the Bill as sponsor said, it can be looked at in greater detail.

I am a local Member of Parliament, but, as the Minister said, it has not been possible for Ministers directly affected by this Bill, principally my parliamentary neighbour my hon. Friend the Member for North East Cambridgeshire (Stephen Barclay), who is a Government Whip, to speak to it. However, as Members will know, the waterways we are discussing meet the River Nene at the city of Peterborough, and I therefore have a direct connection with and interest in the debate. Incidentally, in Cambridgeshire it is the River Nene, whereas in Northamptonshire, across the county line, it is—for some bizarre reason—the River Nen.

I pay tribute to one of the petitioners, my constituent Chris Taylor of Newborough, who has been indefatigable in raising this important issue and holding the Middle Level Commissioners to account. Like him, I believe that the petition period was insufficient and that there has not been a proper debate, but my principal worry is that there has been no cost-benefit analysis.

As I said to my hon. Friend the Member for Torbay earlier, we are not talking about a navigation authority that is analogous with authorities such as the Broads Authority and other authorities throughout the country that provide better facilities—in fact, provide any facilities—and I think that legislating for a power to impose tolls and charges without upgrading those facilities would be a draconian and retrograde step, which is why, in my view, we need to debate the issue further in Committee.

I appreciate that it is imperative to regularise the legal basis for the navigation authority’s duties and responsibilities, with—as the Minister said—the proviso that the Government do not become involved in the detailed operational matters of the Middle Level Commissioners, but oversee their statutory duties. I understand that the Government broadly support the need to update and amend the existing legislation, on the basis of what is in the documentation. As the Minister said, it is very aged legislation. There is not just the 17th-century legislation that she mentioned; there are the Middle Level Acts of 1810 to 1874, the Nene Navigation Act 1753, the Land Drainage Act 1991, and the Flood and Water Management Act 2010.

As I said earlier, what we are discussing is not a traditional canal or river, but interconnected open drains. The land was drained in the 17th century to release it for agricultural and other uses. As it is below sea level, until then it was effectively an inland sea. As for the town of Whittlesey, the clue is in the name. It was pretty wet, and was not used greatly. However—of course I would say this, as the local Member of Parliament—it contains some of the finest agricultural land in Britain, if not Europe, because it is incredibly well irrigated. We must bear in mind that the Middle Level Commissioners differ substantially from the more traditional navigation authorities.

The key issue that has caused concern is not just the basic issue of charges, as covered in clause 3 and, potentially, clause 9, which deals with byelaws. I accept that the petitioners are in the minority, but they contend that their public rights of navigation—not exactly ancient rights, but very well-established historical rights, bestowed on them in the latter part of the 17th century by the Duke of Bedford, who was a major landowner to the east of Peterborough and in the fens as a whole—are being curtailed and reduced. Indeed, they contend, in
their petition and in further papers, that those rights go back much further, beyond even Magna Carta in 1215: as far back as the 4th century. That is a major issue.

Let me give some more details of the petitioner’s complaint. We must bear it in mind that this is about charges on the 600 to 1,000 pleasure boats that use these 100 miles of waterways every year; it is not about commercial activity. I accept that in these straitened economic times public authorities have to look where they can to secure extra funding, and that it cannot just come from landowners, farmers and the taxpayer. I do not have an ideological aversion to further tolls and charges, therefore, but I do have an aversion to any unfairness to existing users of the facilities.

At the moment there are no services on this waterway: there are no water points, changing facilities, moorings, toilets, showers or collection points for rubbish. More importantly, notwithstanding the fact that secondary legislation might ameliorate the issue, at the moment that is not covered by the Bill and is not promised. That is an important point made in the documentation by the Residential Boat Owners Association and the National Bargee Travellers Association.

My hon. Friend the Member for Torbay rightly pointed out that there is a human rights legislation issue, because if we are curtailing the right to a family life under article 8 by removing the capacity of people to enjoy what is their home—a barge, for instance, or a pleasure cruiser—that is a wider legal issue. That could be explored further in Committee.

Sir Henry Bellingham: I thank my hon. Friend and constituency near neighbour for giving way. Does he accept that this is not just a question of using the levies for fees for providing services, because essential bank maintenance is also needed? Unless the banks are properly maintained, in a worst-case scenario there could be appalling flooding with the banks giving way, because, as he rightly points out, this area was extensively drained in the 16th century. So it is not just a question of providing facilities; it is also a question of maintaining the fabric of the waterways.

Mr Jackson: May I add to the congratulations of the House on my hon. Friend’s birthday? If I may say so, he is pretty ageless—he has not aged during the 12 years I have been in Parliament—and felicitations to my hon. Friend.

My hon. Friend is absolutely right that flood prevention and flood amelioration are massively important; we agree on that.

Rebecca Pow (Taunton Deane) (Con): I come from Somerset, and while I am not familiar with the exact area, my example is just the same. Surely any income that can be raised from navigation of the waterways would be welcomed, because currently, as I understand it, precious moneys raised through drainage rates and levies that ought to be going to vital flood prevention work to protect our precious farmland are being diverted to navigation works. This Bill is just tightening that up to correct this injustice.

Mr Jackson: I am mindful of time and know that other Members want to contribute, particularly my hon. Friend the Member for Christchurch (Mr Chope), so I will wrap up—also the Whip is giving me the evil eye, but only in her most endearing way.

I defer to the knowledge of my hon. Friend. Friend the Member for Taunton Deane (Rebecca Pow), and know that Somerset suffered the most appalling trauma of wide-scale flooding about five years ago. I do not think that it is mutually exclusive for us to be removing sunken boats, dredging and doing important infrastructure work that needs to be done, but it needs to be done in a more systematic way, and I am unconvinced about this private Bill, which seeks to be quite innocuous but is potentially quite draconian in what it imposes on people whose rights have been established for many hundreds of years.

It has been a pleasure to have this opportunity to represent Mr Taylor and some of the other people. If we are not here to represent unfashionable views of our constituents, we are wasting our time. In the course of the debate about this Bill, I hope that the petitioners and others with a key interest in the Middle Level will have the opportunity to have a cordial, productive meeting with the Middle Level Commissioners, and that some of those comments will be taken on board in Committee, so that the Bill will be improved. I hope that we can regularise the legislative necessity of the Bill while keeping faith with the people who are the lifeblood of the area—the pleasure boat users—because we need to look after their interests, too. I hope that we will find a mutually beneficial compromise in the near future.

6.55 pm

Wendy Morton (Aldridge-Brownhills) (Con): I am mindful of the hour, so I will keep my contribution brief. As a member of the all-party group on waterways and a narrowboat enthusiast, I support this private Bill and want to take a few minutes to explain why.

Across the country, we have benefited from and continue to benefit from an incredible network of over 2,000 miles of canals, waterways and other navigations. In my constituency, we have the Wyrley and Essington canal, on which we have taken our own boat, but I have never been on the Middle Level—yet. Once the means for transporting goods in and out of and across the west midlands, the waterways are now a place for walking and for leisure. Through the work of the Canal & River Trust, the Inland Waterways Association and others, including many local organisations, charities and volunteer groups, we have seen a remarkable revival in our waterways in recent years, and they are being put on a more sustainable footing.

The Middle Level Bill relates specifically to the central and largest section of the Great Level of the fens—an area reclaimed by drainage during the mid-17th century. There are Members present with far more local knowledge than I would ever declare having, but the area covers 120 miles of watercourses, 100 miles of which are statutory navigations. As we have heard, the Bill seeks to modernise the commissioners’ operational powers and allow them to levy charges on users of the waterways to pay for their navigation functions.

Jim Shannon (Strangford) (DUP): Something that has been in the press over the past few weeks is the amount of litter that has been deposited across the countryside, including in waterways. Will charging boat owners mean that that litter will be taken away and properly disposed of? If that is part of the Bill’s purpose, it must be a step in the right direction.
Mr Chope: Will my hon. Friend give way?

Wendy Morton: I am about to conclude, so I will continue because I am mindful of the time pressure.

The Bill is needed because it will aid the Middle Level Commissioners in becoming—this is crucial—a sustainable navigation authority with the proper powers to manage a 21st-century navigation, which is the interest of those who use it and those in the local area.

6.58 pm

Mr Christopher Chope (Christchurch) (Con): This debate would not be taking place if I had not blocked the Bill from going through on the nod on Second Reading. We have already heard about the benefits of having a proper Second Reading debate on a private Bill. Having spoken to some of the petitioners on the telephone, I point out that the Bill’s promoters have a serious responsibility to engage with those who take a different view or have concerns about its contents. One petitioner told me there had been no contact whatever from the authorities.

It is easy to talk about the Bill going to an Opposed Private Bill Committee. I have no objection to the Bill having a Second Reading, but it is important that it goes to an Opposed Private Bill Committee after there has been an exhaustive discussion between the petitioners and the promoters, rather than the Committee being used as the forum for that discussion, because the private Bill procedure in Committee is expensive and potentially adversarial. I wish that there had been more discussion between the promoters and the objectors.

Kevin Foster: When he intervened on my speech, my hon. Friend cited the example of the March cruising club. I have asked for clarification, and I am advised that the club was written to and telephoned but, sadly, there was no reply. A petition would allow further communication, but I have been advised that there was no reply to the consultation. I fully agree that there needs to be such engagement, as well as a formal Committee session.

Mr Chope: I am glad that my hon. Friend agrees with the need for informal engagement before the Bill goes to an Opposed Private Bill Committee, because apart from anything else, some of the petitioners are not well funded. If the Committee is prolonged and the petitioners have to be represented by counsel, the costs will be disproportionately high.

The National Audit Office published an illuminating report on internal drainage boards on 21 March—basically we are talking about a collection of drains, not canals. The report expresses concern about conflicts of interest and the need for proper oversight and assurance that the internal drainage boards will not engage where there are conflicts of interest.

I notice that there are 33 independent internal drainage districts within the Middle Level, each of which is responsible for the local drainage of its area. When we talk about giving more powers to the Middle Level Commissioners, we need to be circumspect about the checks and balances on the exercise of those powers, which I hope the Committee will be able to investigate when it meets to consider the proposals and the petitions against them.

One of the petitions is from Nigel Moore, who says that he is “a boat owner and manager of other people’s boats on various navigations, is an adviser on nationwide legal issues relating to boating, and is currently an approved lay advocate for a boater in a High Court action wherein issues arise over the interpretation of similar clauses to that proposed in this Bill.”

He objects to the Bill because it “entails clear abolition of private and public rights to no justifiable purpose, and will lead to unnecessary future litigation over ambiguities.”

Like other petitioners, he refers to the Bill’s wide interpretation of the term “waterways.” Schedule I will extend the term to a lot of areas that are not even navigable. The Bill will also extend the commissioners’ powers to adjacent waters, including private waters that are not currently within their jurisdiction. Apparently that, so Mr Moore says, has been “a contentious point in related litigation.”

Sir Henry Bellingham: My hon. Friend says that rights are being taken away. Surely we are talking about the introduction of a few extra responsibilities and a few extra charges. What rights will be removed?

Mr Chope: As a result of the Bill, owners of private waters that are not subject to the Middle Level Commissioners’ control will find themselves incorporated within the responsibilities of the commissioners, who will be able to use their regulatory powers in relation to what are currently private waters. That is an extension well beyond what one might have thought of as being the scope of the Bill. As my hon. Friend knows, being an experienced Member of this House, as soon as people get the opportunity to start legislating they always want to take more powers than they strictly need, which is one of the petitioners’ concerns.

Mr Jackson: Does my hon. Friend agree that there is confusion about the duties and responsibilities of the authority as between navigation and dredging under the Bill? That needs to be clarified when the Bill goes into Committee.

Mr Chope: Again, that is a good point, and it has been raised in several of the petitions.

Mr Moore expresses another concern, in stating that he “objects to Clause 8(3) because the wording follows that of the contentious British Waterways Act of 1983, section (8), which has led to years of litigation as to its effect, whereas the wording of the similar clause in the Environment Agency (Inland Waterways) Order 2012 section (16) is far superior, and allows for no such ambiguity and potential attempted and unwarranted extension of powers. The wording ‘without lawful authority’ is also wholly inapplicable to refer to boats on public navigable waters, when the
right to be on the waterways derives from the public right, and the proposed provisions for registration of boats does not change that. This was the burden of Environment Agency submissions in a recent case on the Thames, which was, in my submission, correct”.

So he thinks that as worded, clause 8(3) would not only be against the expressed policy of the Environment Agency, but

“would be unenforceable and ineffectual in law, contrary to the expectation of the Commissioners, and prejudicial to the rights of boaters.”

I hope that even if nothing else is sorted out in Committee, those issues raised by Mr Moore will be.

As we have heard, a petition has also come from the March cruising club, which has been submitted by Mr Harwood, the club harbormaster. Apart from complaining about the inadequate consultation, he raises a number of issues. Following on from the history that has been outlined by a number of the participants in this debate, he says:

“Pleasure boats have had free navigational access to the Old River Nene, which forms a large navigational section of the Middle Level, from before 1215 protected by Magna Carta and many subsequent statutes and Royal Commissions. There are even Roman transcripts describing navigation along the Old River Nene as early as the 4th Century during the Roman occupation. The Old River Nene is a natural river and a Public Right of Navigation has existed since Time Immemorial and was first codified in the Magna Carta of 1215.”

Kevin Foster: I am not sure whether my hon. Friend is aware of the preamble to the Nene Navigation Act 1753, which describes the ancient navigation as “being, at all times, extremely tedious, difficult and dangerous, and very frequently altogether impracticable”.

Mr Chope: I do not quite know what point my hon. Friend is making, because he is referring to a preamble to a piece of legislation—of course that is not an Act of Parliament. I am not sure that what he says undermines anything I have been saying in citing the submission of the March cruising club. I am sure that when the promoters engage properly with that club, they will be able to explore that issue further.

One other point made by the cruising club, which contradicts a number of assertions made in this debate, is that the commissioners already have the power to charge boats for the use of their waterways, but what they do not have is the power to charge pleasure boats. If there is a shortfall of £178,000 of unfunded expenditure, as has been alleged, there is nothing to prevent the commissioners from charging vessels that are not pleasure boats, or indeed charging for other activities. That would be consistent with the historical rights of pleasure boat owners to use the navigation without charge. The club goes on to say that the Middle Level is basically a “network of navigable drains”, so it is in a completely different category from some of the comparators that have been cited in support of the Bill by its promoters.

The club makes several other points in its submission, one of which was echoed by my hon. Friend for Peterborough (Mr Jackson). It objects because “the Bill contains no obligations under which the Commissioners would be duty bound to provide an adequate depth of water for navigation; dredging; maintenance or any facilities to boaters. Essentially, boaters would notice nothing positive, but would be subject to legislation that would: force them to pay a fee to register; pay annual licence fees; be a criminal offence to use the navigation without a licence; be forced to display a registration number; restrict access during certain times of the year; have the risk of being refused a licence and appealing the decision in a Magistrates Court. There are no advantages for boaters in return. This will destroy the Middle Level navigation and the boating community.”

Mr Paice’s submission goes on to say that the Bill “contains no protection for the homes of people who, like him, live on their boats.”

Indeed, that theme was picked up by Pamela Smith from the National Bargee Travellers Association, who said that people who have lived and worked on boats for many years but who do not have moorings feel threatened by the proposals. She estimated that between 10,000 and 25,000 people—not just in the area of the Middle Level, but throughout the United Kingdom—live on boats but not at a fixed mooring. They are a different sort of itinerant community, and she feels that they will be very much discriminated against by many of the proposals in the Bill. Those concerns are echoed by other petitioners.

Clause 9 proposes giving the commissioners more powers to make byelaws, but those commissioners already have adequate byelaw-making powers under the Middle Level Act 1874. Under the clause, the commissioners are seeking the authority to examine people’s homes, which, in most cases, amounts to an unwarranted, unnecessary invasion of personal space. There are statutory bodies, including the police, with the authority to enter people’s homes under appropriate circumstances. Requiring boaters to surrender their right to privacy as a condition of being granted a licence to navigate is unreasonable and intrusive.

There are quite significant attempts in the Bill to impose on the rights of individuals. I noticed that when the Minister gave her certification in relation to the Bill’s compliance with the European convention on human rights, all she said was that she had no reason to suppose that the assertions made by the promoters were
incorrect. I am not sure whether we can be satisfied that the Government have yet explored the issues relating to human rights for their own purposes so that they can assure us that, in their own view—not just the view of the promoters—the Bill is fully compliant with the law on human rights.

My hon. Friend the Member for Peterborough has already referred to the petition from his constituent, Christopher Taylor, so I will not refer to it again. I have referred briefly to what Pamela Smith has said on behalf of the National Bargee Travellers Association. That organisation has put in a major objection to much of the Bill. It has more than 700 members and four local groups and represents the interests of an estimated 15,000 to 30,000 bargee travellers in the United Kingdom. A significant number of members of the association either live permanently on the Middle Levels or use the waterways regularly. It is therefore a matter of great regret that there has been no proper discussion with the bargee travellers on the very important issues in the Bill, and I hope that that will remedied sooner rather than later. The association says that many bargee travellers use the Middle Levels as a transit route between the East Anglian waterways, such as the River Cam, the Great Ouse, or the Wissey, and the rest of the inland waterways. There is no other inland waterway route, and there would be no choice for them but to be bound by the proposed terms and conditions and to pay the proposed charges.

I am not very familiar with this part of the fens, and, apart from having visited other people who have a narrow boat, I am not familiar with this type of recreational boating. However, I am familiar with the sort of recreational boating that happens in my own constituency of Christchurch. All I can say is that if my constituents were faced with some of the regulations and powers to invade their privacy that are proposed in relation to the Middle Level of the fens, they would be outraged indeed. We have a large number of boats moored on the River Stour in Christchurch, and they do not all have names on them. People certainly do not have to give their name and address to some passing enforcement officer.

It seems to me that a lot of the Bill should be removed before it comes back for further consideration on Report. I hope that detailed discussion, consideration and scrutiny in Committee will have that consequence and that we will be able to look back and say, “This has been a worthwhile exercise, because a not very good Bill has been much improved as a result of proper scrutiny.”

I am not going to speak at length on this occasion, but I and my hon. Friend the Member for Peterborough are concerned that the rights of the petitioners should be heard in this great home of democracy.

Kevin Foster: It has been a pleasure to sit through this debate. I will not detain the House any longer by going through the individual comments we have heard, but I thank my hon. Friends the Members for Peterborough (Mr Jackson), for Aldridge-Brownhills (Wendy Morton) and for Christchurch (Mr Chope) for the detailed scrutiny and consideration they have given the Bill. There are certainly elements that we can take from the debate and deal with in Committee. In particular, we can deal with the byelaw powers and the question of engagement.

Question put and agreed to.

Bill accordingly read a Second time and committed.

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

DEFENCE

That the draft Armed Forces Act (Continuation) Order 2017, which was laid before this House on 20 February, be approved.—[Heather Wheeler.]

Question agreed to.

PETITION

School Funding in Tonbridge and Malling

7.21 pm

Tom Tugendhat (Tonbridge and Malling) (Con): Mr Deputy Speaker, you have called me to present my petition rather earlier than I feared when I saw my hon. Friend the Member for Christchurch (Mr Chope) take his place for the previous debate, but I am delighted to be addressing the House. I must declare an interest as I sit on the board of the academy trust of Hillview School for Girls, one of many excellent local schools that will struggle with the new funding formula. I have received a petition, signed by 75 people on paper and a further few hundred electronically, to present to the House of Commons. It states:

The petition of residents of Tonbridge and Malling,

Declares that schools in Tonbridge and Malling will remain underfunded under both the current and proposed funding plans.

The petitioners therefore urge the House of Commons to note their objections to the funding formula for schools in Tonbridge and Malling.

And the petitioners remain, etc.

[P002031]
Hyde Housing (Lambeth)

Motion made, and Question proposed, That this House do now adjourn.—(Heather Wheeler.)

7.23 pm

Kate Hoey (Vauxhall) (Lab): I want to use this debate to draw attention to the failure of Hyde Housing Association in my constituency to honour its pledges and promises to the residents of its Lambeth estates and properties. Back in 1999, the tenants and residents of the central Stockwell area of Lambeth voted for a stock transfer from the council to Hyde Southbank Homes, part of the Hyde Group. Some 2,500 homes were transferred from Lambeth Council, and a few years later, in 2005, the 760 homes on the Kennington Park estate and Bridge estate near Oval followed suit.

Hyde Southbank Homes was a proactive and good landlord in the first few years. Headed by the almost legendary Charlie Adams, it was a bottom-up organisation keen to stick to its commitments to provide tenants with good-quality, well managed and well maintained homes at affordable rents. Unfortunately, following the sad death of Charlie and the many changes Hyde Group made, the management and maintenance went downhill, and residents began to see a difference.

The official documentation relating to the agreement between Lambeth Council and Hyde Southbank Homes constituted a legal document. It stated:

“This contract would contain a legally binding commitment that Hyde Southbank Homes would keep all the promises made to you in this document”.

When deciding on the future ownership of their homes, the residents took seriously their responsibility and the promises that were given, as we would expect. They were assured, legally and morally, that they could rely on legal protection not just at the time of the transfer, but into the future. The promise document also stated:

“Any surplus money that HSH makes will remain within the HSH and will not be shared with any other part of the Hyde Group.”

Hyde explicitly promised:

“The existing community buildings will be refurbished to provide facilities for all residents.”

It said that non-housing services such as “improved community facilities” would be provided, and that it would “encourage better and more regular use of local facilities such as the...Community Centre”.

There are two community halls owned and managed by Hyde in my constituency, and they are both at risk, in a complete reneging on Hyde’s promises to the residents. Following a very unsatisfactory so-called consultation between November 2016 and January 2017, Hyde decided to go ahead with its plans to privatise the Stockwell community centre and is looking for an organisation to take it on. It has extended the closing date for expressions of interest from suitable organisations because only three were received, and because the interested organisations were relatively small, with small annual turnovers, and were therefore not in a strong enough organisational or financial position to take responsibility for the building and its management. It is also believed that these organisations find the conditions for taking the lease of the centre so restrictive that it would be of no benefit or advantage to them.

The residents are very concerned about the real intention of Hyde. Is it setting conditions to which no well-regarded not-for-profit organisation could agree? Under these conditions, the centre could not be made financially viable. The Kennington Park estate community hall has now been earmarked for closure and demolition to allow for the building of new homes. Now, we might have said, “Great—new homes!”, but nearly all of them are designed for sale or private shared ownership.

The consultation with all residents of the estates who have a stake in the future of their community centre has been very poor indeed. All past and present members of households on the Kennington Park estate, and potential future users of the centre, are entitled to be asked what they think, but that did not happen. Hyde seemed to think that it was the tenant and resident association’s responsibility to carry out the consultation, but of course the consultation should have gone much wider than the immediate area beside the community centre, because the centre is used by many people from all around the area. It was a shoddy consultation. Hyde put out some questions and answers to residents, saying that it owned and managed these community centres, and that the cost was becoming too much. It tried to blame the Government’s 1% rent reduction for social housing, saying that it meant that it “has to make cost savings and has had to review all...services”.

The Minister may be surprised to know that, despite residents not liking the 1% rent reduction for social housing and how it might work, they are not blaming it at all. It is misleading, inaccurate and inappropriate for Hyde to claim that it subsidises the running costs because, of course, income from the tenants’ rents contributes to the maintenance of services such as community centres.

Hyde also said that as a housing provider, it needed “make efficient use of its income to ensure we are able to prioritise building more homes to help address the housing crisis”, which meant it had to make difficult choices about what additional services it continued to fund and what it stopped.

The residents strongly feel that any responsible landlord is required to prioritise delivery of an acceptable standard of landlord services to its existing tenants first. It is a matter of real concern and great disappointment to residents, local councillors and myself that Hyde only too clearly puts the funding of new build above its duty and responsibility to deliver to an acceptable standard the full range of landlord services as required by law.

Of course, people have found out what is happening, and it is clear that the community is against it. As I mentioned, Hyde asserts that it cannot afford to run the Kennington Park estate centre, in particular, or the Stockwell centre, yet HSH’s accounts show a surplus for 2015-16 of over £2 million, and revenue reserves of £46,136,000. I mentioned earlier the commitments made when the transfers took place: any surplus money that HSH makes will remain within HSH and will not be shared with any other part of Hyde—that was the promise. In other words, the surpluses and reserves should first be reinvested in HSH and should not just be given over to the Hyde Group to build new housing for sale on the Kennington Park estate while the community centre is not replaced.
Hyde’s argument as regards the review of the community centre is that it needs to prioritise building homes. Of course, building homes is a priority for all of us; we know that more than anyone in the borough of Lambeth, where the housing waiting list is huge. However, capital funding for new homes is not the same as the revenue generated from the rents. The Kennington Park Estate Tenants’ and Residents’ Association has worked out that the revenue generated from the rents does cover the £22,500 subsidy that was provided to keep the centre open and running. That is less than 2% of HSH’s 2015-16 surplus, which, incidentally, is linked to a time when the community centre was often closed, and the income was at its potentially lowest level, due to Hyde’s indecision, incompetence and bad management.

There is real shock that Hyde, after what it promised, and given how well it worked with local residents in the early stages, has now decided to go down this route. Hyde Housing is failing not just on the community centres, but on many fronts, from service charges, which one tenant leader has said are in chaos, to day-to-day maintenance, parking charges and pushing new housing into totally inadequate spaces, such as in the case of Birrell House.

One of my constituents has given me permission to quote from his letter to Hyde about service charges. This is typical of the way Hyde works—it is completely non-transparent. The service charges for the coming year are based on estimates from so-called actual costs, details of which have never actually been sent to the residents. Residents have therefore been sent service charges for this year without any real proof of how the service charges for last year were spent. This resident, who has had long-standing discussions with Hyde, said to me, and in his letter to Hyde, that he first requested the accounts and receipts for 2013-14.

“This took over a year to finally arrive in October 2015 before we were able to examine them. To date we still have issues that were raised with those that remain unresolved by Hyde.”

Following on from that, he requested the 2014-15 accounts and receipts. Those took Hyde—this was slightly better—well over six months to finally provide. After my constituent went through those, there were numerous things that were obviously incorrect, and lots of invoices were not there or had not been identified by Hyde. After a number of exchanges—my constituent dealt with 17 different people in Hyde in trying to get this information—he finally got a comprehensive spreadsheet detailing the many issues, cross-referenced to the invoicing scheme, and he has gone through it in great detail.

Hyde has continually given estimates for the service charge up until the end of the year. It then issues a notice giving the difference between the estimates and the actual charge, and requesting the difference. My constituent fails to understand, as I do, how Hyde can give the actual sums yet be unable to provide the accounts and receipts from which they must have been derived. Why does it take a housing association with that scale of money behind it between six months and a year to obtain these accounts? Hyde is genuinely failing to respond in a timely and professional fashion. Indeed, some tenants feel that it has been using bully-boy tactics to demand payment when they are, quite understandably, still waiting to get the real facts before they pay. People have tried to resolve these issues in good faith, and this has been going on for a very long time. My constituent ends by saying:

“It would be nice to deal with a company that was above board and accountable to its paying residents without all this aggravation, and did not have to waste our time or theirs.”

Arden House, three tower blocks on the Grantham Road estate near Stockwell, was transferred, again, in 1999. The boiler refurbishments outside and within all dwellings, plus boiler upgrades, were supposed to be guaranteed for 30 years. Arden House’s boiler room is situated at the top of the building and houses two commercial boilers supplying communal heating and hot water to all dwellings. All the residents pay for these services through their service charges. In October 2015, the boilers failed. The residents went without heating and hot water services for 11 days. Finally, they got the service restored, and, after a long time, got some refunds for the time they went without.

In October 2016, the boilers failed again. The residents were advised that one boiler was working and the other needed parts. The contractors were called in and restored the system; then the boilers went off again. Since then, the residents have had heating and hot water services on and off; a few days later on again, then off; and then back on for a few days and off again. There are lots of accounts of night-time call-outs being made to Hyde’s contractors. They come to restart the boilers, but then the boilers go off again. This is all, of course, at the residents’ own expense in ringing up, and there is a general feeling of their not being able to get through to people. Boiler parts have been ordered and fitted, but the problem is still not solved.

A new local Hyde manager has recently been appointed. I am not putting any blame on him, because he has inherited a difficult situation. He, too, has been chasing the contractors. The residents have suggested bringing in somebody qualified from outside who actually knows what is going on, because it seems that no one within Hyde’s contractors has really got to the bottom of what is going on. Residents have had to pay full charges for this service for five months, but they have received less than half a service. Now Hyde is saying that it wants to look at an expensive replacement boiler that will be metered into each dwelling, costing residents even more money, yet it cannot even maintain what is there is now. The residents believe that the situation is totally unacceptable and disgraceful. Joyce Hopper from the Arden House community group says:

“Hyde Housing should hang their heads in shame. Will someone please intervene and get our Heating and Hot water services restored once and for all?”

I turn to another issue. This might seem trivial to some people, but on the Stockwell Gardens west estate, there is a problem with estate parking. Hyde is trying to charge £90 a year for parking on its estates in Lambeth. While that is slightly less than what Lambeth Council charges for permits for street parking, the council charges residents on its estates £31.79 a year, which is considerably less than £90. There have been months of discussions and work to try to get the amount fixed at what can be seen as a reasonable compromise. Hyde argues that the money from the collection of permits goes towards maintaining roads on the estate, but local councillors have seen invoices showing that that is not true. It seems that Hyde wants to make money in whatever way it can, as quickly as possible.
Hyde is also trying to build on the Birrell House site, as I mentioned. That would be bad in any event, because it is the wrong place and residents who have lived there for many years will lose all sorts of facilities, but it would not be so bad if it was going to involve affordable housing. However, the site will be a huge development for sale that it will not be possible to use for affordable housing.

I supported the residents when they wanted Hyde to take over, because they had not been getting a great service. Hyde managed the estate during the competitive tendering process, and the arrangement worked so well that the residents asked whether Hyde could take over, which Lambeth agreed to. While things started off well, Hyde no longer seems to be interested in the residents and tenants, particularly the longer-term ones.

Hyde is interested in getting more housing, but not necessarily affordable housing. An organisation that has done quite a lot of work on the detail of what has been happening at Hyde shows us that Hyde is using community centres as assets. The question is not whether the community centres are affordable, but whether Hyde wants to give them any priority—it has clearly decided that it does not. Hyde’s bosses claim that the money that it makes from its for-profit activities will ultimately benefit the rest of the group, but it no longer seems to be worried about the effect on long-term residents.

Hyde’s board has become incredibly corporate. Members may well know the chief executive, Elaine Bailey, who spent 12 years at Serco before she joined Hyde. She is quite used to scandal from those days, and I suspect that she will be seeing a bit more. In 2013 she had to defend her former company over accusations that it had overcharged the Government for criminal tagging, meaning that it faced a £68.5 million bill. It also took some flak for its involvement in immigration centres. I could go through a whole list of things, but I suppose that that would not really be fair to her although, at the same time, we can see why residents do not have huge faith in her.

The chairman of the Hyde group ran the online retailer Net-a-Porter, and before that he was an investment banker, as were two of his colleagues. There is a corporate lawyer on the board, as well as senior people who formerly worked for BT and the weapons manufacturer BAE Systems, and a chartered surveyor who has worked extensively in private sector housing development. Rounding off the board is the former boss of the G4S prisons and justice division, which has a record similar to Serco’s.

Charitable status and the absence of shareholders are not guarantees that an organisation will be run for more than money. Hyde is actively pursuing a strategy that puts corporate success over the concerns of its residents. Financial analysis carried out by Corporate Watch has brought out some quite “dodgy” things, about which I think the Minister should be concerned over the long term. The chief executive’s salary went up from £189,000 in 2015 to £242,000 in 2016. That is somewhat more than most of the residents—and, indeed, most of us in this House—earn. Why are these people paying themselves such large sums of money when they cannot even get basic repairs done for their residents?

For those of us who wanted this to happen, and who did our best to make it work in the interests of residents, the most upsetting thing is the very cynical ethos that Hyde has adopted. It has lost its bottom-up, tenant-led housing service, which was based on tenant involvement and support. It has become hugely corporate, and it puts corporate success above providing services to its residents.

I want to probe the Minister about what more local councillors, the local council and the Government can do to make Hyde Housing abide by its commitments and retain the community services about which promises were made. Surely it must be possible to make Hyde honour those promises, which were in a legal document, without councils and residents having to go to court and spend lots of money. Hyde must be held to account, and the Government must be able to put some pressure on the top people. This situation is not happening only in Lambeth. Since knowledge of this Adjournment debate has been in the public domain, I have had lots of letters and emails about the activities of Hyde Housing in other areas, so there is clearly real concern. If Hyde gets away with this, it sends out a green light to every other housing association—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. This is not a problem—it is up to the hon. Lady when to finish—but may I point out that there are only eight minutes left for the Minister?

Kate Hoey: I will finish by saying that those questions have arisen, as I think the Minister understands, and I just want to make sure that the tenants and residents really feel that somebody somewhere is listening to them and doing something about Hyde’s appalling services.

7.45 pm

The Minister for Housing and Planning (Gavin Barwell): I congratulate the hon. Member for Vauxhall (Kate Hoey) not just on securing this debate, but on the eloquence with which she has set out her constituents’ concerns. I assure her that the House has listened very carefully to what she has said about the situation her constituents are experiencing. I was pleased to hear of the initial improvements that Hyde delivered after the transfers, and I was very disappointed to hear that those improvements have ebbed away. I anticipated that the hon. Lady would focus primarily on the issues in relation to the two community centres, but she raised much wider concerns about some of the basic landlord services that her constituents are experiencing.

The hon. Lady will be aware of the Government’s view, which is that housing associations are part of the private sector. They are not state institutions under the Government’s control, so there are limits to how much I can say to reassure her. It is worth pointing out—in fact, it is important to point out, thinking back to one of the quotes she read from a letter sent to her by a constituent—that housing associations are not profit-making companies. They have clear values of helping people in real housing need, and it is very important that as they become much more commercial organisations, raising finance from the private sector to help them to achieve their objectives, they do not lose sight of the core values that lie behind them.

The housing associations currently operating in this country broadly fall into three categories: some of them, such as the Peabody Trust, are the original philanthropic organisations set up some time ago; a whole lot of them were set up on the back of “Cathy Come Home”; and more recent ones were often formed
as the result of the transfer of local authority homes. However, all of them should have a common set of values, and it is important that they do not lose sight of those values as they become more commercial in the ways they finance the development of housing.

By way of a partial reassurance for the hon. Lady, it is important to say that although housing associations sit outside state control, they should comply with the clear regulatory standards that exist, and some of the issues she raised clearly give rise to concerns in relation to that. At the moment, this association has the highest level of regulatory clearance. I do not know whether she has been in touch with the regulator about some of these issues, but if not, she or Lambeth Council may wish to draw those concerns to the regulator’s attention.

More generally, the points raised by the hon. Lady draw our attention to one of the fundamental challenges that confronts the housing association sector. This debate is quite timely for me, because my first meeting this morning—it was some hours ago—was with a group of housing associations to discuss the Government’s housing White Paper and the role that they can play in helping to confront the housing crisis in this country at the moment. As a Government, we are very much pushing housing associations to increase the supply of housing and to build the new homes that, as I am sure the hon. Lady agrees, are so desperately needed right across the country, but particularly in this great city that she and I have the privilege to represent in this House. However, there is a tension in ensuring that housing associations, in their efforts to deliver the housing we so desperately need, do not lose sight of their responsibilities in providing services to their existing tenants. It is probably worth putting on record a little bit about the scale of what Hyde is doing in that regard. In 2014-15, it built more than 1,000 new homes of various tenures. Its plan is to deliver about 3,000 homes from 2015 to 2018, and a further 3,000 from 2018 to 2020. In terms of supply, it is doing very much what the Government—and, I am sure, the hon. Lady—want it to do with regard to meeting the acute housing need in our city and across the country. Hyde also provides a lot of services to tenants, including financial advice, and jobs and training advice. That is a very important part of its work as a landlord.

Obviously, the core issue of this debate is that relating to the two community centres. As the hon. Lady said, the central Stockwell estate, with just under 2,500 homes, was transferred in 1998-99, and Kennington Park, with about 760 homes, was transferred in 2005. At the core of the hon. Lady’s argument was the suggestion that Hyde has not honoured the promises it made at the time of those transfers. If she believes that to be the case, my main suggestion is that her first port of call should be to make a complaint to the association itself under its complaint procedure. I am sure that she has already done that—she would not have raised the issue in the House if she had not.

If the hon. Lady has exhausted Hyde’s own complaint procedure, the next step is to go to the housing ombudsman, who has responsibility in respect of the honouring of any promises that were given. If that has not happened so far, the hon. Lady might wish to go down that route.

I know the association reasonably well. I have met its chief executive, Elaine Bailey, a number of times. I do not know whether the hon. Lady has tried to get in touch with Elaine directly, but if she has not and she would like my help in facilitating a meeting so that she can raise some of her concerns directly, I would be happy to do so, if that would be of any use.

I am conscious that time is drawing to a close, but from the Government’s point of view, housing associations have an absolutely vital role to play in delivering the new homes that we so desperately need in this country. However, as I have said, it is very important that, alongside delivering those new homes, they also have regard to the services that they provide to their existing tenants. The Government take that very seriously.

The two main ways in which control is exercised is through regulatory standards and the housing ombudsman, with whom people can raise concerns. I encourage the hon. Lady to go down those two paths. She may want to speak to me further about these matters outside the Chamber, and I will certainly use my office in any way I can to try to help her to ensure that she gets the result that her constituents would rightly expect with regard to the services that they receive. I am grateful to her for drawing these issues to my attention.”
The Secretary of State for Transport (Chris Grayling): The Government are carefully considering the potential impacts on cabotage as part of our preparations for negotiating our departure from the EU. The Department for Transport is engaging with industry on the matter. It is too soon to say what arrangements will be in place, but we are very conscious of the interest of the transport industry in future arrangements.

Stuart C. McDonald: The open skies agreement has provided great opportunities for EU-registered airlines, including UK companies such as easyJet that fly largely unrestricted between and within member states, as well as from the EU to the US, but Brexit could change all that. Can the Secretary of State reassure industry and passengers that the UK will remain part of open skies arrangements?

Chris Grayling: As I said a moment ago, we will reach negotiations with good faith and the intention to secure a deal, because we believe very strongly that that is in everybody’s interests, both here in the United Kingdom and across the European Union.

Tom Brake (Carshalton and Wallington) (LD): Will the Secretary of State confirm that the worst-case scenario is no arrangement at all, that airlines have to schedule 12 to 18 months in advance, and that he therefore has to resolve the issue within the next six months?

Chris Grayling: I never speculate on these things, but I have had detailed discussions with the aviation industry over the past few weeks. I am well aware of the challenges it faces with regard to its business models. Of course the Government listen very carefully to it about how best to approach that important sector in the context of the negotiations.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): Like the aviation sector, the maritime industry relies heavily on the EU with regard to cabotage. The shipping sector warned that Brexit may well cost UK-flagged and owned shipping companies the right to trade in EU coastal waters, which would entail a heavy financial price. What assurances will the Secretary of State give today that he will maintain the same access, and what discussions has he had with the Scottish Government about the implications?

Chris Grayling: I will say—I think this is good news for all us—is that the UK flag is increasing in size again, which we all welcome.

Richard Burden (Birmingham, Northfield) (Lab): The Prime Minister told the House yesterday that she will “deliver certainty” to UK businesses about their position post-Brexit, but without agreement on the principles behind cabotage, trucking companies are already warning that new customer checks will gridlock roads leading to the channel ports. UK-based airlines are already warning that they may need to relocate their bases across the channel if the UK falls out of the common aviation area. Just how and when are Ministers going to deliver the certainty that those companies need now, rather than a ministerial aspiration that everything is going to be all right on the night?

Chris Grayling: Of course, this is not simply about UK companies, because the vast majority of haulage-based cabotage that takes place in the United Kingdom is undertaken by international hauliers operating in the UK, so they themselves have a vested interest in ensuring that their politicians work with us to make sure that we have the best possible arrangements for the future. That is what we will do, and I am confident that other European Governments will want to do the same.
Northern Powerhouse Rail

2. Judith Cummins (Bradford South) (Lab): What the timetable is for Transport for the North to submit its proposals for Northern Powerhouse Rail. [009572]

The Parliamentary Under-Secretary of State for Transport (Paul Maynard): As I am sure the hon. Lady is aware, Northern Powerhouse Rail will provide faster and more frequent rail services across the region. We have committed £60 million to developing the scheme and we are working closely with Transport for the North on potential route options and their costs and benefits. That analysis is due to arrive with us by the end of 2017.

Judith Cummins: I am sure the Minister will be aware that Bradford has launched the “Next Stop Bradford” campaign to secure a High Speed 3 station in our city centre. Will the Minister join me in supporting a Northern Powerhouse Rail station in Bradford city centre and thereby support the huge £1.3 billion boost to the northern powerhouse economy that the new station promises?

Paul Maynard: I am indeed aware of Bradford’s campaign. The leader of the council has already written to me, and I was grateful for that communication. It is important to stress that Northern Powerhouse Rail is about linking not just the major cities in the north but some of the smaller towns and cities where connectivity can be significantly improved.

Andrew Stephenson (Pendle) (Con): Is the Minister aware of the economic study on east-west trans-Pennine connectivity that was recently published on behalf of the Lancashire and Yorkshire local enterprise partnerships? The report finds that taking steps such as reopening the Skipton to Colne rail route would boost economic prosperity across the north, but that a failure to improve connectivity from east to west would “critically restrict the growth potential of the Pennine Corridor economy—a key driver of the Northern Powerhouse”.

Paul Maynard: My hon. Friend is entirely correct to point to the importance of trans-Pennine links, be they road or rail. I am very familiar, as I am sure he is, with the Skipton to Colne campaign and the Skipton East Lancashire Rail Action Partnership. I wish it well, and I hope that it features strongly on all the local growth fund bids that come in to the Department.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Transport for the North has great potential to transform the northern economies, but what powers will it actually have? When will it become a statutory body, and will it have the same powers as Transport for London?

Paul Maynard: We continue to consider carefully what powers we want to give to Transport for the North. I very much hope that it will be placed on a statutory basis in the future, and we will make an announcement in due course. There is an awful lot we can do together with Transport for the North even now, on matters such as smart ticketing and infrastructure improvements. Transport for the North is a great success already, whatever its basis.

Mr David Nuttall (Bury North) (Con): There can be no doubt that the Government and Transport for the North have a plethora of plans, strategies and proposals. They are all wonderful, but what mechanisms are in place to ensure that all these plans are turned into some real action?

Paul Maynard: My hon. Friend is right to identify the immense creativity that exists in the north of England in terms of recommending potential new pieces of infrastructure, but it is vital to remember that there is only a finite amount of money at any one time. That is why in the Department, in the devolved Administrations and in Transport for the North, we have very complicated and, I think, sensible ways to judge the impact of any infrastructure and calculate the benefit-cost ratio.

Switch Island, Sefton

3. Bill Esterson (Sefton Central) (Lab): If he will make an assessment of the adequacy of road safety at the Switch Island junction in Sefton; and if he will make a statement. [009573]

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): Highways England acknowledged concerns about the safety performance of the Switch Island junction following the opening of the new Broom’s Cross Road and has since implemented interim measures to improve safety. Highways England has also identified options for a further safety improvement scheme and is discussing them with the hon. Gentleman’s local council. Those options include changes to lane markings and traffic signs and the introduction of gantries to make the road layout clearer.

Bill Esterson: I had two letters from the Minister of State last week, one describing work on the M25 and the other about Switch Island, which he describes. We all know that the Government have a Surrey-first approach to spending money, but my constituents want to know about Switch Island. It has a very serious safety problem. There are accidents nearly every week, and there was one just two days ago. Will he change the priority of this scheme? I was told it would happen next year, but it needs to happen much sooner than that. Safety must come first.

Andrew Jones: I would have thought the hon. Gentleman would be delighted to hear about our range of plans right across the country. The funding for the Switch Island project has been identified, and the various options are being worked through. Highways England has to work out what is feasible, plan the design side of it and implement the plan. The implementation is planned for the early part of 2018, but of course the hon. Gentleman’s concerns about road safety are part of the consideration.

Neil Carmichael (Stroud) (Con) rose—

Mr Speaker: No, no. The junction would have to be the biggest in human history if it were to stretch from Sefton in the north-west of England to Stroud in Gloucestershire, and it does not. We will accommodate the hon. Gentleman at a later stage, but for now he can resume his seat. We are grateful to the fella.
4. **Iain Stewart** (Milton Keynes South) (Con): What progress is being made to simplify the rail ticketing system.

    **The Parliamentary Under-Secretary of State for Transport (Paul Maynard):** The Department continues to work with the industry to explore what further improvements can be made to simplify fares. The action plan we announced in December will drive improvement for passengers, including removing jargon, improving ticket vending machines and trialling approaches to simplifying the fares structure.

    **Iain Stewart:** Many of my constituents travel frequently by train, but not every day and not always at peak hours, so the traditional season ticket is not appropriate for them. What new ticket products is the Minister encouraging train operating companies to introduce to meet and encourage such demand?

    **Paul Maynard:** My hon. Friend is quite right to raise the issue of part-time season tickets. This is a matter of personal importance to me, and I encourage all train operating companies to consider whether the range of products they have on offer actually meets their customers’ needs. With regard to his own route to Milton Keynes, I am sure he will be pleased to know that the next West Midlands franchise will require that a part-time flexible season ticket be offered by the winning bidder, and I look forward to seeing what those bids contain.

    **Chris Bryant** (Rhondda) (Lab): Will the Government also simplify the process of compensation for customers when a train is cancelled? The school run train in the Rhondda is often cancelled, as for that matter are First Great Western trains from London to Cardiff. There is no automatic compensation on either of those lines, which other providers give. Why can we not have automatic compensation when a train is cancelled?

    **Paul Maynard:** There is a very lengthy answer, but I am sure you would not indulge me if I gave it, Mr Speaker. I say briefly to the hon. Gentleman that we need to ensure that whenever a passenger makes a claim for compensation, they can demonstrate they were on the train in question. Automatic compensation can be achieved if they have either a season ticket or an advance purchase ticket. I would also observe that compensation arrangements on the Wales and Borders franchise are a matter for the Welsh Assembly.

    **Martin Vickers** (Cleethorpes) (Con): One aspect of the ticketing system is that a lot of the money paid in compensation by Network Rail to the rail companies does not reach the passengers, which is quite scandalous. What action is the Minister taking to ensure that that money in fact ends up in passengers’ bank accounts?

    **Paul Maynard:** We had a very fruitful discussion of schedule 8 payments in the Transport Committee last week, when I explained at some length why the two are not directly comparable. My hon. Friend will have heard what the chief executive of the Office of Rail and Road had to say about trying to make schedule 8 payments more transparent and more closely related to what the passengers themselves have experienced. I look forward to hearing the Select Committee’s recommendations in due course.

    **Michelle Thomson** (Edinburgh West) (Ind): What steps his Department is taking to (a) monitor and (b) regulate night flights at regional airports.

    **The Secretary of State for Transport (Chris Grayling):** The Government set noise night flight restrictions only at Heathrow, Gatwick and Stansted. We believe that noise is usually best managed locally, so we do not monitor the number of night flights outside those three airports. At Scottish airports, the powers to set night flight restrictions and other noise controls are of course devolved, and therefore lie with Scottish Ministers.

    **Michelle Thomson:** I thank the Secretary of State for his answer. I acknowledge that the night flight proposals extend only to the three London airports, but given the anticipated growth in night flights generally, does that not seem rather short-sighted? We want such growth in airports because of the gross value added that that brings, but we have to recognise the rights of constituents everywhere, including those in Scotland.

    **Chris Grayling:** This is clearly a live issue for people living around airports. The airspace modernisation programme will provide additional tools to improve things. I assume the hon. Lady is not asking me to take back powers from the Scottish Government to regulate night flights at Scotland’s airports; were she doing so, she would have to talk to her colleagues in Edinburgh.

    **Phil Wilson** (Sedgefield) (Lab): What plans do the Government have for nationalising regional airports?

    **Chris Grayling:** We have no plans to nationalise regional airports. In some cases, local authorities—or, indeed, local authorities in partnership with the private sector—control regional airports, and that is a matter for those local authorities and the current and past owners of those airports. We have no plans to nationalise airports.

    **Jim Shannon** (Strangford) (DUP): It is important to ensure that international flights to regional airports are facilitated, but does the Minister acknowledge that it is equally important not to cause unbearable disruption to neighbourhoods? Does he believe that such a balance is being achieved under the current monitoring process?

    **Chris Grayling:** The big difference that will come from the airspace modernisation programme is that by moving from systems that are 50 years out of date to ones that use the most modern technology, it will be possible to manage approaches to and departure paths from airports much more exactly, to provide more variation for local communities and to deliver a much smarter way of managing our aviation as a whole. That is why we are consulting on what will be a big change for this country.

    **Private Parking**

    **Nick Smith** (Blaenau Gwent) (Lab): What discussions he has had with the Secretary of State for Communities and Local Government on the inadequacy of the Government’s policy on private parking; and if he will make a statement.
The Parliamentary Under-Secretary of State for Transport (Andrew Jones): The Department for Communities and Local Government has responsibility for off-street parking. I have had discussions with the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Nuneaton (Mr Jones), and we have further meetings planned. Officials from my Department also have regular contact with their DCLG and Driver and Vehicle Licensing Agency counterparts to discuss issues relating to parking.

Nick Smith: Motorists must be able to challenge unfair parking fines. When my constituents were punished by Excel Parking’s poor signage in Ebbw Vale town centre, many were forced to come to me to have any hope of a refund. Have the Government assessed how effective the appeals service POPLA—Parking on Private Land Appeals—has been in protecting motorists? Does the service live up to its name?

Andrew Jones: That is actually a DCLG matter. We are discussing the independent appeals process, and the DVLA’s role in that in supplying driver information, but also up for consideration is the vigour with which the codes of practice of the two accredited trade associations are enforced. While we recognise that there are many good parking companies, there are some whose standards of customer service do not meet expectations. We had a very good debate on this in Westminster Hall last week, and I look forward to standing up for consumers to make sure they get a better deal.

Mark Pawsey (Rugby) (Con): The British Parking Association represents many of the operators of private car parks, and the Minister has just referred to its code of practice for the industry. What discussions has he had with the association about improving the performance of parking operators?

Andrew Jones: I have met the British Parking Association and will be having further meetings. This is all about making sure that its independent appeals process and codes of practice work on behalf of consumers. That is our objective and that is what we will be taking forward in discussions with the DCLG.

Graham Jones (Hyndburn) (Lab): A constituent of mine, Lisa Smith, was given a ticket for parking on the line. Another constituent of mine, Catherine Cheeseman, saw a £60 fine very quickly escalate to a £180 fine, with threats of court action, and a disabled constituent of mine whose blue badge was out of date by a week was given a fine. When are the Government going to bring forward legislation to deal with rogue private parking companies and those who rip off British motorists?

Andrew Jones: That was a point the hon. Gentleman made in the debate we had last week. I cannot tell him when the DCLG will be responding to the consultation that it has been running, but I can tell him that my Department will be working with the DVLA and the DCLG to do all we can to ensure that the consumer gets a better deal by tackling some of the bigger rogue parking companies.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): Last week in Westminster Hall the Minister told me that the provision of DVLA data to private car parking companies is not subsidised, yet a House of Commons Library report and a 2015 report by the Select Committee on Transport stated that it charges £2.50 for each inquiry. It costs the DVLA £2.84 to process the data, and the Select Committee on Transport stated that it charges £2.50 for each inquiry. It costs the DVLA £2.84 to process the data, and the Select Committee on Transport stated that it charges £2.50 for each inquiry. It costs the DVLA £2.84 to process each request. The difference in the cost of the service last year was a shortfall of around £700,000. Will the Minister publish current figures on the cost of DVLA data to back up his claim, or is the taxpayer indeed funding the disgraceful practices of private companies such as Smart Parking in many constituencies, including my own?

Andrew Jones: The charge is £2.50 for the data. It is basically set on a cost-recovery basis. It is not possible to predict entirely accurately how many claims there will be during the financial year; some years there could be a small deficit, some years a small surplus. As I undertook to do in the debate last week, I will put all the data in a letter to the House of Commons Library.

Daniel Zeichner (Cambridge) (Lab): We have heard about the Westminster Hall debate last week and we have heard complaints from Members across the country about the practices of cowboy parking operators. Extraordinarily, in that debate the hon. Member for North East Somerset (Mr Rees-Mogg) revealed hitherto undiscovered socialist tendencies by demanding that the Government act and introduce regulation. These cowboy operators need DVLA data to fleece their victims. How many operators have been struck off for poor practice? After years of dithering on this, when are the Government going to step in to protect innocent motorists?

Andrew Jones: There were a few points there. I shall relay to my hon. Friend the Member for North East Somerset (Mr Rees-Mogg) his socialist tendencies, which will be a surprise to him. The answer on suspensions is 18, and I cannot answer for the DCLG on when it will respond to the consultation.

Rail Network: Investment

7. Rachael Maskell (York Central) (Lab/Co-op): What assessment he has made of recent trends in the level of investment in maintenance across the rail network.

Andrew Maynard (Weston-super-Mare) (Ind Con): It is a great surprise to find that the Conservative Government have made a choice that the east coast line route is in urgent need of renewal, having been installed in the 1970s and ’80s. We already know that there is six-times higher spend in the south than in the north on rail and transport infrastructure, but we also seem to have an east-west divide in rail: the east coast route has received £3 billion less than that of the west. Will the Government bring forward their funding to upgrade the east coast main line infrastructure, since
the passenger performance measure is now at 25.1% because of overhead line failure? In layman’s terms, my constituents’ journeys are being delayed and seriously diverted.

Paul Maynard: I predicted that the hon. Lady would raise the issue of overhead line equipment. I have already met the route managing director Rob McIntosh to discuss that specific issue. He said to me that he is looking carefully at how to best improve reliability of the overhead lines, particularly during periods of high winds and heavy storms, which often cause a problem. They are looking at sites with significant gradient and reviewing vegetation management near overhead lines, track geometry and the reliability of system tension during periods of high winds.

Matthew Pennycook (Greenwich and Woolwich) (Lab): Despite all the investment in maintenance, passengers in south-east London who use Southeastern services desperately need investment in rolling stock to deal with the serious overcrowding on the line. Will the Minister tell the House whether he is looking favourably on the revised bid that Southeastern has put forward?

Paul Maynard: I am sure the hon. Gentleman has already noticed our consultation on the future of the Southeastern franchise, which was released last week and clearly puts capacity front and centre. He is right to point out that we received a proposal from Southeastern, as a result of a personal request from me to the parent company for it to come up with better ideas. We have had it for a week now, and are looking carefully to make sure that it at all makes sense and adds up. I hope that those carriages will be hitting the network as soon as possible.

19. [909593] Robert Neill (Bromley and Chislehurst) (Con): Part of the proposal for new rolling stock for Southeastern involved the transfer of class 377 trains from Govia Thameslink Railway. I have been informed that those trains will cease to be used by GTR from Monday, and will be standing empty at the Grosvenor sidings outside Victoria station. It will be adding insult to injury if my constituents sitting on a crowded train are passing empty carriages that ought to be helping them out. Will the Minister please fix this soon?

Paul Maynard: My hon. Friend is entirely right to point out that we expect both those train operating companies to work more closely together, because they clearly puts capacity front and centre. He is right to point out that it at all makes sense and adds up. I hope that those carriages will be hitting the network as soon as possible.

Alan Brown (Kilmarnock and Loudoun) (SNP): As we move towards the post-Brexit world, and as the Scottish Parliament is supposedly going to get new powers, will this Government do something that is already in their gift—devolve the power in Network Rail to Scotland, so that the Scottish Government can fully take control of investment and maintenance delivery and programming in Scotland?

Paul Maynard: I am always happy to answer this question each month in Transport questions. We looked at that issue carefully in the Smith commission; there was no consensus, and we are not taking the proposal forward.

National Road Safety Targets

8. Kate Hollern (Blackburn) (Lab): If he will reintroduce national road safety targets.

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): The Government are not setting national targets and are not considering reinstating them. We do not believe that targets will provide further persuasion on the importance of road safety; it is already at the heart of departmental thinking.

Kate Hollern: Is the Minister aware that between September 2015 and September 2016 there was a 2% increase in deaths on roads, and a 6% increase in casualties? The rate of casualties in my constituency of Blackburn is 49% higher than the national average and, shockingly, child casualties are 102% higher than the national average rate. Between 2010 and 2015, the number of dedicated road traffic police officers in England and Wales, outside the Met, has fallen by over a quarter from 5,338 to 3,901. Does the Minister see a direct link between reduced capacity to enforce road laws and the annual increases in road deaths and serious casualties?

Andrew Jones: I have obviously considered this matter. I look at road safety data on a quarterly basis and an annual basis. On enforcement, how the police use their resource is a matter for individual police authorities and police and crime commissioners, but as Her Majesty’s inspectorate of constabulary has made clear, there is no simple link between officer numbers and crime levels. The key is the output achieved, rather than simply measuring how many. It is important to point out that in 2015 we had the second lowest road safety data for those killed or seriously injured in British road history. That is positive and we are working to make our roads even safer.

20. [909594] Neil Carmichael (Stroud) (Con): Cyclists in Stroud—and for that matter in Sefton—are crying out for more road safety measures to ensure they can go around roundabouts and across junctions in safety. Will the Minister take that into account in national transport planning?

Andrew Jones: Most certainly. I am acutely aware of the impact of cycling infrastructure on road safety. It is clearly part of our consideration. We hoped to launch our cycling and walking investment strategy last week, but for very obvious reasons there was a change to the timetable of Government announcements.

John Pugh (Southport) (LD): Following on from that question, what plans does the Minister have to address the issue of cyclists ignoring not only traffic lights but pedestrian crossings? This has now become a major problem in central London.

Andrew Jones: That comes down to activity undertaken to enforce the rules and to educating cyclists about the importance of following road safety directions. I am aware of cyclists who go through red lights. It is unsafe. It is part of our THINK! education campaign to help cyclists to know what is good behaviour on our roads.
Anna Soubry (Broxtowe) (Con): Two people died in November on the A52 in Bramcote, a suburban part of my constituency. There was another accident just a few weeks ago. In both of those cases, and after many complaints from residents for many years, there is clearly a real problem with people racing at very high speeds. Would the Minister be so good as to meet my constituent Tony Smith, who organised a petition, presented in this place only last month, of 1,600 people calling on Highways England to introduce speed regulation measures? We would be very grateful for that meeting in order to advance the campaign.

Andrew Jones: I meet local road safety campaigners on a regular basis, in particular families who have lost loved ones in incidents on our roads. They are difficult meetings, but I would of course be very happy to meet my right hon. Friend and her constituent.

Pat Glass (North West Durham) (Lab): National road safety targets were introduced by the Thatcher Government in 1980 at a time when deaths and serious injuries on our roads were at horrendous levels. The numbers fell consistently until 2011, when the coalition Government abolished targets almost at the same time as they abolished the grant for speed cameras. Surprisingly, the numbers have started to increase. I accept that we are nowhere near the levels of 1980, but if it is your loved one or your child, that is matterless. The last time the Minister was asked about this he said that he was open to any useful ideas on how to turn the trend, so is it not time to accept that road safety targets decrease the numbers of deaths and injuries on our roads? They worked, and at the moment nothing the Government seem to be doing is reversing that trend.

Andrew Jones: I simply do not accept that policymaking is as simple as setting targets. If we look at all the action the Government are undertaking—the changes to the statutory option on drink driving, drug driving legislation, the THINK! campaign, the increase in penalties in relation to mobile phone use and so on—we see that our efforts to take road safety further are significant. If we look at all the action the THINK! campaign, the increase in penalties in relation to mobile phone use and so on—we see that our efforts to take road safety further are significant. If we look at all the action the THINK! campaign, the increase in penalties in relation to mobile phone use and so on—we see that our efforts to take road safety further are significant.

Dr Tania Mathias (Twickenham) (Con): What assessment he has made of the adequacy of noise monitoring around Heathrow Airport.

The Secretary of State for Transport (Chris Grayling): I am well aware of the concerns of my hon. Friend’s constituents and others, particularly about aircraft such as the A380 as it comes in on the flightpath into Heathrow airport. Obviously we need to get this right, and I hope that the airspace modernisation programme will help in that regard. We are pressing ahead with the establishment of an independent commission on civil aviation noise, and consulting on the powers that it should have. My hon. Friend has had a number of sensible thoughts about how we might address the problem, and I should be happy to meet her to discuss it.

Ruth Cadbury (Brentford and Isleworth) (Lab): Thousands of my constituents will live under an extremely loud noise environment if and when runway 3 goes ahead, but they do not at present, and I welcome the formation of the new community campaign group Brentford and Hounslow Stop Heathrow Expansion. Will the Government insist that if runway 3 goes ahead, Heathrow must match Gatwick’s offer to pay all council tax payers within the 57 dBA contour £1,000 per annum in compensation?

Chris Grayling: I do not think that it is a question of comparison between airports. What we have at Heathrow is a world-beating package of compensation for those affected, combined with a rapid change in aircraft technology which means that the new generation of aircraft coming on stream are much quieter than any we have seen before. Alongside that we are pressing for the modernisation of airspace. We also need to ensure that the angles of approach to Heathrow are the best possible, in order to minimise the impact on local residents. I believe that, overall, we are taking the right approach to what I know is a difficult issue for the hon. Lady’s constituents and others. We have tried to get the balance right.

Nigel Huddleston (Mid Worcestershire) (Con): Does the Secretary of State agree that one of the best ways of reducing congestion and noise pollution around Heathrow would be better use of regional airports, and does he agree that a reduction in air passenger duty for regional airports would be a good incentive?

Chris Grayling: I am a strong supporter of our regional airports. There are some great success stories, including what I suspect is my hon. Friend’s pet regional local airport, Birmingham: it has been enormously successful in recent years. However, I fear that my hon. Friend will have to make representations about air passenger duty to the Chancellor during Treasury questions.

Sarah Olney (Richmond Park) (LD): Can the Secretary of State explain why the consultation on the draft national policy statement promoted improved certainty of respite from aircraft noise from an expanded Heathrow, but failed to mention that that respite would be reduced from eight hours a day to just six, or even four?

Chris Grayling: We have tried to set out the impact of the change in broad terms. It is certainly the case that in comparison with Gatwick and its fully mixed-mode operation, Heathrow, across three runways, is able to offer respite in a way that was not assumed by the Airports Commission in its consideration of both proposals. The impact on neighbouring communities is one factor among many that the commission considered, as did the Government.
Road Collision Investigation Unit

10. Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Whether he has made an assessment of the potential merits of establishing a road collision investigation unit. [909580]

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): No assessment has been made of the merits of establishing a road collision investigation unit, as there are well-established collision investigation units in the police service, and effective ways of reporting conclusions and outcomes. The Department does, however, directly fund a programme of detailed investigation under the road accident in-depth study, in conjunction with police forces, coroners and several hospitals.

Mr Sheerman: The Minister knows of the interest that I take in this matter, as chair of the Parliamentary Advisory Council on Transport Safety and the international council for road safety research. There is no doubt that we need an investigation unit to deal with sea, air and rail transport. All the transport safety interests across the board are in favour of the establishment of such a unit. We do not think that it would be costly, and it would be effective. Will the Minister think again?

Andrew Jones: I am aware of the hon. Gentleman’s long-established campaigning interest in road safety, and I would just refer back to the earlier answer; we have well-established collision investigation units within the police service, so I see no point in duplication.

Daniel Zeichner (Cambridge) (Lab): Collisions have a range of causes, but one of them is undoubtedly the poor condition of our local roads. The Minister will be aware of the ALARM—annual local authority road maintenance—survey published this week showing that one in six local roads will not be fit for purpose in five years’ time, and that the number of potholes filled per authority fell by 19% last year. I anticipate that he will tell me how just much money is being poured into those potholes, but does he accept that short-term fixes are no substitute for proper resurfacing, which for most roads currently happens just once every 55 years?

Andrew Jones: The condition of the local roads is the responsibility of the local highways authorities, and we are very keen to support them in their work. I fully recognise that there is a backlog and have seen various projections of how much that might cost to fill, which is why we have allocated a record amount of money to support local highways authorities. The sum stands at over £6 billion during this Parliament, including £250 million specifically to help fix potholes.

Congestion: Oxfordshire

11. Robert Courts (Witney) (Con): What steps his Department is taking to reduce congestion in Oxfordshire. [909583]

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): The Government have an ambitious strategy for tackling congestion right across the country. In Oxfordshire this includes investing £35 million for public transport improvements on the A40 and a £9.5 million budget for Didcot station car park expansion, as well as investing some £19.4 million in the next financial year to reduce congestion at key locations across the county.

Robert Courts: Congestion on the A40 between Witney and Oxford causes daily misery for commuters and restricts the economic growth of this vital dynamic area. It is essential that a complete solution to this problem is found. The £35 million for the public transport solution is welcome, but what steps will the Government take to provide funding for a complete solution to the congestion on that busy road?

Andrew Jones: As ever, my hon. Friend speaks up vigorously on behalf of his constituency. We recognise the importance of that local road to the economic growth of the area, which is why we are supporting the A40 science transit scheme, with £35 million of local growth funding for enhancements to the A40 corridor. I encourage local partners to continue to work together to explore further options to address the issues along that stretch of road. I would of course be happy to discuss any of the options with my hon. Friend.

Chi Onwurah (Newcastle upon Tyne Central) (Lab) rose—

Chris Evans (Islwyn) (Lab/Co-op) rose—

Mr Speaker: I am afraid Newcastle and Islwyn are too far away. Those Members will have to try to come in on another question; the M40 is not that big.

North Wales-England Transport Links

12. Mr David Hanson (Delyn) (Lab): What steps he is taking to improve transport links between north Wales and England. [909584]

The Secretary of State for Transport (Chris Grayling): The Government are investing in major signalling renewals on the north Wales line to improve reliability and, after years of waiting, in the Halton curve. This will improve rail connectivity between north Wales, west Cheshire and the Liverpool city region, including Liverpool John Lennon airport. Our recently announced national productivity investment fund will also support local authority investment on the A483 corridor between Chester and Wrexham.

Mr Hanson: I am grateful for that answer, and the Minister knows that I support all of those initiatives, but will he consider the letter sent to him by Conservative and Labour Members of Parliament on behalf of the Mersey Dee Alliance and Cheshire East council asking him to look at the developments of High Speed 2 and the hub at Crewe? Building on that progress will help connectivity on behalf of all of us in the region.

Chris Grayling: I know all about the letter, and indeed had a meeting to discuss the issue yesterday. I am seized of the necessity to make sure that north Wales does not miss out in the investment that we are putting into our rail network. We will bring forward our thoughts in due course, but I can assure the right hon. Gentleman that this is very much top of mind in the Department.
Chris Davies (Brecon and Radnorshire) (Con): Mid Wales has difficulty with transport links to both north and south Wales, and indeed to England—although I can assure everyone that it is worth the difficulty of the journey in getting to mid Wales. What more can my right hon. Friend do to ensure that road links to mid Wales are improved?

Chris Grayling: We will do our bit on the English side— we are spending more money than ever on the road network in England—but I fear that it is to Cardiff that my hon. Friend will have to look for the improvements that will provide that final link into his constituency. His is, of course, a beautiful part of the country, and all of us would want to be able to visit it.

Derek Twigg (Halton) (Lab): The Secretary of State rightly mentioned the Halton curve, for which I have campaigned for many years. It opens up all sorts of possibilities, not least in respect of our connectivity with north Wales. Will he look at the importance of reopening Ditton station in Halton and, when the new city region mayor is elected, talk to them about how that can be brought about much more quickly?

Chris Grayling: I had a meeting yesterday with the man who I hope will be the next city region mayor, the Conservative candidate Tony Caldeira, and I can assure the hon. Gentleman that he has ambitious plans to improve the transport infrastructure in and around the Merseyside region.

East Midlands Rail Franchise

13. Edward Argar (Charnwood) (Con): What progress is being made on awarding the east midlands rail franchise.

The Parliamentary Under-Secretary of State for Transport (Paul Maynard): On 1 March this year, the Department announced the three companies that are shortlisted to bid for the next east midlands franchise. A public consultation will be held in due course, followed by the publication of the invitation to tender and the stakeholder briefing document.

Edward Argar: I welcome that answer. In the context of my hon. Friend’s work on the franchise, can he reassure me and my constituents that when the new franchise is awarded we will see new, modern rolling stock capable of operating on diesel and electric lines on that route, as well as later services and Sunday services operating on the popular local Ivanhoe line?

Paul Maynard: My hon. Friend is quite right to campaign on behalf of the Ivanhoe line and of his constituents. I hope that all Members of Parliament across the east Midlands will contribute to the consultation and make it clear what they want to see in the new franchise. We look forward to reading their responses to the consultation.

Mr Clive Betts (Sheffield South East) (Lab): May I press the Minister again on that point? When the franchise is let, the HSTs are going to be phased out, having reached the end of their very long lives, and will need to be replaced. Will they be replaced with hybrid trains that will not have to be changed again when the midland main line is eventually electrified?

Paul Maynard: The hon. Gentleman will have to forgive me for making a somewhat elliptical response. We are continuing to look at the options for rolling stock on that route, working closely with the current franchisee and other bidders for the franchise. We hope to make an announcement in due course.

Kettering Rail Service

14. Mr Philip Hollobone (Kettering) (Con): If he will use the forthcoming franchise renewal process for the midland main line to reinstate the half-hourly service northward from Kettering.

The Parliamentary Under-Secretary of State for Transport (Paul Maynard): As my hon. Friend has just heard, the train timetable options for the new east Midlands franchise are still under development. Once it is complete and we have reviewed the responses to the public consultation, we will have a much better idea of what we want the bidders to deliver against. This will clearly include significant improvements, where possible to services to and from Kettering.

Mr Hollobone: This relates to the junction between the suburban service out of St Pancras to Corby and the midland main line service from St Pancras to Derby, Nottingham and Sheffield. The connectivity from Kettering northward was halved by the last Labour Government to one train per hour. Will the Minister make it one of his top priorities to reinstate the half-hourly service northward?

Paul Maynard: My hon. Friend and I have already discussed at some length the opportunities to improve services from Kettering, and everyone in the House knows what a doughty campaigner he is for his constituency. I am sure that I will be reminded time and again of these issues. A sixth path is being created on the route, and I look forward to seeing how the consultation recommends that it be best deployed. I am sure that Kettering will feature heavily in those submissions.

Bus Passenger Satisfaction

15. Liz McInnes (Heywood and Middleton) (Lab): What recent assessment he has made of trends in bus passenger satisfaction.

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): The independent transport user watchdog, Transport Focus, produces an annual bus passenger satisfaction survey, and the autumn 2016 report was published last week. Overall bus passenger survey results scored 87%, up from 86% in the previous year.

Liz McInnes: I thank the Minister for that answer, but the Manchester Evening News recently ran its own survey of Greater Manchester residents, and in response to being asked which part of the transport network people most wanted to see improved, more than one in five identified poor bus services. Their complaints covered a whole range of issues including pricing, difficulty in making long journeys, the lack of night buses and general unreliability. What reassurance can the Minister give to Greater Manchester bus users that their complaints are being heard?
Andrew Jones: I would draw their attention to the Government’s commitment to financing the bus service operators grant during the course of this Parliament, and to the Bus Services Bill, which received its Third Reading on Monday.

Ship-to-Ship Transfers

16. Steven Paterson (Stirling) (SNP): What recent discussions has he had with Ministers of the Scottish Government on the devolution of powers on ship-to-ship transfers.

The Parliamentary Under-Secretary of State for Transport (Paul Maynard): Neither I nor the Minister responsible for this issue, my right hon. Friend the Member for South Holland and The Deepings (Mr Hayes), has had any contact with the Scottish Government so far about the devolution of ship-to-ship transfers. However, the Minister of State wrote to Scottish Ministers earlier this month, acknowledging that the permitting arrangements for granting oil transfer licences for ship-to-ship transfers needed improvement. Our intention is to review the process around the application and assessment of licences in consultation with the devolved Administrations later this year.

Steve Paterson: I thank the Minister for that positive response. SNP colleagues, the Scottish Government and local communities are unconvinced by the safety of ship-to-shore oil transfers, particularly in the Cromarty firth, which is a European special protection area for bottle-nose dolphins. I am pleased that the Minister is prepared to take up the case with Scottish Ministers, and I wonder whether he would consider devolving powers, which I think is appropriate, so that such decisions could be taken in Scotland.

Paul Maynard: We will certainly be consulting, as I just said. I understand that the original application from the Cromarty Firth port authority was not suitable and that it is looking to make a further application. If one is submitted, there will be a full consultation exercise, and the Scottish Government will be formally consulted.

Litter Removal: Highways England

17. Helen Whately (Faversham and Mid Kent) (Con): What steps has his Department taken to ensure that Highways England fulfils its statutory duty to remove litter.

Andrew Jones: This issue is raised constantly by Ministers with Highways England. It has a duty to adhere to the code of practice on litter and refuse, which is part of the Environmental Protection Act 1990, and we monitor that very carefully. My hon. Friend may be interested to know that 200 bags of litter were collected in March at the Marling Cross lorry park on the A2.

European Transport and Safety Organisations

18. Margaret Ferrier (Rutherglen and Hamilton West) (SNP): What recent discussions has he had with the Secretary of State for Exiting the European Union on the UK’s membership of the (a) European Aviation Safety Agency, (b) Single European Sky air traffic movement research project and (c) European common aviation area.

The Secretary of State for Transport (Chris Grayling): I meet my right hon. Friend the Secretary of State for Exiting the European Union on a regular basis to discuss the UK’s exit. Ministers and officials in both Departments are working closely together to analyse the impact on the aviation industry after we leave the EU. We are carefully considering the implications for the UK’s future participation in the EASA, the Single European Sky initiative and the European common aviation area.

Margaret Ferrier: I thank the Secretary of State for his answer. The Prime Minister flippantly said that we will be leaving EU institutions, but not Europe, as if that was a good thing. EASA plays a crucial role in excluding from European airspace any aircraft or company that has poor safety records, safeguarding the security and wellbeing of people right across the continent. Now that the negotiations are under way, the Government have a duty to tell passengers in the aviation sector whether the UK will be a participant, or are they happy to compromise our economy and passenger wellbeing to achieve their Little Britain hard Brexit?

Mr Speaker: I must say to the hon. Lady, in the friendliest possible spirit, that there is no danger of her suffering ill health as a result of excessive hurry.

Chris Grayling: That may be, Mr Speaker, but the hon. Lady does speak an awful lot of nonsense. We are not pursuing a Little Britain strategy; we are looking to build our role in the world, and aviation will be an important part of that, which is why we are seeking to expand Heathrow airport—subject to the consultation happening at the moment. We will of course bring forward our proposals in due course to this House and to this country. Many of these international bodies go far beyond the European Union, and we will carry on playing a role in many international bodies that go far beyond the European Union.

Mr Speaker: I call David Lammy. He is not here.

Topical Questions

T1. Helen Whately (Faversham and Mid Kent) (Con): If he will make a statement on his departmental responsibilities.
The Secretary of State for Transport (Chris Grayling): Last year I set out a bold vision for a railway that puts passengers at the heart of everything it does. We have already heard today about our plans to deliver more capacity for commuters on Southeastern trains. Longer trains on the Southeastern network are a priority for this Government and an absolute priority for the new franchise. On Monday, I announced news for commuters on the south-western routes, with the new franchise announcement. With the experience of MTR, which delivers 99.9% reliability on the Hong Kong metro, the new franchisee will oversee a £1.2 billion investment, delivering more trains, faster journeys and more space. That will bring about a transformation for those passengers, which we are also looking to do for passengers around Manchester, Liverpool and Cardiff in addition to those around London.

Helen Whately: The recently published “Kent Corridors to M25 Route Strategy” identifies Brenley Corner in my constituency as a congestion and accident hotspot. Can my right hon. Friend confirm that his Department is considering significant investment in that junction?

Chris Grayling: We are in the process of digesting the route strategies provided by Highways England. The strategies set a blueprint for the projects we will need to deliver in the future to ease those points of congestion. I cannot at this early stage give a Government commitment to individual projects, but we are looking carefully at that study and others. We are seized of the need to make sure that we address such problems.

Andy McDonald (Middlesbrough) (Lab): Three years ago the Law Commission recommended wholesale reform of taxi and private hire services, but the Government have not responded. Uber proliferates, but it pays no VAT and the country loses a fortune in avoided corporation tax. The former London Mayor was sat on when he tried to bring Uber to heel, despite the denials of his Bullingdon club friends. A No. 10 adviser, lo and behold, tried to bring Uber to heel, despite the denials of his party, I am not sure I would go down that road if I were his party, I am not sure I would go down that road if I were his party. But if there are any questions about the recruitment process, they are addressed and investigated carefully by the civil service to reassure me that we can make an appointment without any concern. That is what we did, and I have absolute confidence in both that recruitment process and in that new chief executive. Yesterday’s announcement that CH2M HILL has decided to withdraw from the contract after an issue—not a massive one—emerged in the contracting process is the right one. I am grateful to the company for doing that, as it is the right thing to do. I want to make sure that Government contracting processes recruit the right expertise, corporate or individual, but are also robust in making sure that, if things are not done right, it is addressed. That is what has happened.

T3. [909598] Neil Carmichael (Stroud) (Con): Ha ve the Government given any consideration to Sir John Armitt’s proposal for a UK national investment bank, which would be handy, for example, in supporting projects such as the bridge from Sharpness to Lydney in my constituency?

Chris Grayling: I know about my hon. Friend’s interest in that potential scheme. Sir John is an important adviser to the Government in a number of different roles, and I respect and value his expertise. There is a substantial amount of private finance out there looking for projects to develop, and we always welcome serious proposals to improve our infrastructure with the support of private finance.

T2. [909597] Jeff Smith (Manchester, Withington) (Lab): The Minister may have inadvertently missed part of the earlier question from my hon. Friend the Member for Liverpool, Riverside (Mrs Ellman), so will he tell us when Transport for the North will be put on a statutory basis?

Chris Grayling: I have told the board of Transport for the North that I am happy that that should happen, and it will happen very shortly.

T4. [909599] Chris Davies (Brecon and Radnorshire) (Con): With the tourism season fast approaching, does my right hon. Friend agree that electrification of the Great Western rail line is vital for bringing more tourists to Wales and to beautiful Brecon and Radnorshire in particular? Will he give us an update on the Government’s progress in this area?
The Parliamentary Under-Secretary of State for Transport (Paul Maynard): My hon. Friend rightly identifies that we need to improve the service on the Great Western main line, particularly to Cardiff, Swansea and beyond. We are looking at all the options for how we can deliver passenger benefits. A re-franchising process will commence shortly and I look forward to hearing all the ideas that hon. Members on both sides of the House have.

T5. [909603] Fiona Mactaggart (Slough) (Lab): The Davies commission was explicit that when the third runway for Heathrow is constructed the Lakeside Energy from Waste plant will need to be replaced, yet the Minister's national policy statement on Heathrow simply says that its impact on the waste stream will require assessment. As it will be difficult to find an appropriate place in that area to situate that important facility for getting rid of landfill, will he change the national policy statement to make sure that the commitment to replace that plant is maintained?

Chris Grayling: I am well aware of this issue, and of course this is a consultation on a draft national policy statement. The ultimate decisions about that plant will be a matter for both its owners and Heathrow airport, and both will have to be satisfied that they are putting appropriate arrangements in place in order for things to go ahead. I take the right hon. Lady's comments today as a representation to that consultation.

T6. [909604] Maggie Throup (Erewash) (Con): This Sunday is an historic day, as Ilkeston finally reconnects with the rest of the rail network after an interval of more than 50 years. This would not have been possible without a £6.6 million new stations fund grant provided by this Government. Does the Minister agree that it is money well spent? Will he encourage people to use the train to visit Ilkeston and bring a much needed boost to the local economy?

Paul Maynard: I can only vouch for the anticipation in the Maynard household about this coming Sunday, but I am also glad to hear that Ilkeston is looking forward to utilising its new train services. I am heartened by the number of Members on both sides of the House who have approached me regarding potential new stations on their local rail network. This is a very welcome change from the era when the network was contracting, with people now seeing rail stations as opportunities for growth, both economically and in terms of population. I really welcome that progress.

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): As my right hon. Friend is not here, I am very happy to put dates in his diary for him, and I am sure that such a meeting will be achievable.

Robert Jenrick (Newark) (Con): My right hon. Friend the Minister of State may well be trapped in the congestion around Newark on the A1 on his way back home to Lincolnshire. As you will have seen, Mr Speaker, according to the Office for National Statistics my constituents are the happiest of any in the country, but they are kept awake at night by the spate of terrible accidents on the A1 between Grantham and Retford. In the Minister of State's absence, will the Secretary of State commission a full review of safety along the A1, particularly at Newark and through this dangerous stretch between Grantham and Retford?

Mr Speaker: I can tell the House that the right hon. Member for South Holland and The Deepings (Mr Hayes) wrote to me to explain that he would be absent today, and I detected in his letter a very considerable sense of regret that he would be outside this country rather than in this Chamber. Personally, I have found it difficult, but we have done our best to manage without him today, and we look forward to the right hon. Gentleman's return at a subsequent session.

Andrew Jones: My right hon. Friend is actually in China, rather than delayed around Newark. I am happy to look into the issues raised by my hon. Friend.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): Anyone who has ever driven between the great cities of Sheffield and Manchester will have undoubtedly been caught in congestion in the Longdendale area of my constituency. The first public inquiry into a solution took place in 1967, and in the seven years I have been the MP for the area I have raised the matter repeatedly, so I am pleased that the consultation on a bypass route is now open as part of the trans-Pennine upgrade programme. Will the Minister join my constituents in getting involved and getting the route sorted?

Andrew Jones: I have met the hon. Gentleman and been to see the particular problems in his area, and I agree that they are acute. I urge everybody to participate in the consultation. Let us try to get the problem finally solved.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): With billions of pounds of taxpayers' money at stake, after last night's announcement on HS2, confidence in the transparency and decision-making processes in HS2 Ltd and CH2M has been called seriously into question. First, will the Secretary of State tell us whether CH2M jumped, or was it pushed? For a company to give up a £170 million contract is enormous news. Secondly, will he give the House an undertaking that no further contracts for the £6.6 billion programme will be issued to other bidders—such as Bechtel or Mace—further down the line before there has been a full inquiry into the decision-making processes in HS2 Ltd and CH2M?

Chris Grayling: I do not normally like to differ with my right hon. Friend, but I am very clear in my mind before the autumn statement and gave his support for this project. Would it be possible to arrange a further meeting to see what we can do to bring this project forward as soon as possible?
having identified a problem that would have called into question whether it could and should operate the contract. It was not some massive misdemeanour, but an error in process that has caused CH2M to take a step back. It is now for the board of HS2 Ltd and its independent directors to make sure that they do the right thing in taking the contract forward. From the country’s point of view, it is important that we get on with the job. We will have all the necessary governance in place as we go through the process of replacing CH2M, but we do need to get on with the job.

Clive Efford (Eltham) (Lab): My constituents have endured all the disruption and chaos while the Thameslink work is going on at London Bridge, and they did so in the expectation that they were going to get an improved service. They are now incandescent with rage, because the new franchise proposes cutting services to Charing Cross and Victoria and reducing off-peak services. This is unacceptable. Will the Secretary of State agree to meet me to discuss the matter?

Chris Grayling: The whole point is that it is a consultation. We have not taken any decisions, and we do not even have an intent. It is about asking people, “There are potential changes or decisions that will affect their lives. What do you think?” If the answer is, “We don’t want you to do that,” we will listen. My focus for the hon. Gentleman’s local passengers and for those local railways is to deliver more capacity, the best possible reliability and, in particular, longer trains. All those things are firmly on our agenda.

Alec Shelbrooke (Elmet and Rothwell) (Con): The CH2M issue is a bigger problem for my constituents. It is welcome that instead of the proposed viaducts in my area there is now going to be a tunnel, but other changes and mitigation are still required. My constituents want to know whether the CH2M issue delays any potential changes or decisions that will affect their lives.

Andrew Jones: No, it does not.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): On Saturday, I am going to speak at the Newcastle Cycling Campaign annual general meeting. What can I tell the people there about what the Government are doing to bring the benefits of cycling to everyone, when studies show that the average cyclist is male, white, middle class, under-40 and in Lycra?

Andrew Jones: The hon. Lady is absolutely right that cycling needs to broaden its range. Part of the plan we will announce shortly will be to help local authorities to set up their own local cycling and walking investment plans, which will include broadening the range of potential cyclists.

Jeremy Lefroy (Stafford) (Con): Last Friday, the A34 between Stafford and Stoke was at gridlock for several hours because of the closure of the M6, disrupting not only my constituents’ journeys but the entire north-south commerce. What plans do the Government have to ensure that, when HS2 comes through Staffordshire and cuts across all the main arterial routes, we do not have repeats of this kind of congestion?

Andrew Jones: The planning for the construction phase of HS2 is obviously a critical part of delivering this project. As a part of that, there is local engagement between HS2, Highways England and the local highways authorities. My hon. Friend is right to highlight the potential risk, but all the conversations and the collaborations are taking place to make sure that that does not happen.

Heidi Alexander (Lewisham East) (Lab): Last November, the rail minister sat in a meeting with 15 colleagues, including three Cabinet Ministers, and promised additional carriages for the Southeastern network. This cannot be kicked into the long grass or delayed until the new franchise. It needs to happen now. When, and how many?

Paul Maynard: This is not being delayed until the new franchise. It will happen very soon. As I explained in my answer to an earlier question, we have received a proposal for new carriages from Southeastern. We have only had it a week and we are looking at it now. We want things to happen as soon as possible.

Bob Blackman (Harrow East) (Con): The long-promised extension of the Metropolitan line from Croxley Green is running into financial difficulties. What assessment has my right hon. Friend made of the project, and what discussions have taken place with the Mayor of London and Transport for London?

Chris Grayling: The basis of this project was that Hertfordshire County Council and the Department for Transport provided money to TFL for the extension work. The agreement was that TFL would meet any costs above the agreed price, and would retain any funds below the agreed price. That agreement was reached a couple of years ago. Quite a chunk of money has already been spent, including on the acquisition of a train. It is for the Mayor to complete this project, and I have asked him for his plans to do so.

Mr Dennis Skinner (Bolsover) (Lab): Is the Secretary of State aware that he cannot easily brush off what has happened with that fiasco at HS2 and the resignation? Will he take into account the fact that now is the time—very opportune—to get rid of that stupid idea of having two HS2 lines running through the county of Derbyshire? The one called the Newton spur will lose us 1,000 jobs in the area and knock down 32 houses. It is called the “dawdle through Derbyshire”. Get rid of it.

Andrew Jones: I always enjoy the hon. Gentleman’s questions, but this is not a dawdle through Derbyshire. What we are looking at here is a consultation on how we get the routes through South Yorkshire. It is fair to say that there is no consensus on this matter, and I have met him and colleagues from South Yorkshire. We will be responding to that consultation later this year. The point is how we maximise the opportunities for South Yorkshire and the east midlands from HS2. These opportunities will be significant. He should get behind the project and work with us to mitigate the impact, but recognise also the positive economic impact that HS2 will have on our country.

Mr Speaker: I am extremely grateful to the Minister, but we are running late. I want to hear two more questions.
Anna Soubry (Broxtowe) (Con): Well, the people of Broxtowe are looking forward to HS2 coming to Toton Sidings, where we will have the east midlands hub, which will bring considerable benefit. May I thank the Minister for his visit to Trowell, for his interest and for the conversations with the Secretary of State, because in Trowell there is opposition, not necessarily to the route—although there is some concern—but to a 60 foot viaduct that will deliver HS2? Will the Minister be so good as to confirm that he will do everything that he can to ensure that all options are considered to deliver HS2 through the east midlands and through the village of Trowell?

Andrew Jones: I much enjoyed my visit to Toton and Trowell to see the economic impact that HS2 will have there, to talk to businesses and to look at the implications for local communities. I will of course be very happy to take every action we can to ensure that this works for everybody, including the mitigation that my right hon. Friend suggests. We want to minimise the impact and maximise the benefits from this exciting project.

Mrs Emma Lewell-Buck (South Shields) (Lab): Back in a 2015 debate, the Under-Secretary said that he recognised that the 40-year rolling stock was coming to the end of its life and that he was looking towards having a new fleet. This was in relation to our Tyne and Wear metro. As we are now two years on, can he say when he is going to invest in our metro?

Paul Maynard: We are in discussion with Nexus at the moment on how we go about this. I have met representatives from the company and we are hoping to make it happen very soon.
Speaker’s Statement

10.43 am

Mr Speaker: On 8 September 2016, I announced to the House the launch of a new initiative, the Speaker’s Democracy Award. The intention of the award is to allow this House to recognise and celebrate individuals who have championed democracy, or brought about social change in an emerging democracy.

A number of excellent nominations were received from hon. and right hon. Members and, following a meeting of the judging committee, I am pleased to be able to tell the House that Marvi Memon MP is the winner in this, the inaugural year of the award.

Ms Memon is a Pakistani politician who is the current chairperson of the Government of Pakistan’s Benazir Income Support Programme—the BISP—and an elected Member of the National Assembly of Pakistan. Ms Memon has fronted a substantial and impressive programme of empowerment through her BISP work by giving over 5.3 million of the poorest women a modest stipend for essentials such as food, clothing, healthcare and education. This has done a great deal in terms of combating poverty and child malnutrition in rural areas. Moreover, the programme also facilitates the participation of women in Pakistani electoral politics by encouraging them to obtain identity cards which allow them to vote.

I am sure that the whole House will want to join me in warmly congratulating Ms Memon. I am hoping to be able to welcome her to this House to collect the award at a future date.

I am grateful to the hon. Members for Congleton (Fiona Bruce) and for Ochil and South Perthshire (Ms Ahmed-Sheikh), and to the right hon. and learned Member for Camberwell and Peckham (Ms Harman), for agreeing to serve on the judging panel. I am similarly grateful to the right hon. Member for Gordon (Alex Salmond), who nominated Ms Memon, as well as to the hon. Member for Rhondda (Chris Bryant), who initially suggested to me the idea for this award.

Business of the House

10.46 am

Valerie Vaz (Walsall South) (Lab): Will the Leader of the House please give us the forthcoming business?

The Leader of the House of Commons (Mr David Lidington): The business for the first week back after the Easter recess will be as follows:

Monday 17 April—The House will not be sitting.
Tuesday 18 April—Second Reading of the Finance (No. 2) Bill.

Thursday 20 April—Statement on the publication of the 12th report of the Public Administration and Constitutional Affairs Committee on lessons learned from the EU referendum, followed by a statement on the publication of the 12th report of the Justice Committee on prison reform, governor empowerment and prison performance, followed by a debate on a motion relating to state pensions payable to recipients outside of the UK, followed by a general debate on research and development on tackling infectious diseases. The subjects for those debates were determined by the Backbench Business Committee.

Friday 21 April—The House will not be sitting.

The provisional business for the week commencing 24 April will include:

Monday 24 April—Consideration in Committee of the Finance (No. 2) Bill (day 1).

I should also like to inform the House that the business in Westminster Hall for 20 and 24 April will be as follows:

Thursday 20 April—Debate on the third report of the Transport Committee, Volkswagen emissions scandal and vehicle type approval, followed by a debate on the European arrest warrant.

Monday 24 April—Debate on an e-petition relating to GCSE English literature exams.

Valerie Vaz: May I add my congratulations to the inaugural winner of your prize, Mr Speaker, which is very welcome? We have given refuge to Malala Yousafzai, who has also made an amazing contribution. We support everything that women in Pakistan do to promote democracy.

May I thank the Leader of the House for the forthcoming business? I am sure that he is also getting concerned that our Gracious Sovereign might not be aware of the date on which she is due to give her speech. Is he checking whether she is actually free on the various dates being suggested for the Queen’s Speech? Obviously, I want to ask about the date of Prorogation as well. If the Leader could indicate when in May we are likely to rise, that would be helpful.
Eight right hon and hon. Members shared a birthday on 26 March—it was a significant day—including the hon. Member for Southend West (Sir David Amess), my hon. Friend the Member for Worsley and Eccles South (Barbara Keeley), the right hon. Member for Basingstoke (Mrs Miller), the hon. Member for Congleton (Fiona Bruce), my hon. Friend the Member for Bristol East (Karen Patterson), my right hon. Friend the Member for Wolverhampton South East (Mr McFadden), my hon. Friend the Member for Nottingham South (Lilian Greenwood) and the youngest Member, the hon. Member for Paisley and Renfrewshire South (Mhairi Black). We wish them a belated happy birthday. But PC Keith Palmer, who often stood around here and was a Charlton Athletic supporter, Aysha Frade, Kurt Cochran and Leslie Rhodes will not be able to celebrate their birthdays again. Mr Speaker, I thank your chaplain, Rev. Rose Hudson-Wilkin, and Canon Pat Browne, the Roman Catholic priest for the House of Commons, for the services they held in the chapel of St Mary Undercroft last Thursday. They have always supported us when we need them.

It is a convention that when a statutory instrument is prayed against, the Government provide time for a debate, so I want to raise the Opposition’s concerns that no time was provided to debate the regulations relating to personal independence payments and to tuition fees. Will the Leader of the House confirm that in future the convention will be honoured so that the Opposition will not have to use Standing Order No. 24 to get an emergency debate? That is extremely important because there will be a plethora of statutory instruments as we leave the EU and we do not want to return to powers being exercised by an absolute monarch when Parliament is sovereign and a democratic institution.

Not all of last Wednesday’s business was carried over, so will the Leader of the House find time for a debate on exiting the European Union and global trade? The House would like to know what the Department for International Trade has been doing during the past nine months. The Prime Minister said yesterday that everyone has been busy, but as yet the Secretary of State has not come to the House to tell us what global trade deals are in the offing.

Yesterday was a significant day in our island’s story, and we in Her Majesty’s Opposition want a strong and collaborative future relationship with the EU, the exact same benefits as we currently have as members of the single market and the customs union, and the fair management of migration in the interests of the economy and communities. We want to defend rights and protections, and prevent a race to the bottom. We want to protect national security and our capacity to tackle cross-border crime and terrorism, and to ensure that any negotiation delivers for all regions and nations of the UK. That is a position of certainty, not the full-back position of “no deal...is better than a bad deal”, which should not enter the Government’s vocabulary.

Is the Leader of the House aware that the CBI says that businesses would experience serious disruption if no new trading relationship is agreed and they are forced to trade with the EU under World Trade Organisation rules? No deal should not be an option. Manufacturers in the west midlands have asked, “Do I need to change my supply chain? Will I have to enforce new rules?” Those are just two of their questions, so may we have a statement on how the Government will answer such questions from business?

Could we have a debate on the National Audit Office’s report “Capability in the civil service”, which was published on 24 March? It says that the Government face ever-increasing challenges in providing public services. Continuing budgetary restraints are putting pressure on Departments, which are making important reforms with fewer staff and smaller budgets. There is a skills gap that cannot be filled by the private sector. The report says that one in four senior posts are unfilled. What will the Government do to address that skills shortage as we leave the EU?

When will NHS staff receive a pay increase of more than 1%, given that half the Cabinet have said that £350 million a week is now available for the NHS? Will the Leader of the House also set out how the £350 million a week is now available for the NHS? Will the Leader of the House also set out how the Prime Minister will report back to the UK on the negotiations? Our children and grandchildren, 75% of whom voted to remain, feel hurt and betrayed, because they know that the EU is about equality, peace, security, collaboration, quality of life, the air we breathe, tourism, consumer rights and human rights. We must not betray them.

And so to R and R—rock and roll, and the recent death of the creator of that genre, Chuck Berry. It is as though he wrote some of his songs just for the Government. We have “Maybellene, why can’t you be true?” and “Reelin’ and Rockin’”—the Government have made some U-turns on national insurance contributions, and there has been disquiet about school funding and special deals with Tory councils—and there is one for you, Mr Speaker: “Johnny B. Goode”. I want to thank all our civil servants for the work that they have done while we have been part of the EU. I thank all the ambassadors and Ministers for Europe, including the Leader of the House. As he was such an outstanding Minister for Europe, I hope that the goodwill will come back when we finish our negotiations.

I also want to say goodbye and thank you to David Beamish, the Clerk of the Parliaments, who, sadly, is retiring after 42 years. He is a great public servant who has done a fantastic job, and he worked closely with our own Clerk. I also thank Russell Tatum, an unsung back-room hero who has worked for both Labour and Conservative Opposition Whips. He has kept us all going. We wish him well in his new post at the Department of Health, and we hope that he can sort that out, too. Finally, may I once again thank everyone for everything that they have done in the last week, and wish everyone connected with the House a very happy and peaceful Easter?

Mr Lidington: First, I join the hon. Lady in expressing thanks to your chaplain, Mr Speaker, and to the Roman Catholic chaplain for the work that they have done in the past week, which I am sure they will continue to do. I also join her in paying tribute to David Beamish, who has served the House of Lords, and Parliament as a whole, with great distinction throughout his career. I would add to that the name of Glenn McKee, one of our own Clerks, who is retiring after more than 30 years of service to this House. We put on record our thanks and appreciation to him for that record of service.
The date of the Queen’s Speech will be announced as soon as possible. As the hon. Lady knows, the exact date of Prorogation will depend, as it does every year and under every Government, on the progress of business.

I turn to some of the other issues that the hon. Lady raised. The Government have delivered on the convention, and slots have been provided for debates on the prayers against the statutory instruments concerning tuition fees and the personal independence payment. The Opposition will get their opportunity to debate those after the recess. The Government will act, as all Governments do, on the basis of what Parliament decides.

The hon. Lady made a broader point about secondary legislation in the context of forthcoming European legislation. I am sure that questions will be put to my right hon. Friend the Secretary of State for Exiting the European Union later today, and there will be ample opportunity to debate the matter during proceedings on the repeal Bill in the next Session, but it is a fact that Ministers may exercise delegated legislative powers through secondary legislation only if those powers have been expressly conferred on them by an Act of Parliament. Authority for the use of delegated legislation will have to be approved, after a full parliamentary process in both Houses, before such legislation reaches the statute book.

The hon. Lady asked about international trade. My right hon. Friend the Secretary of State for International Trade has hardly been invisible. He is doing the job that the Prime Minister appointed him to do, which is to maximise the opportunities for jobs and investment in the United Kingdom by drumming up support for trade and investment all around the world. He has been in the Chamber regularly, in the slots allotted to the Department for International Trade, to answer questions from Members on both sides of the House. I would add that the hon. Lady’s description of what she wanted out of the EU negotiations sounded very much like a paraphrase of the Prime Minister’s letter to President Tusk yesterday, which I welcome. If there is an outbreak of common sense and the Opposition take a more consensual approach by supporting the Prime Minister as a response to her call for national unity at this time, I would very much welcome that.

I do not think that my right hon. Friend the Prime Minister could possibly have been clearer—either in her letter, or during the nearly three hours that she spent making her statement and answering questions at the Dispatch Box yesterday—that her objective is a comprehensive deal with our friends and allies in the European Union that makes possible a deep and special partnership between ourselves and the 27 countries of the EU after we have left, because it will remain an essential national interest of the United Kingdom that there is stability and prosperity right across Europe. While we will implement the decision that the British people took in the referendum last year, it is right that we should strive for a new form of co-operative agreement with countries that will continue to be our friends, allies and partners on so many different areas of policy.

The hon. Lady asked about the national health service and the capacity of staff to deal with what will be demanding reforms—I think that the chief executive has said that—but I would point her to the track record of NHS managers and clinicians in delivering effective reforms. One of the things I find so striking about the national health service is that there can be a severe disparity of performance between different trusts or hospitals in various parts of the country. One of the objectives that NHS England wants to secure is to make certain that best practice—the successes of the most innovative parts of the NHS—can be disseminated and put in place more widely.

Mr Stewart Jackson (Peterborough) (Con): May we have a debate on protecting and valuing the Church of England estate? We learned this week that the Church of England’s consistory court and the chancellor of the diocese of Peterborough have given the green light to ripping out the interior of the grade I listed, 13th-century St Botolph’s church in Longthorpe, Peterborough. That will include replacing the altar with a self-standing altar and the pulpit with a modern lectern, and ripping out all the pews. Is it any wonder that the Church of England is losing the support of its parishioners when it so grievously fails to protect its own architectural heritage?

Mr Lidington: I clearly do not know any details of the parish church to which my hon. Friend refers. There is sometimes a difficult balance to be struck between what a congregation wants to meet the needs of worship and the historic fabric of a church. I would hope that such matters are always approached with proper sensitivity and high regard for our architectural and design heritage, and that the views of the local community, and particularly of the church congregation, are fully taken into account.

Pete Wishart (Perth and North Perthshire) (SNP): I join in the thanks and tributes to the chaplains of the House for their exemplary work last week. I congratulate Marvi Memon on winning your inaugural award, Mr Speaker—thank you for such a fantastic idea. I also thank the Leader of the House for announcing the business for after the recess.

It has certainly been another one of those weeks, hasn’t it? What an historic week. This is therefore not the time for meaningless or provocative soundbites, but later we will continue with this pace when we see the White Paper on this shabby repeal Bill, as this Parliament attempts to repatriate almost 20,000 pieces of European legislation in what will be the greatest transfer of powers from Brussels to this Government. For a Parliament that has so jealously guarded its sovereignty throughout the centuries, how cavalier the Government have been about leaving the European Union. Parliament will need to have a look at this. These powers are not so much Henry VIII; it is more like a bespoke new Tessa the first.

One thing that we need to hear from the Leader of the House is a commitment that the shabby repeal Bill will not be subject to the English votes for English laws procedure. I say to him: just do not seek a certification. It is far too complicated and cross-jurisdictional for that, so will he rule it out today? This morning, without any fanfare or flourish, we got the Leader of the House’s review into the operation of EVEL. The dramatic conclusion he comes to is that it is working perfectly. In fact, it is an absolute and total embarrassment to this House. The bells go off, we suspend our business, we go into Committee, we come out of Committee, and not one word is said. It is not so much the court of Henry VIII; it is the court of Byzantium when we are dealing with issues such as this.
Lastly, we still have not had any sort of statement or response from the Government on the historic vote that was held in the Scottish Parliament on Tuesday. That seems to be consistent with the way this Government treat Scotland. We know that there is no such thing as a common UK approach to leaving the European Union, and this Government could not have gone further out their way to antagonise Scotland over their plans to leave the European Union. Today, when we look at the great repeal Bill and think of Henry VIII, on the Scottish National party Benches we will be thinking of Robert the Bruce.

Mr Lidington: For a moment at the start of that question I thought the hon. Gentleman was going to become part of the new consensus that the Prime Minister is seeking to build. I hold out some modicum of hope for him, but I have to confess, after the rest of the tirade, not all that much.

I seriously encourage the hon. Gentleman and members of his party to read the White Paper before they make a judgment on it. When they have seen it, they will see that the case for certain powers as regards delegated legislation is made in detail. The argument is set out very clearly, as is the Government’s position that it will be necessary for the exercise of any such specific delegated legislative powers to be subject to conditions and restraints to ensure that they cannot be abused and are used only for the purpose for which they are created. I am sure that other Scottish National party Members will want to put questions to the Secretary of State for Exiting the European Union this afternoon, but the Government will be proposing a number of very important safeguards on the exercise of those powers.

On the hon. Gentleman’s question about the application of the English votes procedures to the repeal Bill, I have to repeat what I have said to him in previous exchanges. As we both know, the English votes procedures can be exercised only in a case where an issue to be determined is both devolved to the Scottish Parliament and, in relation to legislation before this House, applies to England only or to England and Wales only. The chances of that happening in the repeal Bill are very slim indeed, given that it addresses the application of the European treaties to this country and, as international agreements, they are reserved matters under the terms of the Scotland Act 1998. I cannot at this stage rule out some hypothetical piece of future secondary legislation, but it is not right to exaggerate fears of something that is very unlikely to come about.

The hon. Gentleman then asked me about the First Minister’s call for another referendum—[Hon. Members: “The Scottish Parliament’s.”]—and the vote by the SNP and the Greens in the Scottish Parliament for a second referendum. The Prime Minister was very clear yesterday that we are embarking on a major change of policy in this country, and that now is not the time for another referendum on a matter that all sides agreed had been settled in the 2014 referendum. I simply remind the hon. Gentleman of what the First Minister of Scotland said when launching her party’s manifesto for the Scottish elections in April last year:

“Setting the date for a referendum before a majority of the Scottish people have been persuaded that independence—and therefore another referendum—is the wrong way round... If we don’t succeed, we will have no right to propose another referendum.”

I support what the First Minister of Scotland said on that occasion.

Several hon. Members rose—

Mr Speaker: Order. On my reckoning, a further 44 right hon. and hon. Members are seeking to catch my eye. As per usual I am keen to accommodate all would-be contributors, but I remind the House that there is a very important statement to follow that is likely to be well-subscribed, and thereafter two important debates under the auspices of the Backbench Business Committee. There is, therefore, a premium on time and brevity.

Kelly Tolhurst (Rochester and Strood) (Con): I have been contacted by a growing number of residents who are concerned about the influx of Travellers and the number of illegal encampments in my constituency. There have been major reports of intimidation and threatening behaviour. I am well aware that there are problems in other parts of the country, but it is disappointing that local authorities and the police lack either capacity or willingness to use their powers to deal with them. Some of the problems relate to antisocial behaviour and a disregard for the local community. Will the Government make time for a debate on the obligations of local authorities and police, and on how the current law can be strengthened for the good of our communities?

Mr Lidington: My hon. Friend may have an opportunity to press this issue with Ministers at Communities and Local Government questions on 24 April. My view is clear: the powers she describes exist for a reason and I would hope that both local authorities and police forces use them.

Ian Mearns (Gateshead) (Lab): I thank the Leader of the House for advertising the forthcoming Backbench Business. I also thank him and his staff for arranging to move back by two hours the debates scheduled for Westminster Hall on 18 April and 2 May to allow Members travelling from their constituencies to get here in time for them. One additional piece of news is that we have determined that on Tuesday 25 April at 9.30 am there will be a 90-minute debate in Westminster Hall on post office closures, and on Tuesday 2 May at 11.30 am there will be a debate on voter ID and electoral fraud, also in Westminster Hall.

I am going to get my begging bowl out, Mr Speaker, not on behalf of my constituents—I know Government Members always accuse Members from the north-east of England of having a begging bowl—but on behalf of Back-Bench Members. In the week after the recess, on 20 April, we will have our 27th allotted day—actually, our 27th and one quarter allotted day—of Backbench Business, which is all that is allowed in this parliamentary Session. With my begging bowl out on behalf of Back-Bench Members, I ask the Leader of the House to please send any spare time our way. We already have a waiting list of debates.

I would just like to make a point of clarification. On Tuesday, during the Backbench Business debate on Yemen, the Under-Secretary of State for Foreign and Commonwealth Affairs, the right hon. Member for Bournemouth East (Mr Ellwood), on a point of order, asked whether it would be possible to use up the full
allocation of time—up to 30 minutes before the House was due to rise. Madam Deputy Speaker responded by saying:

“The House decided on the timetable.”

That was true, but she then went on to say:

“The Backbench Business Committee gave 90 minutes for this debate, and I am powerless to change that.”—[Official Report, 28 March 2017; Vol. 624, c. 206-7.]

Mr Speaker, the Backbench Business Committee asked for a minimum of 90 minutes of protected time for the debate, but the Order Paper allowed a maximum of 90 minutes. The Backbench Business Committee determines the subject matter of debates. The allocation of time, and the way in which the Order Paper reflects that allocation, is not within its remit.

Mr Lidington: I am grateful to the hon. Gentleman for his words of thanks. I will always do my best to accommodate what he and his Committee want, but, as I am sure he will appreciate, spare hours in the parliamentary timetable are a rare commodity.

Alec Shelbrooke (Elmet and Rothwell) (Con): In March 2014, the only son of Joanne and Robert Wark, my 19-year-old constituent Callum Wark, was killed by an HGV driver who was three times over the legal drink-drive limit. On 29 October 2014, I held an Adjournment debate in the Chamber in which I asked the then Under-Secretary of State for Justice, my hon. Friend the Member for South West Bedfordshire (Andrew Selous), to conduct a sentencing review so that those who caused death by drink-driving would face a manslaughter charge rather than the current charge, which carries a maximum sentence of 10 years. Callum’s killer was sentenced to just seven years, and will serve only three and half before returning to his home country of Bulgaria, where he will be free to drive unrestricted once again. May we have a statement from a Justice Minister, updating the House on the progress of the review?

Mr Lidington: Let me first express my heartfelt sympathy to Callum’s family. Three years on, they will still be grieving and feeling acute and inconsolable loss.

The Ministry of Justice consultation to which my hon. Friend has referred ran until February this year, and received more than 9,000 responses. The Government are considering those responses, and Ministers will publish a written response in due course.

Paul Flynn (Newport West) (Lab): When can we discuss early-day motion 1131?

[That this House is appalled at the runaway multi-billion pound waste of nuclear costs for a power source that promised to deliver electricity that would be too cheap to meter; notes that Hinkley Point’s estimated cost of £6 billion in 2008 leapt to £24 billion and is now estimated to soar to £37 billion, while the cost of nuclear decommissioning, estimated at £55 billion in 2005, is now set at £117 billion and rising; and condemns this and previous Governments’ gullible infatuation with the myth of cheap nuclear power which has created a massive burden of debt for the nation that will impoverish public spending for decades.]

When can we discuss the staggering cost of decommissioning nuclear sites—£117 billion—and the leap in the price of Hinkley Point from £6 billion to £37 billion? Why were successive Governments infatuated by the myth of a cheap source of nuclear power which promised to deliver electricity that was too cheap to meter, given that what has been delivered is a £170 billion bill for taxpayers that will impoverish Governments and restrict their spending for decades?

Mr Lidington: My right hon. Friend the Secretary of State for Business, Energy and Industrial Strategy responded to an urgent question about nuclear decommissioning on Monday, but I advise the hon. Gentleman to seek an opportunity to initiate one of the longer Westminster Hall debates.

The Government’s view is that nuclear energy should be part of a broad mix of energy sources to ensure that we have a secure energy supply and can rely increasingly on sources that do not add to the problem of climate change.

Mark Pritchard (The Wrekin) (Con): May we have an urgent debate on Shrewsbury and Telford Hospital NHS Trust, which is illegally proposing to close its accident and emergency ward in the autumn, thus endangering up to 40 children a week? Does the Leader of the House agree that such moves should be subject to consultation with the public, local authorities and local Members of Parliament? There has been no such consultation, yet the proposal is going ahead.

Mr Lidington: I am concerned to hear about that, and I will draw it to the attention of the Secretary of State for Health. A significant change in the configuration of NHS services in any area ought to be the subject of public consultation. There is, of course a power for the
relevant committee of the local authority to ask the Secretary of State to call in such decisions and review them. I encourage my hon. Friend to pursue the issue with Health Ministers, but, as I have said, I will draw his comments to the Secretary of State’s attention.

Vernon Coaker (Gedling) (Lab): May we have an urgent debate on the state of local roads? In Nottinghamshire, which includes my constituency of Gedling, there is a £319 million backlog in respect of Nottinghamshire County Council being able to deal with those roads. My constituents and the people of Nottinghamshire are fed up with driving along roads that are crumbling and full of potholes, and it is about time the Government sorted it out.

Mr Lidington: It was precisely to address infrastructure problems that the Chancellor of the Exchequer found £23 billion of additional spending in the autumn statement. As the Transport Secretary said during Question Time earlier today, the Government have allocated very significant sums of money to support local highways authorities to deal with potholes and other local road repairs. But the reality, which any responsible Government must accept, is that resources are finite and the country and the Government have to live within their means. We still have a significant deficit in our public finances, and the responsible approach is to live within our means.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): Will the Leader of the House grant an urgent debate on conflicts of interest? During that debate we could probably look, for example, at the relationship between CH2M, a High Speed 2 contractor, and HS2, currently in the constituency of the Leader of the House, your constituency, Mr Speaker, and my constituency, because that relationship cannot be a good one as CH2M must be facing some financial difficulties having given up a £170 million contract. We could also consider whether HS2 can explain what it is going to do with Bechtel and Mace, the other bidders—whether the contract will be started from scratch, or we are going to have to take its word that there was no conflict of interest if one of them is appointed. We could also clarify the roles of individuals such as Chris Reynolds and the raft of CH2M secondees working in HS2, and also—[Interruption.] Perhaps we could also look at the role of the chairman of the National Infrastructure Commission. [Interruption.] The NIC has to provide impartial expert advice to the Government and operate independently—

Mr Speaker: We are immensely grateful—

Mrs Gillan: Yet the NIC chairman serves as a director—

Mr Speaker: Order. That is enough; I have been more than fair to the right hon. Lady. I know that she is seeking a debate, but a number of Members are already muttering that the debate has now happened. I am sure she will get the debate, but we do have to make progress; I hope she will forgive me.

Mr Lidington: I did catch some of the Transport Secretary’s response to my right hon. Friend a little earlier today. There are strict rules around any kind of public sector procurement and we expect all proper procedures to be followed, including the rules to provide safeguards against conflicts of interest.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Having received a response from the Under-Secretary of State for Business, Energy and Industrial Strategy, the hon. Member for Hereford and South Herefordshire (Jesse Norman), regarding over 40 of my constituents who allege they have been mis-sold solar panels by a Government-approved green deal provider, I am not entirely confident that his Department appreciates the magnitude of the problem and just how many people across Britain are suffering financial hardship because of this botched Government energy efficiency scheme. May we please have a debate in Government time to discuss this urgent, important and potentially far-reaching issue?

Mr Lidington: I have not seen the letter from the Minister to which the Lady refers. If she feels there has been maladministration by a Government Department, there may be a case for reference to the parliamentary ombudsman to investigate that. That is one option she might want to explore.

Sir Desmond Swayne (New Forest West) (Con): Will the Leader of the House schedule his own statement on your excellent award, Mr Speaker? That would give him the opportunity to announce the critical role of the Department for International Development in the Benazir Bhutto scheme, and explain to the House that this scheme uses the latest biometric technology to deliver money electronically to the world’s poorest women, thereby absolutely transforming their status by providing them with a bank account.

Mr Lidington: Without tempting your wrath by giving a statement, Mr Speaker, I am very happy to applaud the Speaker’s Democracy Award, and the nomination that was successful today. I also pay tribute to the role of the Department for International Development in this. As my right hon. Friend rightly says, the use of digital technology can provide power, freedom and opportunity to women, in particular, in some developing countries who would otherwise have to live in fear and never have any control over their own lives.

Conor McGinn (St Helens North) (Lab): The funding crisis in the NHS has reached new heights today, with reports of a hospital trust asking full-time nurses to register and set up as sole traders so that it can avoid paying employers’ national insurance contributions. Will the Leader of the House ask the Health Secretary to investigate this matter urgently and assure us that this outrageous practice is unacceptable and has to stop?

Mr Lidington: Given this particular case, I think that the hon. Gentleman should write directly to Health Ministers. Alternatively, if he would like to come by my office with the details, I would be happy to forward his concerns to the Secretary of State.

Chris Davies (Brecon and Radnorshire) (Con): Domestic dog attacks on sheep, especially now, in the lambing season, are a real concern not only for the businesses of our farmers across the country but for dog owners, who are often unaware of the consequences of such attacks for them and their pets. May we have a debate on what more the Government could do to improve awareness of the actions that farmers and the authorities can take when dogs attack sheep, and on what more could be done to prevent such attacks in the first place?
Mr Lidington: The Government certainly understand the huge loss that farmers face as a result of dog attacks on livestock. It is the duty of all dog owners to ensure that their animals are kept under proper control when on farmland. Government officials recently met police forces and farming representatives to discuss the situation and, as a consequence, five police forces are now going to pilot the more systematic collection of incidents and good response practices.

Clive Lewis (Norwich South) (Lab): May we have an urgent debate on the 6,000 constituents of Norwich South who have been sanctioned by the Department for Work and Pensions since 2010? In particular, I should like to raise the issue of one 45-year-old terminal cancer patient who failed his work capability assessment. He was stripped of his employment and support allowance, denied jobseeker’s allowance and is now living off his dying father, in food poverty. May we have a debate on this as a matter of urgency?

Mr Lidington: The sanctions, in their current form, have been used ever since jobseeker’s allowance started in 1996, so the sanctions regime existed throughout the 13 years of the Labour Government, and the vast majority of people comply. If there are particular cases where things have gone wrong or where bad judgments have been made by officials, I would encourage the hon. Gentleman to take them up directly with the Ministers concerned. However, a sanctions system is a logical element in an effective and fair system of benefits.

Martin Vickers (Cleethorpes) (Con): Residents and retailers in Barton-upon-Humber in my constituency are angry about the possible development of a new Lidl supermarket on the edge of the town. The Government’s efforts to revitalise and support our high streets are often undermined by the decisions of local authority planning departments. May we have a debate on the impact on the high street of planning?

Mr Lidington: I should probably direct my hon. Friend towards Westminster Hall opportunities for such a constituency case. It is right that these decisions are taken at local level and that we do not try to second-guess every supermarket location from Whitehall, but I am sure that he will be a formidable advocate for his own communities in trying to ensure that the planners reach a decision that takes account of local opinion.

Louise Haigh (Sheffield, Heeley) (Lab): On “The Andrew Marr Show” last weekend, the Home Secretary said that “we need to make sure that our intelligence services have the ability to get into situations like encrypted WhatsApp”.

This was a clear departure from stated Government policy. Lord Howe said last October: “The assertion that the Government are opposed to encryption or would legislate to undermine it is fanciful.”—[Official Report, House of Lords, 19 October 2016; Vol. 774, c. 2404.]

May we have a debate in Government time on whether the Investigatory Powers Act 2016 is still relevant and whether it is still GCHQ’s guidance to industry to encrypt communications? Will the Leader of the House also enlighten us as to what the “necessary hashtags” are?

Mr Lidington: The Government want people to be able to communicate with each other securely. There is a real threat to cyber-security, and cybercrime has a massive cost on society, so we support encryption. However, we need a balance to ensure that encryption does not provide a safe space for terrorists, paedophiles or organised criminals. Therefore, we want to require companies to have the ability to decrypt those messages when they have been served with a properly authorised warrant. The hon. Lady will know that end-to-end encryption is a particular issue, which is why the Home Secretary is meeting representatives from the digital industry and internet providers today to discuss the issues further.

Mr Andrew Turner (Isle of Wight) (Con): My constituent, prison officer Nick Medlin, died in the early hours of Christmas morning after a vicious attack, and PC Keith Palmer lost his life while doing his job here in Parliament last week. The trial of the man charged with the manslaughter of Nick Medlin starts on 26 June. May we have a debate on introducing a specific offence to deal with those who attack the people who protect us?

Mr Lidington: While I express my utter condolences to the family of the prison officer who lost his life on the Isle of Wight, my hon. Friend will understand that I cannot comment on a matter that is to be the subject of a criminal trial. The courts already have powers to impose an additional sentence on grounds of aggravation if an attack has been upon a police officer.

Chris Bryant (Rhondda) (Lab): I do not know why the Leader of the House is being so coy about the date of the Queen’s Speech: it is on 17 May, and we all know that because it is on the Government’s all-party Whip and has been for the past four weeks.

IPSA seems absolutely determined to publish information regarding MPs that will reveal their home addresses. That is entirely inappropriate, and I hope that the Government will stand ready to legislate if necessary.

Mr Lidington: Both the hon. Gentleman and I have raised this matter directly with IPSA and, earlier this week, IPSA gave some assurances that the matter was under active review. I would certainly hope that action is taken at the IPSA board to ensure that any material that might identify a Member and put them at risk of possible attack is not published in future.

Jeremy Lefroy (Stafford) (Con): May we have an urgent debate on NHS workforce planning? Among the reasons given to me by my local NHS trust for difficulties in filling key posts are the impact of 1R35 and the sharp decline in applications from European Union citizens.

Mr Lidington: There will obviously be opportunities, although not in the next two weeks, to put questions to Health Ministers, but I hope that my hon. Friend will be reassured to know that we have record numbers of nurses and GPs in training. The Government have significantly expanded the training provision.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): My hon. Friend will understand that IPSA’s role is on the Government’s all-party Whip list of matters to be discussed on 17 May. However, if the matter is raised by the House, would the Leader of the House be prepared to update us on the position and what the Government will be able to do to ensure that the IPSA board is able to get on with its work?

Mr Lidington: The House is due to have a debate on the outcome of the IPSA elections on 17 May. The result of those elections will be announced on 17 May. May I assure my hon. Friend that the Government take the role of the IPSA very seriously? We have worked very well with IPSA over the past few years and will continue to do so.
to the importance of highlighting women’s contribution to politics, which should be the focus of people’s attention, not what we wear or how we appear.

Has the Leader of the House ever had the opportunity to listen to a recording of a personal independence payment appeal? An increasing number of constituents who visit me are upset and distressed by the process. Given that the majority of claimants are successful on appeal, the system is clearly failing them. May we have an urgent debate on how the system is failing and on how we can turn it into one that treats people with the dignity and respect that they deserve?

Mr Lidington: I simply disagree with the hon. Lady that the PIP system is failing. In fact, more than a quarter of those who receive PIPs get the highest level of support, compared with just 15% of working-age claimants under disability living allowance. If we look at figures for people with mental health conditions, we see that significantly more people are getting help through PIPs than secured help at a high level under disability living allowance, so the record is that PIPs are providing greater help to those in the greatest need.

Robert Jenrick (Newark) (Con): May we have a debate, or at least will my right hon. Friend raise the matter urgently with the Prime Minister and the Chancellor, on the developing situation with Falkland Islands Holdings Ltd? The alternative investment market-listed company holds the majority of land, transport and retail on the Falkland Islands and is facing a hostile takeover by a politically motivated Argentine billionaire, a matter on which the Prime Minister or the Chancellor would have to step in under the takeover code to protect the interests of the Falkland Islands people.

Mr Lidington: My hon. Friend raised that matter earlier in the week, and the question is the subject of a full review by the Falklands Islands Government. The Foreign and Commonwealth Office is giving support to the Falkland Islands Administration in that task.

Judith Cummins (Bradford South) (Lab): On Monday students from Grange Technology College in my constituency visited me here in Parliament. During their visit I was asked about the more than £900,000 due to be cut from the school’s budget by 2019. Research suggests that that equates to £612 per pupil, or the salaries of 24 teachers. That is at a school working hard to come out of special measures. Is the Leader of the House willing to allocate time to debate the severe funding cuts faced by our schools?

Mr Lidington: The hon. Lady refers to the new funding formula, which is the subject of a consultation. The Secretary of State for Education will set out her proposals in due course. It is hard to defend the current system, under which comparable schools with comparable catchment areas but in different parts of the country can receive startlingly different sums of money per pupil simply because of their geography.

Several hon. Members rose—

Mr Speaker: Order. It has become alarmingly common for business questions to take more than an hour. I have to have regard to the next statement and to the two debates, so I appeal for short questions and short answers in the faint hope that we might be able to move on to the next business shortly after midday.

Andrew Stephenson (Pendle) (Con): May we have a debate on diversity in the arts? On Monday night I was pleased to attend the Muslim News awards for excellence 2017, where my constituent Shahida Ahmed from Nelson was awarded the Alhambra Muslim News award for excellence in the arts, presented by my right hon. Friend the Secretary of State for Communities and Local Government.

Mr Lidington: I congratulate my hon. Friend’s constituent on that achievement, and I give him the news that Arts Council England is making a priority of diversity in the arts. That has included half a million pounds for organisations such as Eclipse Theatre, which is delivering a programme supporting ethnic minority artists in northern England.

Nick Smith (Blaenau Gwent) (Lab): Further to the earlier question from my hon. Friend the Member for Gedling (Vernon Coaker), the Automobile Association says that our roads now resemble “Swiss cheese.” I understand that the number of potholes filled by councils in England fell by 19% last year, so when will the Government properly deal with that issue? May we have a debate, please?

Mr Lidington: The latest official assessment of road conditions in England, published in March 2017, shows that local classified roads are improving, with fewer local roads needing to be considered for maintenance. The Government have provided councils in England outside London with more than £6 billion up to 2020-21 to improve the condition of local roads, but resources are finite. Clearly priorities have to be set at local level, just as at national level.

Bob Blackman (Harrow East) (Con): The much-loved Harrow arts centre is once again threatened with closure. The centre has adult education and cultural activities for the whole community. Cultura London has raised £3.1 million towards funding the centre, but Harrow Council is now thinking of closing it. May we have a debate in Government time on the future of community and cultural centres across the UK?

Mr Lidington: My hon. Friend may have an opportunity to raise this either in Westminster Hall or in Department for Communities and Local Government questions on 24 April, but I hope that when Harrow Council takes its decisions it will take account of the strong representations from him and his constituents.

Alex Salmond (Gordon) (SNP): The Leader of the House is known as a great big planner, so how much time is he planning to have on these 19,000 statutory instruments, pieces of legislation and other instruments on the great repeal Bill and its attendant legislation in this place over the next two years, so that Parliament can fulfil its job of parliamentary scrutiny? How much time is he planning?

Mr Lidington: We will have to wait for the Bill to be published and the statutory instruments to be brought forward. Of course, a statutory instrument can be dealt with only by whatever procedure this House and the
other place have approved in the parent Act of Parliament, but I can say to the right hon. Gentleman and to the House that the 19,000 figure he has just given is very far-fetched. In my view, the number concerned is going to be nothing like that.

Mr David Nuttall (Bury North) (Con): I thank the Leader of the House for making a written statement today on the technical review of the English votes for English laws Standing Orders and responding in particular to the Procedure Committee report. Does he agree that the 12 pages may be summarised simply by saying that there will be no changes at the moment but the provisions will be kept under review?

Mr Lidington: That is a very fair summary.

Tom Brake (Carshalton and Wallington) (LD): Will the Leader of the House make time available for a series of debates, which I think it would be appropriate for the Cabinet Office to respond to, so that it can update us on the progress on the £350 million a week for the NHS, the reduction in immigration and the cut in VAT on fuel? It would also be able to update us on the increased costs associated with setting up parallel organisations to the European Court of Justice, Euratom and REACH.

Mr Lidington: The Cabinet Office is very active in seeking to ensure that the pledges given in the manifesto on which this Government were elected are delivered, whether through legislation or through other means. The points to which the right hon. Gentleman referred have not been part of the Government’s manifesto.

Ian Murray (Edinburgh South) (Lab): May we have an urgent debate to clarify the Prime Minister’s negotiating stance with the EU? If we extrapolate her wish list from both her statement in the House yesterday and her letter to President Tusk, the only conclusion we could come to is either being a member of the European Union or a member of the single market.

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Ian Paisley (North Antrim) (DUP): Options are clearly narrowing in Northern Ireland, so what time is the Leader of the House setting aside to prepare to do business on the Floor of this House on Northern Ireland after 18 April?

Mr Lidington: As the hon. Gentleman knows, it is the Government’s wish that devolved government in Northern Ireland can be resumed at the earliest possible opportunity; we have no wish to see a resumption of direct rule. Obviously, I have been talking to the Secretary of State for Northern Ireland regularly in recent weeks. As the hon. Gentleman would expect, the Government make plans for many different contingencies.

Neil Coyle (Bermondsey and Old Southwark) (Lab): Commercial burglaries and serious knife crime remain persistent problems in parts of Walworth, Bermondsey and Rotherhithe in my constituency. When will the Government provide time to debate the worrying findings of Her Majesty’s inspectorate of constabulary report, which show that police forces throughout the country do not have the resources to investigate all crimes and that the Met in London has 700 fewer detectives than needed?

Mr Lidington: I point the hon. Gentleman to the success of the police both in and outside London in reducing crime, despite their having to make some difficult choices about budgetary management. The police have done that by reorganising their operations and priorities to ensure that cutting crime successfully comes first, and by implementing and spreading best practice.

Patrick Grady (Glasgow North) (SNP): The issue is barely mentioned in the Leader of the House’s EVEL technical review, so will he finally admit that, contrary to what his predecessor told us, it is simply not possible for Scottish MPs to debate or vote on Barnett consequentials through the estimates process?

Mr Lidington: A Procedure Committee report on the estimates procedure is due later this year; I will want to consider that, and the Government will of course reply to it in detail in due course. The basic problem is that it is in the nature of devolution that a budgetary decision taken here that has Barnett consequentials for Scotland does not ring-fence that Scottish funding for the same subject on which it might be spent here. It is up to the Scottish Government and the Scottish Parliament how that money is spent. There is not a direct read-across.

Justin Madders (Ellesmere Port and Neston) (Lab): Every day, I hear another story of a person who has discovered that they have been duped into buying a leasehold property. Lenders are now refusing to grant mortgages on these homes, threatening the very integrity of the housing market. The Prime Minister said on 1 March that there was no reason for these properties to be sold on a leasehold basis. When will the Government find time to introduce legislation to put those words into action?
Mr Lidington: My hon. Friend the Minister for Housing and Planning is taking this matter very seriously. I shall draw the hon. Gentleman’s concern to his attention, but I assure him that my hon. Friend is on top of the issue.

Deidre Brock (Edinburgh North and Leith) (SNP): The Leader of the House will be aware that paragraph 25 of the European Parliament’s draft motion on Brexit makes it clear that passporting for financial services will not be countenanced. Financial services are of key importance to Edinburgh and to many of my constituents who work in the sector. May we have a debate in Government time to hear how the UK Government intend to support our financial services organisations, which are facing serious disruptions?

Mr Lidington: I refer the hon. Lady to the Prime Minister’s letter yesterday, which made explicit mention of our objective of securing trade access for our financial services and, of course, reciprocal rights for financial services firms based in other European Union countries. The hon. Lady tempts me to speculate about a forthcoming negotiation; as she knows, that is not something I am prepared to do.

Rachael Maskell (York Central) (Lab/Co-op): Small businesses in my constituency gained little confidence from the Prime Minister’s statement yesterday. We were promised debates in Government time on important issues affected by our leaving the EU, including workers’ rights and environmental protections, and on the effect on small businesses, yet they have not happened. Will the Leader of the House publish a schedule of debates in Government time on these important issues?

Mr Lidington: I can promise the hon. Lady that there will be numerous opportunities, particularly in the forthcoming parliamentary Session, to debate every aspect of our departure from the European Union.

Mark Durkan (Foyle) (SDLP): If the cross-party talks in Northern Ireland are to inform the legislation that the Secretary of State for Northern Ireland introduces in late April, will the Leader of the House assure us that business constraints in this House will not be used as an excuse for saying that that legislation and those talks should not address serious issues such as how the First and Deputy First Ministers are jointly elected and the petitions of concern?

Mr Lidington: As the hon. Gentleman knows, my right hon. Friend the Secretary of State said in his statement earlier this week that he might need to bring forward legislation, not least to address the possibility of there not being funding for essential public services in Northern Ireland. It would be wrong for me to speculate about the exact nature of legislation that might conceivably be brought forward. We still hope that that proves not to be necessary, and the Secretary of State continues to work tirelessly with the political parties to try to secure the restoration of devolved government.

Matthew Pennycook (Greenwich and Woolwich) (Lab): Fly-tipping is a blight on the lives of residents across my constituency, particularly those living in Plumstead. May we have a debate on what more the Government can do, particularly with regard to the powers available to local authorities, to tackle this problem?

Mr Lidington: There will be an opportunity to put questions to the Secretary of State for Environment, Food and Rural Affairs on Thursday 20 April. There are quite significant powers available to local authorities. Local authorities sometimes also work with police forces, because organised crime is often involved in large-scale fly-tipping. I am sure that there is good practice that can be shared around the country, but I will flag up the hon. Gentleman’s concern with the relevant Minister.

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): Two years ago, a 33-year-old constituent, Caroline, was given just two months to live because of an untreatable brain tumour. Her continuing quality of life is attributed by many of those treating her to a reluctant decision to take a daily dose of cannabis oil. May we have a debate in this Chamber about whether it really can be right for those such as Caroline to be criminalised, hindering her treatment and discouraging others from making the same decision?

Mr Lidington: I express sympathy and support to the hon. Gentleman’s constituent and her family. It is possible for a medicine that has been developed on the basis of cannabinoids to be properly licensed and to go through the necessary safety procedures that we have for any medicine in the United Kingdom before it is made available through the national health service or generally. I would be very reluctant to dispense with a system that has been put in place to ensure patient safety. Prosecuting authorities have powers of discretion, and, given the circumstances that the hon. Gentleman has described, I very much hope that everybody will look at the case with nothing but compassion.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): The Leader of the House will no doubt be aware of the case of Mustafa Bashir who was spared jail despite repeatedly beating his wife, forcing her to take tablets and to drink bleach, telling her to kill herself and hitting her over the head with a cricket bat, saying: “If I hit you with this bat with my full power then you would be dead.” I fully support the independence of the judiciary, but may we have a debate on sentencing guidelines for domestic violence perpetrators?

Mr Lidington: This Government have introduced legislation to strengthen the penalties for domestic violence. It is something in which the Prime Minister, both as Home Secretary and now, takes a very close interest and to which she gives a high priority. Sentencing guidelines, as the hon. Gentleman knows, are published by the independent Sentencing Council, and individual decisions are taken by judges. In England and Wales, a consultation has started today on a new sentencing guideline to apply to all cases of domestic abuse. I hope that the authorities in Scotland might consider following suit.

Joanna Cherry (Edinburgh South West) (SNP): Following the Prime Minister’s article 50 letter yesterday, senior figures in Brussels have complained that she has issued a blatant threat and is treating security as a bargaining chip. May we have a debate in Government time about the art of negotiation so that the Government might learn that bullying and threats are not an effective way to get a good deal from our allies?
Mr Lidington: I am really sorry that the hon. and learned Lady—particularly with her legal expertise—is giving credence to such nonsense. The facts are that our participation in European arrangements on the sharing of information between police forces and judicial systems rests on instruments based in the treaties and grounded in European law. Under article 50, on the day that we depart the EU, the treaties, and therefore all instruments flowing from the treaties, cease to apply to the United Kingdom. That is why we say that we are ambitious for an agreement—a new, deep and special partnership with our EU neighbours—that encompasses security co-operation as well as trade. I wish that she would support that.

Kirsten Oswald (East Renfrewshire) (SNP): Last week, RBS announced a plan to close its busy Newton Mearns branch. East Renfrewshire was already the area worst affected by bank closures before this news. May we have an urgent debate on RBS’s surprising assertion that branches remain a core part of its offering to customers when that is patently not the case?

Mr Lidington: It is obviously a commercial decision for RBS but, as with any bank, I would hope that it would stick to the code to which all banks say they adhere, whereby it would continue to ensure that the last branch of a retail bank in any particular community is not closed, except in the most extreme circumstances.

Mr Lidington: I will ask the relevant Minister to write to the hon. Gentleman.

Chris Stephens (Glasgow South West) (SNP): May we have a debate in Government time and a statement on the abuse of job trials by unscrupulous employers? One instance was brought to my attention by a constituent who worked for a week without pay for Juice Garden, which has now been dropped by the Department for Work and Pensions which acknowledged the abuse of contract by that company. Does the Leader of the House share my concern that these companies are making use of free labour above and beyond what is reasonable for a job trial?

Mr Lidington: All workers should be treated properly and certainly in accordance with employment law. We expect responsible employers to treat people who are on a work trial or work experience with decency.

Jim Shannon (Strangford) (DUP): There is much concern about the delays for licence renewal and applications among the sporting and shooting organisations, and individual firearm certificate holders. One way of addressing that issue would be the extension of a firearm certificate to a 10 or 20-year period, thereby reducing administrative resources and costs. Will the Leader of the House agree to a statement from the relevant Minister on how to deliver a 10 or 20-year firearm certificate?

Mr Lidington: I will ask the Minister to write to the hon. Gentleman, but I am sure he understands that a balance has to be struck between the problem he described and the need to ensure that we know where potentially lethal weapons are and that they are in the right hands.
Legislating for UK Withdrawal from the EU

11.57 am

The Secretary of State for Exiting the European Union (Mr David Davis): With permission, Mr Speaker, I would like to make a statement about today’s publication of a White Paper on the great repeal Bill.

Yesterday, we took the historic step of notifying the European Council of the Government’s decision to invoke article 50; the United Kingdom is leaving the European Union. That notification marks the beginning of our two-year negotiation period with the EU, and it reflects the result of last year’s instruction from the people of the United Kingdom. As the Prime Minister said yesterday, it is our fierce determination to get the right deal for every single person. Now is the time to come together to ensure that the UK as a whole is prepared for the challenges and opportunities presented by our exit from the EU.

We have been clear that we want a smooth and orderly exit, and the great repeal Bill is integral to that approach. It will provide clarity and certainty for businesses, workers and consumers across the United Kingdom on the day we leave the EU. It will mean that as we exit the EU and seek a new, deep and special partnership with the European Union, we will be doing so from a position of a White Paper published today sets out the three principal

powers to correct the laws that do not operate appropriately changed overnight, and providing fairness to individuals, workers and consumers across the United Kingdom on the day we leave the EU. It will mean that as we exit the EU and seek a new, deep and special partnership with the European Union, we will be doing so from a position where we have the same standards and rules. But it will also ensure that we deliver on our promise to end the supremacy of European Union law in the UK as we exit. Our laws will then be made in London, Edinburgh, Cardiff and Belfast, and interpreted by judges not in Luxembourg, but across the United Kingdom. Some have been concerned that Parliament will not play enough of a role in shaping the future of the country once we have left the European Union. Today’s White Paper shows just how wrong that is. This publication makes it clear that there will be a series of Bills to debate and vote on, both before and after we leave, as well as many statutory instruments to consider.

Let me turn to the content of the White Paper. The paper we have published today sets out the three principal elements of the great repeal Bill. First, we will repeal the European Communities Act 1972 and return power to the United Kingdom. Secondly, the Bill will convert EU law into United Kingdom law, allowing businesses to continue operating knowing that the rules have not changed overnight, and providing fairness to individuals, whose rights and obligations will not be subject to sudden change. Thirdly, the Bill will create the necessary powers to correct the laws that do not operate appropriately once we have left the EU, so that our legal system continues to function correctly outside the European Union. I will address each of these elements in turn before coming to the important issue of the interaction of the Bill with the devolution settlements.

Let me begin with the European Communities Act 1972. Repealing the ECA on the day we leave the EU enables the return to this Parliament of the sovereignty we ceded in 1972 and ends the supremacy of EU law in this country. It is entirely necessary in order to deliver on the result of the referendum. But repealing the ECA alone is not enough. A simple repeal of the ECA would leave holes in our statute book. The EU regulations that apply directly in the UK would no longer have any effect, and many of the domestic regulations we have made to implement our EU obligations would fall away. Therefore, to provide the maximum possible legal certainty, the great repeal Bill will convert EU law into domestic law on the day we leave the European Union. This means, for example, that the workers’ rights, environmental protection and consumer rights that are enjoyed under EU law in the UK will continue to be available in UK law after we have left the European Union. Once EU law has been converted into domestic law, Parliament will be able to pass legislation to amend, repeal or improve any piece of European Union law it chooses—as will the devolved legislatures, where they have power to do so.

However, further steps will be needed to provide a smooth and orderly exit. This is because a large number of laws—both existing domestic laws and those we convert into UK law—will not work properly if we leave the EU without taking further action. Some laws, for example, grant functions to an EU institution with which the UK will no longer have a relationship. To overcome this, the great repeal Bill will provide a power to correct the statute book, where necessary, to resolve the problems which will occur as a consequence of leaving the European Union. This will be done using secondary legislation, the flexibility of which will make sure we have put in place the necessary corrections before the day we leave the European Union. I can confirm that this power will be time-limited, and Parliament will need to be satisfied that the procedures in the Bill for making and approving the secondary legislation are appropriate.

Given the scale of the changes that will be necessary and the finite amount of time available to make them, there is a balance to be struck between the importance of scrutiny and correcting the statute book in time. As the Lords Constitution Committee recently put it:

“The challenge that Parliament will face is in balancing the need for speed, and thus for Governmental discretion, with the need for proper parliamentary control of the content of the UK’s statute book.”

Parliament of course can, and does, regularly debate and vote on secondary legislation; we are not considering some form of governmental Executive orders, but using a legislative process of long standing. I hope that today’s White Paper and this statement can be the start of a discussion between Parliament and Government about how best to achieve this balance. Similar corrections will be needed to the statute books of the three devolved Administrations, and so we propose that the Bill will also give Ministers in the devolved Administrations a power to amend devolved legislation to correct their law in line with the way that UK ministers will be able to correct UK law.

Let me turn to the European Court of Justice and its case law. I can confirm that the great repeal Bill will provide no future role for the European Court in the interpretation of our laws, and the Bill will not oblige our courts to consider cases decided by the European Court of Justice after we have left. However, for as long as EU-derived law remains on the UK statute book, it is essential that there is a common understanding of what that law means. The Government believe that this is best achieved by providing for continuity in how that law is interpreted before and after exit day. To maximise certainty, therefore, the Bill will provide that any question
as to the meaning of EU law that has been converted into UK law will be determined in the UK courts by reference to the European Court of Justice's case law as it exists on the day we leave the European Union. Any other starting point would be to change the law and create unnecessary uncertainty.

This approach maximises legal certainty at the point of departure, but our intention is not to fossilise the past decisions of the European Court of Justice. As such, we propose that the Bill will provide that European Court case law be given the same status in our courts as decisions of our own Supreme Court. The Supreme Court does not frequently depart from its own decisions, but it does so from time to time. We would expect the Supreme Court to take a similar, sparing approach to departing from European Court of Justice case law, but we believe it is right that it should have the power to do so. Of course Parliament will be free to change the law, and therefore overturn case law, where it decides it is right to do so.

Today's White Paper also sets out the great repeal Bill's approach to the charter of fundamental rights. Let me explain our approach. The charter of fundamental rights applies to member states only when they act within the scope of European Union law. That means that its relevance is removed by our withdrawal from the European Union. The Government have been clear that in leaving the EU, the UK's leading role in protecting and advancing human rights will not change. The fact that the charter will fall away will not mean that the protection of rights in the UK will suffer as a result. The charter of fundamental rights was not designed to create new rights, but rather to catalogue rights already recognised as general principles in EU law. That was recognised by the Labour Government who brought it in, with a protocol attached to it, in 2007. Where cases have been decided by reference to those rights, that case law will continue to be used to interpret the underlying rights that will be preserved.

I would now like to turn to devolution. The United Kingdom's domestic constitutional arrangements have evolved since the UK joined the European Economic Community in 1973. The current devolution settlements were agreed after the UK joined and reflect that context. In areas where the devolved Administrations and legislatures have competence, such as agriculture, the environment and some areas of transport, that competence is exercised within the constraints set by European Union law. The existence of common EU frameworks had the effect of safeguarding the functioning of the UK internal market.

As powers return from the EU, we have an opportunity to determine the level best placed to take decisions on those issues, ensuring that power sits closer to the people of the United Kingdom than ever before. It is the expectation of the Government that the outcome of that process will be a significant increase in the decision-making power of each devolved Administration. However, we must also ensure that, as we leave the EU, no new barriers to living and doing business within our own Union are created. In some areas, that will require common UK frameworks. Decisions will be required about where a common framework is needed and, if it is, how it might be established. The devolved Administrations also acknowledge the importance of common UK frameworks. We will work closely with the devolved Administrations to deliver an approach that works for the whole of the United Kingdom and reflects the needs and individual circumstances of Scotland, Wales and Northern Ireland.

Let me conclude by stressing the importance of the great repeal Bill. It will help to ensure certainty and stability across the board. It is vital to ensuring a smooth and orderly exit; it will stand us in good stead for the negotiations over our future relationship with the EU; and it will deliver greater control over our laws to this Parliament and, wherever appropriate, the devolved Administrations. Those steps are crucial to implementing the result of the referendum in the national interest. I hope that all sides will recognise that and work with us to achieve those aims. I commend this statement to the House.

12.8 pm

Keir Starmer (Holborn and St Pancras) (Lab): I thank the Secretary of State for early sight of his statement and the White Paper.

Nobody underestimates the task of converting EU law into domestic law. The question is: how is it done and what is to be done? On the question of how, the White Paper gives sweeping powers to the Executive. They are sweeping because it proposes a power to use delegated legislation to "correct", and thus change, primary legislation and devolved legislation, and because of the sheer scale of the exercise.

In those circumstances, one might expect some pretty rigorous safeguards for the use of those sweeping powers, but there are none to be found in the White Paper. On the contrary, paragraph 3.20 states:

"Given the scale of the changes that will be necessary and the finite amount of time available to make them, there is a balance that will have to be struck between the importance of scrutiny and the speed of this process."

The White Paper goes on to say:

"The Government proposes using existing types of statutory instrument procedure."

There are no enhanced safeguards for that sweeping use of powers.

In those circumstances, we have to go back to first principles. There should be no change to rights and protections without primary legislation—that is a starting and basic principle—and the same goes for policy. I add this: when we see the Bill, it must give no power to change rights, obligations and protections by delegated legislation. Will the Secretary of State provide assurances on those basic principles and look again at safeguards for the proposed delegated legislation procedures?

Again, there have to be clear principles for converting EU law into domestic law. All rights and protections derived from EU law must be converted into domestic law, with no limitations, no qualifications and no sunset clauses. This morning we need an assurance from the Secretary of State that he will face down those on his own side who will not be able to resist the temptation to water down those rights and protections before they are even put into the Bill. I remind him that the International Development Secretary said during the referendum campaign that we should "halve the burdens of the EU social and employment legislation".
The International Trade Secretary has said: “we must begin by deregulating the labour market.”

We need an assurance that those temptations will be faced down before the Bill is put before the House.

I turn to the charter of fundamental rights which, it is proposed, will be left out altogether. The charter codifies in modern form all EU rights. It is not directly enforceable—it is a codification—but it is none the less influential, and it is wrong simply to leave it out. I note what is said at paragraph 1.12 of the White Paper, but I seek an assurance from the Secretary of State that all relevant rights—I accept that some are not relevant, such as the right to vote in the European Parliament—and all substantial rights in the charter will be converted into domestic law through the Bill.

Finally, on devolved bodies, Brexit should not be an excuse to hoard powers in Whitehall. There has to be a heavy presumption that devolved matters will remain devolved as powers and responsibilities transfer from the EU to the UK, so I ask the Secretary of State to give us an assurance about that.

Mr Davis: At the end of my statement, I said that I hoped the House would come together in making this task happen. I reiterate that point to the hon. and learned Gentleman, my opposite number. He says that no change should be made to rights through delegated legislation, but I would have thought that that almost goes without saying. [HON. MEMBERS: “Then say it!”] While I say that it almost goes without saying, I actually said that in my statement, if hon. Members read it.

Let me reiterate that the use of delegated legislation will be for technical changes—the sort of alteration whereby, for example, a reference to a regulatory body in the European Union clearly has to be replaced with a reference to a body in the UK. Frankly, I think that that is as plain as a pikestaff. The hon. and learned Gentleman changed his wording slightly by talking about “all relevant rights”, and he is quite right to do so, because things such as the right to stand as an MEP, the right to elect an MEP, and, indeed, the right to make a direct application to the European Court will go automatically. He is a reasonable man, so I take it that he accepts that.

On charter rights, let me remind the hon. and learned Gentleman of what happened with the Lisbon treaty in 2007. The Labour Government of the day negotiated that treaty and a protocol to it, about which the Prime Minister of the day said:

“It is absolutely clear that we have an opt-out from both the charter and judicial and home affairs.”—[Official Report, 25 June 2007; Vol. 462, c. 37.]

Actually, Mr Tony Blair was wrong to say that; he had misunderstood the Labour Government’s own protocol, which guaranteed that no new rights arose as a result of the charter of fundamental rights. That was reiterated later by the then Government in court and by their then Europe Minister, who said:

“The Protocol confirms that since the Charter creates no rights, or circumstances in which those rights can be relied on before the courts, it does not change the status quo.”

The 2007 White Paper said the same thing, and only last year—I think in December—the Joint Committee on Human Rights reiterated that understanding.

We looked at that matter very carefully because, as the hon. and learned Gentleman might appreciate, it is an area that I take very seriously indeed. Aside from the undertakings that he has asked for, I make this offer to him: if, in the next two years, we find something that we have missed, we will put it right. On that basis, I do not think that we have an argument. I do not think that that will happen either, because a clause-by-clause search through the whole charter did not throw up any significant issues, other than things such as the MEP matter.

On the treatment of the devolved Administrations, the first thing to say is that no powers currently exercised by them will be taken away. We have said that time and again. We also expect that there will be a significant increase in the powers exercised by the devolved Administrations. However, I say this to the hon. and learned Gentleman—we have to maintain the United Kingdom internal market, too. That market is four times as important to Scottish businesses, for example, as the European market, and it is incredibly important to Northern Irish and Welsh businesses as well. The Administrations understand that. We will be holding discussions with them at length—we have already started those discussions—about how we execute this. I will be happy to talk to the hon. and learned Gentleman about the matter as well, if that would be useful to him. I reiterate that this is a difficult task, but it is by no means beyond the ability of the House to achieve this properly, respecting our democracy and delivering for the British people.

Several hon. Members rose—

Mr Speaker: Order. I gently remind hon. Members who arrived after the statement started that they certainly should not expect to be called. Although I am very keen to accommodate the extensive interest in this statement, there are two well-subscribed debates under the auspices of the Backbench Business Committee to follow, to which I need to have regard, so we need short questions and short answers.

Sir William Cash (Stone) (Con): I commend my right hon. Friend for the clarity and thoughtful analysis that lie behind the White Paper. With the great repeal Bill, we will be returning sovereignty to this House so that decisions about our lawmaking are taken in this House by the representatives of the British people, in line with their wishes at general elections. That it is not—I advise the Opposition to bear this in mind—the situation at present. So often, as we find in the European Scrutiny Committee, such decisions are taken behind closed doors.

Mr Davis: I thank my hon. Friend. Friend for those comments and for his work in this area over the years. Some of the ideas in this policy area have come from his past writings, so he is right. I make the point that although people complain about secondary legislation, nearly 8,000 statutory instruments were used to implement European law under section 2(2) of the European Communities Act 1972, so that attack is a little hypocritical. I thank my hon. Friend for his comments and commend him for his work in the past.

Stephen Gethins (North East Fife) (SNP): Scottish National party Members think that the triggering of article 50 made yesterday a sad day for everybody in
Europe, including everyone in these islands. The EU has for years brought us peace, stability, security and prosperity. We are turning the clock back 40 years, and I am glad that the Minister reminded his own Front Benchers that devolution exists now in a way that it did not 40 years ago.

It has been suggested that the Government are looking at using Henry VIII clauses to take this through—so much for parliamentary sovereignty. Scotland’s aspiration to have a voice also seems to have been given the Henry VIII treatment; a rough wooing is clearly taking place. Will the Secretary of State tell us when legislative consent motions will be required, where responsibility “will flow from Brussels to Edinburgh, hardly touching the sides...on the way”, and who he means by the “democratically-elected representatives” mentioned in paragraph 4.2 of the White Paper? It strikes me that the Government have pushed the big red button marked “Brexit” with their fingers crossed and very little idea of what comes next.

**Mr Davis:** The hon. Gentleman loves his Henry VIII clauses—he thinks the public at large will believe this is some Executive fiat dating from the middle ages—but we are of course talking about a procedure that has been used throughout the past century and over which this House has complete control. That is the first point.

The second point is that I have been in Joint Ministerial Committee meetings with the hon. Gentleman’s colleague from the Scottish Government and representatives of the other devolved Administrations during the past six months or more. I have raised these issues there, as well as bilaterally, and I have said that we will have serious discussions about them. My preference is for more devolution, rather than less—that is my simple viewpoint—but the restraint on that is when there is a direct effect on the interests of the whole United Kingdom. Those interests include: the United Kingdom market, because it would be very bad for Scottish farmers and producers if the United Kingdom market became separated from them; issues of national security, which we need to deal with; issues of international negotiation; and observing international obligations, such as under environmental law. There are therefore plenty of areas in which it is clear that we need a UK-wide framework. That is the sort of criterion we will apply, and we will discuss it with the devolved Administrations at every stage.

**John Redwood** (Wokingham) (Con): This measure should be called the continuity Bill, and it should be very reassuring for all remain voters because it is the means by which we will keep the rights and laws from Europe that they most like. Will my right hon. Friend confirm that any MP who wants to keep EU employment rights, for example, must vote for the Bill?

**Mr Davis:** I must tell my right hon. Friend that I lay some claim to the ideas behind the Bill, but not to its name. He is right that it is, to a very large extent, a continuity Bill, and it is the way in which we will protect a whole series of rights, including employment rights and environmental rights. He is also quite right that those who want to preserve those rights should vote, without any thought, for this Bill.

**Mr Nick Clegg** (Sheffield, Hallam) (LD): I commend the Secretary of State for ignoring some of the more over-excitable demands from parts of the Brexit press and some of his Back Benchers, and for confirming, as he has done today, that he will incorporate into British law some of the jewels in the crown of the EU—the habitats directive, the working time directive and the green renewable energy directive—that we can all agree on. He will know, however, that there will be a fork in the road: the Government will either have to keep those provisions in domestic legislation, in which case Conservative Members will reasonably say, “What on earth was the point of leaving the EU in the first place?”; or he will remove those provisions, in which case the EU will need exacting safeguards to ensure that we do not undercut EU standards.

Will the Secretary of State confirm that it is impossible to do what the Prime Minister said yesterday about participating fully in crime-fighting and anti-terrorism EU measures without access to the Schengen information system and other databases—I remember from my time in government that such databases are devastating crime-fighting tools—and without abiding by EU data protection directives overseen by the European Court of Justice?

**Mr Davis:** After a commendation like the one with which the right hon. Gentleman started, I think my career is over.

The right hon. Gentleman is half right and half wrong. What the Prime Minister was referring to yesterday was, of course, the importance of either maintaining something very similar to, or putting in place a replacement for, the justice and home affairs strand of the European treaties. He is right in one respect: if we are to exchange data with not just the EU but other countries, such as the United States, we will undoubtedly need data protection, such as data laws and privacy protection, that meets their standards. The Bill will ensure that we get to that point on the day we leave the European Union and can therefore continue to exchange data. There is no doubt that there will be continuing discussions thereafter about how we maintain all our standards at the same level. However, that will be with not just the European Union, but all our allies, whether America, Canada, the “Five Eyes”—everybody.

**Crispin Blunt** (Reigate) (Con): Will the Secretary of State confirm that the directives to which the right hon. Member for Sheffield, Hallam (Mr Clegg) referred are already in British law? We are talking here about what the Foreign Affairs Committee counted as the 6,987 regulations that must be applied in British law through the Bill. Will we have an opportunity to examine a number of the directives—the insolvency II directive, for example, which imposes significantly more costs on the equity release industry in the United Kingdom than a British law would—within the time limits that he will ask the House to apply to this legislation?

**Mr Davis:** My hon. Friend’s general point about the directives is right, and his specific point is right, in the sense that the whole point of the process is to bring such matters back to the United Kingdom. We will not by any means change everything—indeed, we will not want to change everything we might want, as our own national decision—to maintain some parallel standards—but those matters will be brought back to this House of Commons, and we will make the decision on what is best for this country.
Mr Davis: I will pass on my hon. Friend’s assessment of the legislation, but I will reinforce the point I have already made, which is that at the end of the day the aim of this Bill is to bring decisions back to this House.

Dame Rosie Winterton (Doncaster Central) (Lab): The Secretary of State says that he wants the maximum scrutiny of legislation over the next few years, but given the sheer volume of particularly delegated legislation that he has outlined, does he think it is really feasible to reduce the number of MPs by 50?

Mr Davis: That question is stratospherically above my pay grade, but let me pick up the underpinning point about the volume of legislation. We are bringing a large amount of the legislation straight into UK law without change. The reason for change and the use of statutory instruments is, as I said to the Labour spokesman earlier, that there will be technical amendments and issues that will come up. Separate to that there will be primary legislation—on immigration, customs and a variety of other areas. That is different, but the technical legislation will aim to make things practical, not to maintain great changes in policy, and this House should be well able to do that.

Dr Julian Lewis (New Forest East) (Con): Leave campaigners will vote for the Bill as it is part of the process of withdrawal, but remain campaigners admire EU law and want its provisions to continue, so can the Secretary of State think of any good reason why the great repeal Bill should not be passed unanimously?

Mr Davis: No.

Chris Leslie (Nottingham East) (Lab/Co-op): The Secretary of State needs to make it clear now that all those regulations and protocols relating to justice, home affairs, protection, security and terrorism will stay part of our laws with the co-operation requirements that we have upon us, because in their article 50 letter yesterday, shamefully, the Government suggested circumstances where we may consider withdrawing or weakening our co-operation. Does he not realise that that sort of squalid negotiation tactic will result in a less good deal rather than a better one?

Mr Davis: The hon. Gentleman should know better.

Robert Neill (Bromley and Chislehurst) (Con): I very much welcome the pragmatic approach that the Secretary of State has adopted in this document, and particularly his emphasis on legal certainty and continuity, which we all know is vital for continued business confidence and is something the Select Committee on Justice report emphasised. Does he agree that it will be important to maintain the mechanism for ensuring continuing regulatory equivalents, not only in data protection but in important areas such as the financial and other service sectors? How might that be taken forward?
Mr Davis: I am going to seek your protection, Mr Speaker. That is two people who have finished my career today—I am being called “pragmatic” as well. The simple truth is that when we come to do the trade and other deals, there will be relationships between us, as there are with other countries, to ensure that we maintain common standards—the point the ex-leader of the Liberal party, the ex-Deputy Prime Minister, made about data protection and so on. There will be things that we will negotiate, but my hon. Friend would be surprised if I talked those negotiations out in this place at this time.

Chris Bryant (Rhondda) (Lab): I do worry, because the Secretary of State says in his White Paper:

“Existing parliamentary procedures allow for Parliament to scrutinise as many or as few statutory instruments as it sees fit.”

That is simply untrue. In 2014-15, nine negative statutory instruments were prayed against by the Leader of the Opposition; only one was allowed a debate, and that was not on the Floor of the House, so it could not be on a fatal motion. In 2015-16, 19 were prayed against by the Opposition and only five were allowed debates, again only in Committee. Not a single one was allowed a vote in the House. This is not bringing back control to this House, and we will be worried unless the Government change the process.

Mr Davis: We of course start by obeying the conventions that apply to the House, and I am afraid that we do have an SI procedure, which is both affirmative and negative, which has effects and influence. If the hon. Gentleman wants to come and talk to us about how he thinks we can improve that, I will be happy to see him.

Chris Bryant: At half-past 2?

Mr Davis: I am happy to see him, but not at half-past 2.

Sir Desmond Swayne (New Forest West) (Con): That UK judges will be less creative is an open question. The notion of incorporating EU regulation, and indeed case law, gives me the collywobbles, but I assure my right hon. Friend of my support in the Division Lobby because he has bigger fish to fry.

Mr Davis: As the White Paper says, we made a very explicit decision that we would aim to make this a Supreme Court-level precedent—to reduce the number of courts that can deal with this to just the Supreme Court itself. The Supreme Court is fairly careful about changing its own precedent; indeed, it does so relatively rarely. We expect that to continue to be the case, but anything it does this House can change.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Plaid Cymru is demanding a continuity Bill in the National Assembly for Wales to enshrine appropriate European law in Welsh law. Will the Secretary of State confirm today that Westminster will not block or undermine our Parliament’s full right to legislate for Wales? My message to the British Government today from the people of Wales is this: hands off our Parliament.

Mr Davis: I reiterate; no powers that are currently exercised by the devolved Administrations will be taken from them.

Mr David Nuttall (Bury North) (Con): Does my right hon. Friend agree that the key point about the great repeal Bill is that the legal precedence of laws imposed on this country by the EU will end?

Mr Davis: Well, the legal precedence will not necessarily end, but the laws will be susceptible to our change. We will be able to change them both in our courts and in our Parliament.

Mr Pat McFadden (Wolverhampton South East) (Lab): With reference to the criminal justice measures of which we are already a part and the Prime Minister’s article 50 letter yesterday, will the Secretary of State set out for the House how the safety and protection of the public would be enhanced by us reducing our co-operation on crime and terrorism?

Mr Davis: As the Prime Minister made plain yesterday, she wants to see a comprehensive agreement. People have interpreted that as comprehensive trade agreement, but it does not just mean that; it means a comprehensive agreement across all the issues where we have a relationship with the European Union.

Mark Pawsey (Rugby) (Con): Many users of e-cigarettes voted leave in the referendum in the mistaken belief that doing so would prevent the EU tobacco products directive from being applied here. Taking that regulation as an example, what opportunity will this House have to change provisions of EU law that do not operate appropriately?

Mr Davis: That is the point of bringing them back to the House for it to be able to deal with them. It will be right across the board. We are talking about 40 years of law, and it will take time to correct those that we do not agree with—of course, much of it we do agree with. That will take time, but the House will have its opportunity.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): Paragraph 4.4 of the White Paper speaks of “an approach that works for the whole and each part of the UK.” I cannot help but feel that it is déjà vu all over again; so far, this Government have done nothing to demonstrate their intention to work with the devolved Administrations. If the Government continue their unsustainable approach of ignoring the will of the Scottish Parliament in relation to Brexit, and indeed on any other issue, why should the devolved Administrations trust the UK Government on anything?

Mr Davis: Sometimes the Scottish National party seems to have one element in its ideology and one element only, and it is entitled “grievance”, and the maximisation of grievances. In the past six months, I have attended six meetings with the representatives of devolved Administrations. In a number of the policy areas that we have discussed and that made it into the previous White Paper—employment rights, environmental rights and a whole series of other areas like those—and on the agreement that we need to maintain the maximum possible access to trade for all parts of the kingdom, we have been in the same place. We have, of course, not been in the same place on every single element of policy.
We said at the beginning that the DAs would not be given a veto, but would be very heavily consulted and involved in discussions, and that is precisely what we have done. The fact that the Scottish National party wants to claim that it is not happy about that is a matter for it, not for me or the facts.

Richard Drax (South Dorset) (Con): Those who wish to remain in the EU bang on about EU rules and regulations. Surely the whole point of leaving the EU is that we in this place can live under our own rules and regulations, which are suitable for us and not necessarily for 28 countries, as things currently stand.

Mr Davis: My hon. Friend is exactly right.

Owen Smith (Pontypridd) (Lab): Notwithstanding the inevitable protest from the Secretary of State that he is always appearing before this House, the hallmark of his Government so far on this issue has been to avoid scrutiny and evade accountability. We now learn today that the great repeal Bill is actually going to be 1,900 statutory instruments, many of them not scrutinised properly in this place. How on earth can that be commensurate with taking back control and increasing the sovereignty of this Parliament?

Mr Davis: The hon. Gentleman continues with his habit of reading half of what we say and ignoring the other half when it suits him. One of the things I have said from the beginning of this process is that we will bring into British law all European law, including case law, except where there are significant—[Interruption.] This is what the Bill will do. It will of course require statutory instruments to modify technical aspects—[Interruption.] Well, up to 1,000, but we are talking about 40 years of law. I would be very interested to hear what he proposes we do about a law that refers to a law, except where there are significant.

James Morris (Halesowen and Rowley Regis) (Con): I commend the Secretary of State for his approach to this complex matter, but any discussion of English devolution is absent from the White Paper. To what extent does he envisage an opening up of opportunities for further legal powers to be devolved to the English regions and how might that work?

Mr Davis: It is not in the White Paper, but my hon. Friend will know that the Chancellor announced further devolution of powers to London, for example. I have been talking to a great extent with the Mayor of London about issues for London on this matter. It is not in the White Paper, but part of the Government’s overall strategy is to bring government as close as possible to the people.

Heidi Alexander (Lewisham East) (Lab): Despite Government protestations to the contrary, leaving the EU does not automatically and necessarily mean leaving the European Economic Area agreement. Will the right hon. Gentleman’s so-called repeal Bill repeal the European Economic Area Act 1993 and will every Member of this House get a specific vote on that specific issue?

Mr Davis: Rarely have I heard a question based on so many false premises. The truth is that leaving the European Union does involve leaving the single market, because the single market requires the four freedoms. Whatever one thinks about the vote last year, it was clearly not a vote in favour of allowing the control of migration, the control of laws and the operation of the European Court of Justice to stay in Europe.

Craig Williams (Cardiff North) (Con): I commend my right hon. Friend for his mature and considered approach to the devolved nations. May I press him on the principle that if, when powers come back from the EU, they do not affect the UK internal market, which is so important to my constituency and our Welsh nation, they will they be given to the devolved nations as soon as possible?

Mr Davis: As I said, I am not going to demur from the principles I already outlined. My hon. Friend is right. The UK single market is several times bigger for Wales, Scotland and Northern Ireland than the EU single market. The only difference in the case of Northern Ireland is that there is £1 billion a week of trade between it and Ireland. We will see a significant increase in the amount of powers given to the devolved institutions, but we will have to protect matters such as the single market in the UK, security, environmental agreements and so on.

Dr Eilidh Whiteford (Banff and Buchan) (SNP): The Government have already signalled their intention to withdraw from the common fisheries policy. However, paragraphs 4.2 and 4.4 of the White Paper seem to suggest not just that EU powers on fisheries will revert to the UK Government rather than the devolved institutions, but that the Government “intends to replicate the current frameworks provided by EU rules through UK legislation.” Are the Government seriously suggesting that we will have business as usual for the fishing industry under a CFP framework after Brexit? If not, will the right hon. Gentleman enlighten us on the Government’s plans?

Mr Davis: Some of what the hon. Lady calls business as usual will be temporary and some of it will be permanent. That will depend entirely on the criteria I laid out earlier.

Suella Fernandes (Fareham) (Con): I welcome the Secretary of State’s commitment to ending the role of the European Court of Justice in our domestic courts. Does he agree that this is the only option if we are to truly restore control over our laws to the British people, and reverse an ever-intrusive influence by the ECJ on social and economic policy areas and its operation as a federal court—things that were never envisaged at its conception in 1957?
Mr Davis: My hon. Friend is right and that is exactly why the Prime Minister made that a very important central piece of our policy.

Mike Gapes (Ilford South) (Lab/Co-op): Yesterday, the Prime Minister did not mention the customs union in her statement and nor is it referred to in her letter to President Tusk. Paragraph 1.22 says that “we will introduce a customs bill to establish a framework to implement a UK customs regime.”

Will the Secretary of State confirm that he intends to take us out of the customs union?

Mr Davis: Unusually for the hon. Gentleman, as an ex-Select Committee Chairman, he missed the fact that the Prime Minister made direct reference to the White Paper, which covers exactly that point.

Martin Vickers (Cleethorpes) (Con): I know we can rely on my right hon. Friend to be an extremely robust negotiator, but just for the sake of absolute clarity on the role of the European Court of Justice, can he confirm that it will have absolutely no authority in the UK and that he will not in any circumstances water down that commitment during the negotiations?

Mr Davis: I was just going to say yes, but I will make very plain what we are saying: the European Court of Justice will have no reach into the UK. It is of course the case that when one sells a product in another country, one meets the rules of that country. If one does that in the United States, one meets the rules that reach up to the Supreme Court. The same will happen in Europe, but the ECJ will not reach here.

Joanna Cherry (Edinburgh South West) (SNP): Yesterday, Mr Speaker, you invited me to behave as if I was in a court of law. May I extend your entirely appropriate invitation to the Secretary of State and suggest that he pretends he is in a court of law and answers the question posed by my hon. Friend the Member for North East Fife (Stephen Gethins)? Will the Bill require legislative consent motions, yes or no?

Mr Davis: I apologise. I forgot about the point the hon. Gentleman made when I was responding to his other points. At this stage we do not know, because we do not know the final format of the Bill. That is the simple truth.

Robert Courts (Witney) (Con): I welcome the Bill and the certainty it provides for business as we undergo this process. Will the Secretary of State confirm that certainty for business will be at the forefront and a priority for him throughout?

Mr Davis: Yes, and that is fundamental to the whole strategy behind the Bill.

Helen Goodman (Bishop Auckland) (Lab): The public are extremely worried about these Henry VIII clauses. In chapter 3 of the Secretary of State’s White Paper, he says that one area where he wants to use secondary legislation is on the change from EU institutions. There are 40 of these EU institutions, ranging over areas from medicines to aviation safety. If we lose, he will have a choice. He can either set up a new one, or abandon the regulation altogether. Does he really think it is appropriate to do that through statutory instruments?

Mr Davis: The 40 are not in the UK; they are across the Union. It may be appropriate and it may not. It depends. [Interruption.] If the hon. Lady stops heckling I will answer. If, for example, it is a question of adding to another regulatory body already in existence, a statutory instrument might well be appropriate. In other cases where a regulatory body is created, it might be appropriate to have rather heavier level of parliamentary debate and insight.

Bob Blackman (Harrow East) (Con): My right hon. Friend will be aware that the Procedure Committee is conducting an inquiry into how we get the great repeal Bill into law. Unfortunately, my right hon. Friend has not been able to appear before the Committee. May I urge him to agree a date when we can help to facilitate the great repeal Bill process?

Mr Davis: I am happy to say that, yes, I will be doing so. That was the intention in any event. I cannot remember the reason for deferral last time, but it will happen.

Dr Roberta Blackman-Woods (City of Durham) (Lab): In the statement, the Secretary of State said that the Bill will convert EU law into UK law wherever practical and appropriate, allowing businesses to continue operating knowing the rules have not changed. However, companies such as Nissan and Hitachi in the north-east need to continue to expand if there is to be future prosperity in the region. What will he do to ensure that opportunities to grow exist and that workers’ rights are protected, too?

Mr Davis: The hon. Lady will have noted that Nissan made an investment decision quite recently that was favourable to the north-east. The issue is a little wider than the White Paper. We said—indeed, the Prime Minister said in the article 50 letter yesterday—that it was important to establish transitional arrangements, or an “implementation phase”, and this relates exactly to that: the need to give a degree of certainty.

Jason McCartney (Colne Valley) (Con): I am lucky to have part of the Peak District national park in my constituency. With that in mind, does the Secretary of State agree that the Bill is an important vehicle for helping to ensure the maintenance of environmental protections and the opportunity to enhance them, and that anyone who supports those aims should welcome it?

Mr Davis: My hon. Friend is exactly right. The Bill will ensure that those protections are maintained, and the only way that would not be the case is if the House made an explicit decision to change the position.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): References to disabled people or disability have been scant, if at all apparent, in all the Government’s White Papers. Have the UK Government given any consideration at all to the impact on disabled people, who are among the most vulnerable, and will the Secretary of State confirm that there will be no erosion of their rights in the future?

Mr Davis: As a result of this, that will certainly not happen. I can only talk about the White Paper, but throughout the process we have tried to maintain in British law rights that arise out of European law, and that is what we will do.
Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I have known the Secretary of State for a long time, and he will expect a rough, tough road ahead, because people like me fight for the retention of every right that our citizens of Europe have in this country. Is he aware that if he panders too much to the secret—or not so secret—agenda of the barmy army Eurosceptics who are prominent behind him, he will not receive the level of co-operation that he would otherwise receive when he talks about pragmatism?

Mr Davis: The hon. Gentleman has indeed known me for a long time. On another occasion, I will tell Members how he got me into deep trouble in the House.

If the hon. Gentleman listened to my statement, he ought to realise that this is, to a large extent, about preserving rights that people have become used to, and expect to continue to have. I do not know who he was referring to with his rather strange allusions to armies of one sort of another, but he can be sure that the first thing that will cross my mind when I am dealing with this is my conscience.

Kirsty Blackman (Aberdeen North) (SNP): Does the Secretary of State intend the great repeal Bill to devolve some matters that are currently reserved and reserve some matters that are currently devolved, or will he be presenting a new Scotland Bill, and if so, when?

Mr Davis: I have made two points about that, which I will reiterate to the hon. Lady. First, no decisions that are currently exercised by devolved Administrations will be taken away from them. Secondly, there will be an increase in the number of powers exercised by those Administrations.

Kate Green (Stretford and Urmston) (Lab): The Government seem to overlook the fact that we cannot simply incorporate in UK law matters that are based on a reciprocal arrangement with our European partners. How long does the Secretary of State think it will take, for example, to renegotiate all the trading arrangements that we have with them?

Mr Davis: The White Paper does not relate to that, but the hon. Lady is right in saying that we have to negotiate reciprocal arrangements, and that is what we will do. That is why we have proposed a comprehensive negotiation and a comprehensive free trade arrangement. We believe that that is eminently achievable, because we already have common standards, which the Bill will maintain, and there are already outstanding levels of trade between us—£290 billion of trade from the European Union to us, which its members will want to preserve every bit as much as we do.

Patrick Grady (Glasgow North) (SNP): As we say in Glasgow, “Where’s your parliamentary sovereignty now?” This great power grab is taking power from Brussels bureaucrats and handing it to Whitehall mandarins. Given that statutory instruments are not currently subject to legislative consent from the devolved Assemblies, can the Secretary of State assure us that no statutory instruments will be used to legislate on devolved matters?

Mr Davis: That returns us to the issue raised by the spokesman for the hon. Gentleman’s party, the hon. Member for North East Fife (Stephen Gethins). We shall be talking to the devolved Administrations about the extent to which this will have an impact, and ensuring that there are increases—not decreases—in the powers available to them.

Ian Murray (Edinburgh South) (Lab): The Secretary of State consistently ignores my hon. Friend the Member for Lewisham East (Heidi Alexander), who made a perfectly legitimate point about the European Economic Area Act 1993 and article 127 of the European Economic Area agreement, which states that the UK Government must give 12 months’ notice to remove itself from the EEA. How will that be dealt with in the great repeal Bill—or has the Secretary of State simply forgotten about it?

Mr Davis: No, but it is not a matter for the great repeal Bill.

Mark Durkan (Foyle) (SDLP): The great “download and save until delete” Bill will actually lead to a carnival of reaction, when, alongside the so-called bonfire of red tape, we will see Ministers competing in a demolition derby to reduce various rights and environmental protections. It is also a charter for dilution before devolution. Does the Secretary of State recognise that for some of us to trust Tory Ministers with the “holding and moulding” powers that he wants to give them would be like asking Attila the Hun to mind our horse?

Mr Davis: I did not know that the hon. Gentleman had a horse, but let me say this to him: his entire approach—his entire assessment—is just plain wrong.

Rachael Maskell (York Central) (Lab/Co-op): Paragraph 3.20 of the White Paper refers to the need to trade off scrutiny for speed, whereas paragraph 3.13 states that the Government do not want to their ability to adapt EU law to be unduly constrained. Are the Executive creating a democratic deficit by using secondary legislation? How can they justify that?

Mr Davis: We are not going to create a democratic deficit. This is a White Paper, and that is what we are here to discuss, with Parliament.

Kevin Brennan (Cardiff West) (Lab): I understand from what the Secretary of State has just said that the European economic area will not feature in the Bill. Can he confirm that there will be a separate vote in Parliament on the EEA?

Mr Davis: It will depend on what the policy decision is, but I think that it is quite likely to come to Parliament.

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): How can trade and security co-operation be maximised if UK courts are interpreting parallel legal provisions in a completely different way from the European Court of Justice? Surely UK courts will have to continue to consider ECJ case law as it develops after Brexit, and not just as it exists at the point of Brexit, as the Secretary of State sought to suggest in his statement.

Mr Davis: No, not at all. The whole point of this is to bring those laws back within the control of Parliament and our own courts, and our courts will continue to
interpret them as they see fit. They may continue to obey precedent, or they may decide to change it. That will be a matter for them, and, ditto, it will be a matter for the House of Commons to decide whether it wants to change such matters as well. Let me add, as an aside, that the Supreme Court often looks at what is done by other courts around the world—not just the European Court of Justice but, for instance, the American courts—in order to make its decisions.

Liz McInnes (Heywood and Middleton) (Lab): There was no mention of Gibraltar in the Prime Minister’s letter yesterday, and I am pleased to see that it does at least get a mention in today’s publication. Given that the overwhelming majority of Gibraltarians voted to remain in the EU, can the Secretary of State explain how the Bill will give certainty to businesses in Gibraltar?

Mr Davis: As the hon. Lady will have seen, there is an entire section on overseas territories and the like. My hon. Friend the Under-Secretary of State has been engaging in continuous discussion with Gibraltar about these matters, and we will seek to defend its interests as best we can.

Nick Smith (Blaenau Gwent) (Lab): Will the Secretary of State be clearer, please? How many EU laws will become UK laws? I think he has denied that it could be up to 1,000, so what is his best estimate?

Mr Davis: Well, all the EU laws will become UK laws as a result of the Bill. There will be subsequent changes—presumably through primary legislation—in, for example, immigration law.

Nick Smith: Combien?

Mr Davis: The hon. Gentleman shouts out, in French, “How many?” I am not going to try and give him a sort of “never mind the quality, feel the width” answer. The simple truth is that all EU law will move into UK law.

12.59 pm

Neil Parish (Tiverton and Honiton) (Con): I beg to move,

That this House notes that current penalties for animal welfare offences in England are among the lowest in Europe; believes that while the Government’s plans for a new licensing regime for dogs in England is welcome the Government should consider a ban on the third party sale of dogs; and calls on the Government to increase the maximum penalty for animal welfare offences to five years, as recommended in the Environment, Food and Rural Affairs Committee’s Third Report, Animal welfare in England: domestic pets, HC 117.

It is a great pleasure to introduce the debate. The report of the Environment, Food and Rural Affairs Committee, published in November last year, was the result of a long inquiry into aspects of animal welfare involving domestic pets such as dogs and cats, as well as horses. We took evidence from animal welfare charities, local government, the National Police Chiefs Council, industry representatives, veterinarians, academics and the Department for Environment, Food and Rural Affairs, to name but a few. We visited Battersea Dogs & Cats Home to learn about its work and also visited a commercial breeder and an animal rescue centre in Wales.

The Committee was unanimous on animal cruelty sentences: the current penalties for animal welfare offences in England are far too low. The maximum sentence for animal cruelty is six months in prison and an unlimited fine.

Sir Desmond Swayne (New Forest West) (Con): Will my hon. Friend take some evidence from me on that?

Neil Parish: I certainly will.

Sir Desmond Swayne: I agree with my hon. Friend on that and on his excellent motion, but part of the problem is persuading courts even to impose those minimum sentences that are far too low.

Neil Parish: I thank my right hon. Friend for his intervention, and he is absolutely right. I just feel that if we have a stronger sentence and there is more flexibility in the courts, the magistrate will be able to impose that sentence for the very worst of cases. My right hon. Friend is right, but sometimes the current sentence of six months is just not long enough.

Chris Stephens (Glasgow South West) (SNP): I congratulate the hon. Gentleman on securing this debate. He mentioned the Committee being unanimous. Will he also acknowledge that many constituents across the UK have emailed their MPs and asked them to come here today because they agree with the Committee?
Neil Parish: The hon. Gentleman makes a good point: I believe that there is huge public support for stronger sentencing, and I hope that the Government are listening. Given the number of people in our prisons, I accept that we do not want huge sentences for every crime, but those who beat dogs, cats and other animals to death and plead guilty get an automatic 30% reduction in their sentence; they get four months. I do not believe any of us think that that is long enough.

Craig Williams (Cardiff North) (Con): I commend my hon. Friend on securing this debate, and I wholeheartedly support him, while of course declaring my interest of having a dog as part of my family. Our sanctions against people who commit these horrendous crimes compare poorly globally; will he comment on that?

Neil Parish: My hon. Friend makes a good point. Our sentences are lower than those in Scotland and Northern Ireland, too, so there is far stiffer sentencing even in our own countries of the United Kingdom. We should also consider the message that it sends if the sentence for beating to death a sentient being that relies entirely on human care is less than that for, perhaps, stealing a computer; it really is not on. I am sure my hon. Friend the Minister is listening carefully; I know he is very keen on animal welfare. It is probably not always his remit to increase sentencing, but we must get this message out, loud and clear.

Mr Jim Cunningham (Coventry South) (Lab): To reinforce the hon. Gentleman’s point, 1.2 million people have contacted the Royal Society for the Prevention of Cruelty to Animals about animal cruelty. Importantly, the legislation is extremely weak and I support him in what he is trying to achieve.

Neil Parish: I thank the hon. Gentleman and agree entirely. Many aspects of animal cruelty are reported, but others are not. Having stronger sentencing would be a deterrent; we want to prevent the cruelty from happening in the first place. Having a sentence of at least five years would send the right message. Then it would be up to the courts to decide what sentence they dish out in the end.

Rachael Maskell (York Central) (Lab/Co-op): I congratulate the hon. Gentleman on securing this debate. Does he agree that it is much more important to prevent cruelty in the first place, and therefore changing the legislation on air guns is vital? Cats and dogs are often the targets for people using those weapons. Legislation has been changed by the devolved Administrations for their countries, and it is about time that it was changed in England, too.

Neil Parish: The hon. Lady raises a good point. The use of air guns against cats and dogs can have terrible consequences. Lead pellets often cause a lot of injury and subsequent pain.

To make a broader point, we need to do much more in schools and the education system to make sure people know how to look after an animal. Most people do not know how to look after animals. Unfortunately, animal cruelty is going on in some families, and perhaps the children do not know of anything else but what is happening at home. We must try to tackle that.

Robert Courts (Witney) (Con): I declare my interest as someone who not only cares about the welfare of animals, but has prosecuted cases in the courts under animal cruelty legislation. Does my hon. Friend agree that the matter goes a little further than simply sentencing, however? A number of Members have referred to deterrents. Although the offences of those who have been convicted are recorded on the police national computer, that is not very accessible, and a national register, which is easier to consult, would go quite some way towards ensuring that people who have mistreated animals on one occasion and been convicted cannot then do so again.

Neil Parish: My hon. Friend makes a good point: a national register would be good. I would like to see this go further, too. In the United States, a lot of work is done on linking animal cruelty to human cruelty within the home, and I think the two need to be linked much more. It often does not take long to go from treating an animal cruelly—especially beating an animal to death—to starting to beat people up; we have to wake up to that.

Rebecca Pow (Taunton Deane) (Con): I applaud my hon. Friend on securing this debate. He touches on a pertinent point: there are stark statistics proving that people who abuse animals often go on to abuse humans—and indeed it can happen at the same time, of course. A register would therefore be very beneficial in helping tackle what is a much bigger social problem.

Neil Parish: I thank my hon. Friend and constituency neighbour for that intervention; she is an excellent Select Committee member. She makes the point about getting that link; when finding cruelty to animals we should make much more of a link to investigating what is happening in the home, to see whether there is much more going on than just the cruelty to the animal. We must open our eyes to what is happening. Most people look after animals very well, but of course those who do not can be incredibly cruel, and we need to tackle that.

I was surprised and disappointed that the Government rejected the recommendation for a higher maximum sentence of five years, and I again ask the Minister to go back to the Home Office and the Ministry of Justice to see whether we can get it increased, because six months is too low.

Anna Turley (Redcar) (Lab/Co-op): I wonder whether the hon. Gentleman has also had a conversation with the Government Whips, because on 24 February we considered the Second Reading of my Animal Cruelty (Sentencing) Bill, which would have increased the sentencing period to five years, but unfortunately it was objected to by the Government Whips. I hope he is putting pressure on them as well.

Neil Parish: I certainly talk to Whips, but whether they listen is another matter, of course—although I am sure my hon. Friend the Member for Burton (Andrew Griffiths) listens to every word I say. The hon. Lady makes a serious point, however; it is not good to talk out such Bills, as there is a legitimate reason for increasing the sentence. If we took a straw poll of all MPs, irrespective of their party, I am sure the vast majority would agree that the sentencing is too low at present; we have to find a method of increasing that. I accept that the Government wanted to come back with some other...
ideas, and I would be very happy to listen to them, but the sentencing period must be much more than the current six months.

Neil Parish: I thank my hon. Friend for his intervention. It is absolutely right to consider what our schools can do to teach young people not to treat animals cruelly.

I have been told that I have only 15 minutes and that I ought to get on with my speech, so I shall try to make a little progress. DEFRA has said that average sentences for animal cruelty are relatively stable, but I fear that that is a cop-out. Judges should have the flexibility to give higher sentences for the worst examples of animal cruelty, both as a well-deserved punishment and as a deterrent to other potential animal abusers.

Anyone who can seriously injure a sentient being such as a dog or a cat can do the same to a human. There is a growing body of evidence suggesting a link between the abuse of animals and violence against people. In the USA, the FBI has begun tracking incidents of animal abuse as part of its national incident-based reporting system, which collects data on crime. As part of our report on animal welfare, the EFRA Committee has recommended that a new abuse register should be established for those convicted of animal abuse offences, that those convicted of cruelty should never be allowed to keep animals again, and that the police should have access to those files in light of the link between animal and human abuse.

In addition to discussing sentencing for cruelty, the Committee went on to consider third-party sales of puppies. I believe that a ban on third-party sales will improve the condition of dogs sold in the UK. Unscrupulous dealers currently go to some lengths to pose as responsible breeders in order to sell animals to unsuspecting buyers. Buyers must see the puppy with its mother. Many dealers set up a false home, as a reassurance to potential buyers, which is then vacated so that they cannot be traced. The sad reality is that anyone who is selling a puppy indirectly, through a licensed pet shop, has no regard for the welfare of their puppies. A responsible breeder would never sell through a pet shop licence holder, because it has a negative impact on the welfare of puppies.

By allowing third-party sales, the Government are contradicting their own advice. They advise buyers to ensure that they see the puppy with its mother, yet buying from a third-party seller does not allow this. By banning third-party sales, the public would have to buy directly from breeders. This would allow buyers to assess the premises for themselves, which would drive up animal welfare standards. The Committee visited a puppy farm in Wales, and the conditions there were not good, to say the least. If buyers had to go there to get their puppies, I feel sure that something would be done about that. Also, the people producing those puppies were getting about £200 each for them, whereas the dealers in Birmingham were selling them for £700 to £800, and sometimes as much as £1,000. There is a real problem there, and I am extremely disappointed that the Government have rejected our recommendation for a ban on third-party sales. Since the EFRA Committee published its report, many more animal organisations have come out in favour of a ban on such sales. Pup Aid has always been a vocal supporter of a ban, and the RSPCA has recently changed its mind on the issue.

In February, the Government announced tougher new breeding licensing rules. These include making it completely illegal to sell puppies younger than eight weeks old, and requiring anyone breeding and selling three or more litters of puppies a year to apply for a formal licence. That is a good start, but it does not go far enough. In addition to increasing maximum sentences and banning third-party sales, the Government should consider a reduction in the threshold for licensing a breeder from three litters a year to two litters a year, and the introduction of a new national inspectorate to assist local authorities and give the new regulations a powerful enforcer. It is too easy for unscrupulous dealers to fall outside the regulatory regime. As I have stated, a new abuse register should also be established for those convicted of animal abuse offences. I also believe that the Government should look not only at dog breeders but at cat breeders, who are not currently licensed at all. Britain is a nation of animal lovers, and our pets deserve nothing less than the very highest animal welfare standards. I look forward to hearing the strong representations of my colleagues throughout the debate, especially those who have intervened on me.

Madam Deputy Speaker (Natascha Engel): Order. Before I call the next speaker, I should like to inform Members that if they speak for no more than eight minutes, everyone will get in. That would allow everyone to speak for eight minutes in the next debate as well. So if we could all stick to an informal limit of eight minutes, that would be fantastic.

1.14 pm

Jim Fitzpatrick (Poplar and Limehouse) (Lab): I am pleased to be able to contribute to the debate and I hope to be able to abide by your eight-minute rule, Madam Deputy Speaker. I am delighted to follow the hon. Member for Tiverton and Honiton (Neil Parish), who chairs our Select Committee with distinction. Obviously his time spent in the European Parliament was not a wasted apprenticeship; he demonstrates his skills every time we meet.

The motion raises three issues: penalties for animal welfare offences; a ban on third-party sales; and the Committee’s report on the underlying question of prosecutions. I wish to register my appreciation for the briefings I have received in preparation for the debate from Battersea Dogs & Cats Home, the RSPCA, Cats Protection, the Dogs Trust, Blue Cross, the Kennel Club and, of course, the House of Commons Library.

Judith Cummins (Bradford South) (Lab): Does my hon. Friend agree that the better licensing of breeders would promote a more responsible buying culture and help to prevent the cruel practice of puppy farming?
Jim Fitzpatrick: My hon. Friend’s good point reinforces the contribution from the Chair of the Select Committee. I shall say more about licensing in a moment, but it is certainly a key element of the Committee’s report to which we hope the Government will respond positively.

I am always heartened that constituents contact me about a whole range of animal welfare issues because that shows that, while they articulate many concerns, animal welfare matters to them a great deal. Hon. and right hon. Members will receive emails and the occasional letter about the same animal-related issues as I do, including bees, badgers, domestic pets, circus animals, wild animals and dog fighting. It is good to see how much people care, but it is obviously disappointing, and indeed distressing, that these activities and abuses continue.

Along with others, I have backed the campaign instigated by Battersea Dogs & Cats Home that calls for tougher punishments for people who abuse and neglect animals. I was pleased to attend the launch of the campaign here in Westminster, and along with others I pleaded my support for increasing sentences for animal abusers. It is unacceptable that people can abuse and neglect animals yet get away with such a small penalty. Battersea’s research shows that England and Wales has the lowest sentences for cruelty across 100 countries and states worldwide. Six months in prison is neither a punishment nor a deterrent when it comes to some of the most serious offences.

Further background information for the debate comes from the EFRA Committee’s third report of this Session. Animal welfare is mentioned in the motion tabled by the hon. Member for Tiverton and Honiton—I nearly called him my hon. Friend, but we do this so often that it is almost passé. The report makes a number of recommendations, including on a timetable for the 10-yearly review of the Animal Welfare Act 2006. I am sure that the Minister will respond to that point in due course. It also recommends a ban on third-party puppy sales and that local government should be responsible for enforcing the 2006 Act.

The report goes on to discuss the role of the RSPCA, which has historically undertaken the overwhelming majority of animal welfare investigations and prosecutions. The Select Committee recommended: “the RSPCA should continue its important work investigating animal welfare cases...It should, however, withdraw from acting as a prosecutor of first resort where there are statutory bodies with a duty to carry out this role.”

A number of us said at the time that it was not for the Select Committee to require the RSPCA to withdraw in that way, because it will always have the right to raise private prosecutions in the courts, in the same way as any other citizen does. The real question was about the word “duty” in relation to other bodies, and the report considered which statutory bodies should be responsible in such circumstances.

The vast majority of our Committee’s work is done by consensus, as is the case for most Select Committees. This was one of the few issues that split the Committee. I voted against the majority view, not as a matter of principle but on the practicalities. In my view, and with no disrespect to those who voted for this recommendation, the expectation that the Crown Prosecution Service or local authorities will step in as prosecutors is pure fantasy. However, after rethinking the matter and considering what happens in Scotland—the hon. Member for Caithness, Sutherland and Easter Ross (Dr Monaghan), who represents the Scottish National party on the Committee, made a number of important points in this regard—I have been persuaded of one thing. If society is serious about animal welfare, it should accept its responsibilities. It is unfair that the RSPCA has to do society’s work, and it is carrying out that duty because the CPS and local authorities are not. We should send a message that society should prosecute through the CPS and the police—we should not have to rely on the RSPCA—but that is not going to happen any time soon. Regardless of what the Committee says, the RSPCA will have to continue its work, because that is the only option—no one else is going to do it.

Chris Davies (Brecon and Radnorshire) (Con):—

Jim Fitzpatrick: I am happy to give way to my other hon. Friend from the Select Committee.

Chris Davies: I thank my hon. Friend from across the divide for giving way. When the Committee took evidence, we found out that the system works particularly well in Scotland. It is not often that I praise how the Scottish National party runs Scottish affairs, but that system works well. Why cannot we do things as well on this side of the border?

Jim Fitzpatrick: With my classic cockney accent, I hope that I will be forgiven if I do not join the hon. Gentleman in praising the Scottish National party. I think the policy predates the SNP taking over the Scottish Government, but it has continued since. Indeed, the Procurator Fiscal Service carries out that policy, and the CPS should do so here, but my point is that the CPS is not doing it, is not going to do it, and does not have the resources to do it. If it were not for the RSPCA, the work would not get done, so I support its ability to continue. Until such time as the Government give the CPS and local authorities the wherewithal to do the job, it will not get done unless the RSPCA does it.

Ann Clwyd (Cynon Valley) (Lab): I congratulate the hon. Member for Tiverton and Honiton (Neil Parish) on securing the debate. I want to give a bad example from my constituency, which has quite a few animal welfare issues. In this instance, a young fox had a habit of going to a large supermarket every night to hunt for food. A gang of boys got hold of the fox by the tail and hurled it round and round, smashing its head against a wall several times, and then stamped on its head. The punishment for that—well, it was hardly a punishment at all. It is absolutely necessary to increase the penalties for people who inflict that kind of cruelty on animals.

Jim Fitzpatrick: My right hon. Friend makes the point emphatically that the penalty does not fit the crime. As the hon. Member for Tiverton and Honiton mentioned, such penalties need urgent review.

I apologise that I will go over my eight minutes, Madam Deputy Speaker, but hopefully by only one and a half minutes. Given that the RSPCA cruelty helpline receives 1 million calls, 15% of which are investigated, there is too much work to expect the prosecutorial authorities to accept responsibility.
The issue of third-party sales split not only the Committee, but the animal welfare organisations. Dogs Trust and Blue Cross were against a ban, preferring a stronger enforced licensing regime, but the Kennel Club supported it. There is no disagreement about the objective, only about the tools that should be used to better protect animals and purchasers. I look forward to hearing the views of the Minister and the shadow Minister about that difference of opinion on the proposed ban, and about how the Government expect to make progress on dealing with concerns about this important issue.

The Minister knows that he is held in high regard by members of the EFRA Committee and by animal welfare organisations. Even though animal welfare is not his primary responsibility, he answers to the Commons on that topic. There is no disagreement about wanting better animal welfare; the key challenge is how to deliver it. I am confident that the Minister and his colleagues, encouraged by my hon. Friend, the Member for Workington (Sue Hayman) on the Opposition Front Bench, will continue to be as effective as possible in this matter. I am grateful to have had the opportunity to say my few words.

1.23 pm

Sir David Amess (Southend West) (Con): What a relief it is that we are discussing something other than our leaving the European Union. I am absolutely sick to death of hearing about it—and we have another two years to go.

The standard by which I judge civilisation is how we treat animals and animal welfare more generally. I have been involved in animal welfare matters ever since I entered the House, so I have heard many of the arguments before. Indeed, when David Mellor was a Member of this place, I recall serving on the Standing Committee that considered a Bill to amend the Protection of Animals Act 1911.

Looking back at the different things that we have done—I managed to get two pieces of legislation on to the statute book—by and large this country has a good record on animal welfare. However, the incident that the right hon. Member for Cynon Valley (Ann Clwyd) shared with the House was absolutely awful—no words can describe how horrible it was. I think we are going to have a debate in which we all agree; I doubt whether anyone will stand up and say, “Let’s be cruel to animals.”

I gently say to my hon. Friend the Member for Tiverton and Honiton (Neil Parish), who opened the debate, that I have seen many reports produced by this place—some gather dust; some are acted on; and some are completely ignored. Parliaments change and new Members enter, so it can be as if we are raising these issues for the first time, but one or two things have changed. My hon. Friend is entirely right that we need tougher sentences, but can our prisons take the people? Do we need, as my hon. Friend the Member for Witney (Robert Courts) mentioned earlier, more publicity when people are sentenced? I absolutely agree that we need tougher sentences.

There is politics in everything, and there is certainly politics in the animal world. I have received all sorts of emails asking me to mention an organisation or to praise this person or that person, and I am not sure that we are all singing the same song, so I am going to praise just two ladies. The first is Lorraine Platt, who runs an animal welfare organisation that I support and has done a fantastic job as far as I am concerned. The second is the Countess of Stockton, who is a trustee of the RSPCA. I will leave it to other Members to decide which organisation they want to praise.

The main thing that has changed is online sales, which are a new challenge and a big issue. As we have heard, it is wrong for someone to buy a puppy without seeing where it comes from and how it is being looked after. Anne Widdecombe bought a black labrador for my youngest child, and I am delighted to say that it had been owned by the grandson of Rab Butler, so it certainly had a good pedigree and gave us 14 years of joy. It is important that people know where a puppy comes from. As we all know, while small things will look cute and cuddly, there is an awful lot of responsibility in looking after a pet when they grow up.

Bob Stewart (Beckenham) (Con): According to my information, about one third of people do not see the mother when picking up a puppy.

Sir David Amess: My hon. Friend is right. The situation is lamentable, but I say to my hon. Friend the Member for Tiverton and Honiton that I am unsure how we put that right. We just have to keep on and on with the same message.

As part of Project Capone, Hindesight has been monitoring the sales of animals on sites such as Gumtree. Its findings demonstrate the clear need for legislation to address the problem. Despite the figures I am about to quote, I stress that Gumtree should be lauded for doing more than any other site to monitor online sales and comply with Pet Advertising Advisory Group minimum standards. Gumtree UK adverts were monitored over a 12-month period ending in February this year, and 400,000 adverts related to the sale of animals were tracked, 58% of which related to dogs. Estimates suggest that as many as 88% of puppies born in Great Britain are bred by unlicensed breeders, which is totally unacceptable. The EFRA report, which I have of course read, states at paragraph 95 that Gumtree listings for pets for sale has decreased from 50,000 to 15,000, which should be welcomed.

I say to my hon. Friend the Minister that—my goodness—I have seen all sorts of people as Ministers. Some do the job brilliantly, but with some we need a little bit of convincing about their dedication to animal welfare. I am convinced that this particular Minister is absolutely genuine on this issue and that he will react positively to the report.

We need websites to commit to following at least the minimum PAAG standards, and it is important that all adverts display the age of the animal advertised. Although the vast majority of the public state that they would not buy a puppy from a commercially driven breeder, my hon. Friend the Member for Beckenham (Bob Stewart) is absolutely right about the small number who see a puppy with its mother.

I welcome DEFRA’s announcement that it will be a legal requirement for sellers to display their licence number on all adverts, but there are also problems with ensuring that licences are properly granted and that local authorities have adequate resources to assess applicants
for a licence. Local authorities are currently in charge of licensing, but it is extremely difficult for them to tackle illegal trading on such a scale because they lack the resources to monitor the enormous volume of online sales. Indeed, local authorities are unable to monitor the trade offline, or to provide qualified individuals to assess welfare needs.

Along with a stricter licensing regime, we need professionals who are able adequately to determine whether a licence should be granted. Unfortunately, local authority officials who inspect places where animals are sold are not necessarily trained specifically in detecting animal welfare issues. Another important point is that individuals who buy such animals are not aware that the seller should be licensed.

The message from this House should be that transparency and public education are incredibly important. Sometime in July we are holding a responsible pet ownership competition on the green at the other end of the building, and I hope that all hon. Members who are interested will join us in celebrating responsible pet ownership.

Income from online sales is rarely declared, so I remind the Minister that a lot of money is being lost in income tax, which should be of significant concern to Her Majesty’s Revenue and Customs. Apparently the single most expensive dog advertised—just last month by a London-based seller—was a French bulldog for £30,000, which is big money.

Research from Blue Cross shows that even when inspections are carried out, the quality of investigations varies massively from local authority to local authority. Standardised inspection criteria should help to ensure that basic animal welfare is met across the country.

I congratulate my hon. Friend the Member for Tiverton and Honiton and his hard-working Committee on producing the report. I hope that it will not gather dust, but that it will be acted on.

1.32 pm

Anna Turley (Redcar) (Lab/Co-op): I am delighted to have the opportunity to speak in this debate, and I congratulate the hon. Member for Tiverton and Honiton (Neil Parish) and all the EFRA Committee on securing this debate and on their excellent report. I am particularly grateful for the opportunity to speak about increasing awareness, punishment or rehabilitation.

We in this place owe a change in the law to those that cannot speak, that cannot defend themselves and that suffer abuse, violence and cruelty by the hands that are meant to feed them, care for them, protect them and love them. I introduced my Bill on behalf of Baby the bulldog and Scamp the dog.

Baby the bulldog was held aloft by Andrew Frankish at the top of a flight of wooden stairs before he repeatedly threw her down as he laughed. Baby’s neck was stamped on. She was thrown to the floor with force over and over. Her small chest was jumped on with the full body weight of one of the Frankish brothers. The younger man said, “See if we can make it scream any more. We should throw it down the stairs by its ears,” before he picked her up against the wall, head-butted her twice and then threw her down the stairs again.

Baby was tortured and beaten by those who were supposed to care for her. The whole horrible ordeal seemed to be for the brothers’ entertainment—for fun—as they filmed themselves laughing on a mobile phone. Baby should not have had to suffer such horrific abuse, but she did and was put down shortly afterwards.

When the evidence was found, by chance, two years later on a mobile phone card dropped on a supermarket floor, we might have expected Baby finally to have justice. Thanks to the hard work of the police, the RSPCA and all those who gave evidence, the brothers were convicted of causing unnecessary suffering to her under the Animal Welfare Act 2006, but she was let down once again by the law. The two brothers received a suspended sentence, six months’ tagged curfew and £300 in costs. No one can feel that the justice system did its job that day.

On researching how the two brothers could have received such an impossibly lenient sentence for a vicious and premeditated assault, I was astonished to find that the maximum sentence for any form of animal abuse is just six months’ custody. Incredibly, the maximum sentence has not changed since the Protection of Animals Act 1911, which was essentially introduced to make it an offence to overload or override animals pulling loads on the street or in pits. The law is lagging a century behind.

Under the last Labour Government, the issue was meant to be addressed by the 2006 Act, which made provision to increase sentencing to imprisonment of up to 51 weeks but, incredibly, the provision was never enacted, so people can inflict any degree of cruelty on animals and still receive a maximum of only six months’ imprisonment. The public rightly find that hard to understand or accept as appropriate.

After the incident of the Frankish brothers came to my attention, I decided to try to amend the law to ensure that sentences fit the crime in such cases and was pleased to present my Animal Cruelty (Sentencing) Bill. But during the progress of that Bill, there was another horrific incident in my constituency that has made the case for a change in the law even more pressing. A small dog named Scamp was found buried alive in woods near Redcar on 19 October, with a nail hammered into its head.

On 22 February, 59-year-old Michael Heathcock and 60-year-old Richard Finch, both from Redcar, pleaded guilty to offences under the 2006 Act, but they were sentenced to just four months. They will probably serve just eight weeks in prison, which is not enough time for reflection, punishment or rehabilitation.

The people of my constituency have been horrified by those cases, and it is important that I pay tribute to their response. After hearing of the Frankish brothers incident and that of Scamp, they held vigils for the animals, with hundreds of people coming to lay flowers and light candles. They sent their message loudly and defiantly. There are also plans to build a dog park to the animals’ memory.

The perpetrators do not represent our community. People in Redcar are decent and kind. I know many passionate animal lovers, and I meet wonderful dog owners as I walk my dog on the beach or in the Eston hills. But my
constituents are angry. They feel that the criminal justice system is letting them down, which is why I am speaking here today.

On researching my Bill, I was shocked by the number of horrific cases I came across. I read of a dismembered cat left on a war memorial, of 20 ducks strangled with cable around their necks, of boiling liquid poured on a puppy and of a mutilated Shetland pony. Surrey police recently instituted Operation Takahe to try to find the person believed to be behind the theft and mutilation of more than 200 cats. The list of horrific attacks goes on and on.

The RSPCA receives and investigates thousands of complaints about cruelty to animals each year. It received 143,000 complaints in 2015, and 1,781 people were successfully prosecuted, yet only one in 10 convictions presently results in a prison sentence. We do not treat such crimes with the weight they warrant. I urge those who think that the crime of abusing defenceless animals is worth less serious attention than the abuse of people to look at the evidence, predominantly from the United States, as the hon. Member for Tiverton and Honiton mentioned earlier. The evidence reveals a startling propensity for offenders charged with crimes against animals to commit other violent offences against human victims. It finds that pet abuse is concurrent in 88% of families under supervision for the physical abuse of their children.

In the UK, a new academic study—the first of its kind in Europe—by researchers at Teesside University has also identified a link between animal abuse and domestic violence. The study of young people in eastern Europe found that violence breeds violence. Adolescent males who have experienced domestic violence either show displaced aggression against animals or progress to committing violence against family members. Because abusers target the powerless and lack the ability to feel empathy with their victims, crimes against animals, spouses, children and the elderly often go hand in hand. Children who abuse animals may be repeating a lesson learned at home. Like their parents, they are reacting to anger or frustration with violence. Their violence is directed at the only individual more vulnerable than they are: an animal.

The findings point towards a worrying cycle of abuse in society if violence is not addressed or properly challenged, and increased sentencing is just one tool we need to break that cycle.

We would be forgiven for thinking that, as a nation of animal lovers, we should expect to be leading the way on these issues, but I am afraid to say that we are in fact lagging behind many other countries. The Northern Ireland Assembly recently increased the maximum penalty from two years to five years, and it should also be noted that Northern Ireland is the only part of the UK where more serious animal welfare offences can be tried in a Crown court. The Scottish Government recently committed to reviewing penalties under the Animal Health and Welfare (Scotland) Act 2006. If we look around the world, we see that the maximum penalty for animal cruelty in Australia is five years, and in Germany it is three years. A maximum of six months here in England and Wales, decided by a magistrates court rather than a Crown court, seems derisory.

Such woefully inadequate sentences must be addressed if the punishments are to fit the cruelty inflicted on animals. My Bill sought to increase the custodial sentence for animal cruelty from six months to five years, and if we are to continue declaring ourselves a nation of animal lovers, it is about time we showed it by sending out the message that we take animal cruelty seriously.

I wish to thank the RSPCA, Dogs Trust, Battersea Dogs & Cats Home and the League Against Cruel Sports for their support for Bill. I also wish to thank my community in Redcar and Teesside, who have shown their compassion and their love for animals in the way they have responded to these terrible acts and in their support for my efforts to change the law. I also pay tribute to the EFRA Committee for its work on this and on today’s debate.

Finally, I want to say a word about Baby the bulldog and the dog named Scamp, because it is in their name that I seek to change the law. We will probably never know the full cruelty and torture these silent and defenceless animals endured. We can only begin to imagine the pain they experienced and the fear they felt. We cannot undo the suffering done to them, but we can show one another that this kind of cruelty has no place in our communities and that such depraved behaviour will face the punishment that it deserves. I welcome today’s debate and urge the Government to put right the injustice by changing the law on animal cruelty sentencing.

1.40 pm

Mrs Theresa Villiers (Chipping Barnet) (Con): I wish to thank the Backbench Business Committee, my hon. Friend the Member for Tiverton and Honiton (Neil Parish) and the EFRA Committee for putting animal welfare on the agenda in Parliament today. I have found it distressing to listen to the brutal examples of animal cruelty we have heard about, particularly those detailed in the speech by the hon. Member for Redcar (Anna Turley). I emphasise that animal welfare and action to prevent animal cruelty is a very high priority for many of my constituents, who contact me regularly about this. I warmly and strongly support the campaign for stiffer maximum sentences for those who abuse animals, act with unnecessary cruelty or otherwise fail to comply with our animal welfare rules in this country.

In the few minutes I hope to detain the House, I wish to focus on the welfare of farm animals, because I feel strongly that all of us who take animal welfare matters seriously should focus on the billions of animals used in agriculture across the world. If we want to ensure that, as a civilised society, we maintain high standards of animal welfare, it is vital that we extend this to farm animals. I thank Peter Stevenson of Compassion in World Farming for providing me with some help in preparing for this debate.

My hon. Friend the Member for Southend West (Sir David Amess) said that he was sick of talking about Brexit, but Brexit does have relevance today, because about 80% of our animal welfare rules are currently part of EU law. Leaving the EU will give us back control over many policy decisions on animal welfare and farming. As I said when I had the opportunity to raise this matter during Prime Minister’s questions, we should use Brexit to reaffirm our support for the highest standards of animal welfare. We should also use it as an opportunity to see how we can strengthen protection for animals.
Food and farming is one of the most important parts of our economy, supporting many thousands of jobs. I welcome the fact that last October the Secretary of State for Environment, Food and Rural Affairs said that high standards of animal welfare should be one of the unique selling points of UK-produced food in the post-Brexit era. If that is to be a reality in post-Brexit farming, we need to ensure that animal welfare is at the heart of our new system of farm payment support. It is crucial that we maintain that financial support for agriculture if we are to ensure that food produced in accordance with high welfare standards is not priced out of the market by cheaper, less compassionate, alternatives. In future trade talks, we should be prepared to ask those countries that wish to sell into our market to commit to acceptable standards of animal welfare, as was emphasised in the Conservative manifesto. It is my understanding that World Trade Organisation case law does allow us to do that, so long as we apply the same rules across different countries.

The compassionate treatment of animals should be at the heart of the UK’s post-Brexit brand for food and farming. We should recognise the efforts made by UK farmers already, as the majority take animal welfare very seriously. Our new system of farm support should reward farmers who adopt higher welfare standards, for example, through compliance with recognised schemes such as those run by RSPCA Assured or the Pasture-Fed Livestock Association. We need to provide incentives to move away from industrial livestock production towards free-range systems.

In particular, we should aim for an end to the zero grazing of dairy cows. Industrial systems that keep cattle indoors all year round are not capable of delivering high animal welfare standards, no matter how well-managed. I welcome the acknowledgement the Minister gave in responding to my Westminster Hall debate on this issue, when he said that “any farmer who has turned cattle out to grass in April and watched their reaction knows that cattle prefer grazing, all other things being equal.”—[Official Report, 24 January 2017; Vol. 620, c. 95WH.]

As part of our efforts to end the practice of zero grazing, I hope that the Government will consider measures to enable consumers to make informed choices on the milk they buy. At present, most milk, other than organic milk, is pooled together, making it impossible to distinguish intensively produced from pasture-based milk. We need to consider separation, to enable farmers using good practices and pasture-based grazing to advertise this fact to consumers in the way free-range egg producers have for many years.

Rebecca Pow: Recently, I raised with the Minister the idea of having a “Buy British Food” button when people buy food on the internet, and I hope to talk to him shortly. How about having some sort of guidance or button about standards and animal care, too?

Mrs Villiers: Both are good ideas, and I hope the Minister will respond to them when he sums up.

A further very important reason why we should discourage intensive farming methods is antimicrobial resistance, a matter the Select Committee has examined carefully. Industrial-style farming can lead to the overuse of antibiotics to fend off diseases and infection caused by keeping animals in unnatural and crowded conditions that compromise their health and their immune responses. Antimicrobials are often given to whole herds or flocks of intensively farmed animals via feed and water. Unless we draw a halt to the trend that antibiotics are gradually becoming less and less able to protect us, we could face the risk of a return to the situation of previous centuries where such matters as childbirth, non-serious injuries and routine operations frequently gave rise to a risk of death. This is a very serious risk faced by our society, and many will no doubt have listened to the harrowing Radio 4 drama, “Resistance”, which was based on one of the worst-case scenarios feared by scientists. So it is necessary to find ways to reduce overall antibiotic use in farming, and our goal should be higher-welfare farming where animals are kept healthy through good husbandry practices rather than routine antibiotic use.

As we scrutinise the great repeal Bill and associated legislation, we will need to ensure that the enforcement powers currently vested in EU bodies are transferred to domestic alternatives. Here I wish to echo a point made by a number of hon. Members: enforcement is crucial. There is no point in having rules on our statute book that are not properly enforced. This has been a long-standing concern in relation to EU rules; I recall working with my hon. Friend the Member for Tiverton and Honiton when we were both in the European Parliament to try to improve enforcement. This debate is a good opportunity to emphasise that the proper enforcement of rules on animal welfare and preventing animal cruelty is vital for our constituents, who care so much about this matter. Analysis by the Food Standards Agency indicates that between July 2014 and June 2016 there were more than 4,000 serious breaches of animal welfare legislation relating to slaughter and transport to slaughter. We need to do better.

In conclusion, I urge the Minister to consider an end to the export of live animals for slaughter overseas. I believe that this trade would have been banned years ago if the decision had rested with Westminster rather than Brussels. The referendum vote means that very soon this House will have control over this decision once again, and I hope the Government will press ahead with a ban to end this cruel trade.

1.49 pm

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): I thank the hon. Member for Tiverton and Honiton (Neil Parish) for his extensive speech, as well as the Backbench Business Committee and the Environment, Food and Rural Affairs Committee for their work in bringing this debate to the House.

I feel extremely strongly about animal welfare—I have had rescue dogs in my family since childhood—and it has overwhelming support from the public throughout the UK, as well as from MPs: one has only to go to the Westminster dog of the year awards to see just how important animal welfare, particularly for puppies and dogs, is to MPs. I was pleased to come fourth last year with my dog, Rossi, who is a rescue dog. We hope to top that this year and move up the leadership board.

Jim Shannon (Strangford) (DUP): Come on Rossi!

Dr Cameron: Thank you.
I thank the organisations that got in touch with me regarding this debate, including the League Against Cruel Sports, the Kennel Club, the Scottish Society for Prevention of Cruelty to Animals, Marc the Vet, Pup Aid and Battersea Dogs & Cats Home. That is just a few of the organisations that work in this field. In my speech, I wish to touch briefly on several issues, including third-party puppy sales and animal cruelty sentencing.

For the public, the most visible way of selling dogs is when puppies are sold in pet shops, which is a real issue. The sale of dogs in pet shops gives the impression that they are commodities and does not afford them their status as man's best friend. It does not send the clear message to the public that we should send, which is that a dog is for life. Pet-shop puppies are often removed from their mothers too early: they are separated after just a few weeks, despite the regulations. Many may have been reared in puppy farms, which notable reports have exposed as having unacceptable animal welfare conditions. Puppy farms do not foster good care, socialisation or attachment with mothers, and those issues contribute to poor temperament in dogs and an increased likelihood of illness and disease. That is not good for puppies, and it is certainly not good for the public.

The high street is not the place to buy a puppy. The sale of puppies on the high street fosters puppy farming and puppy trafficking. It also leads to impulse purchases by people whose household may not be best suited to the dog, nor the dog best suited to the household. That is a poor start for all involved. Polling indicates that 90% of the public do not wish to buy a puppy that has been reared on a puppy farm, but people often do so unknowingly when they buy on the high street or from third-party breeders.

Numerous recent reports on puppy farming indicate an overwhelming lack of care and concern for basic animal welfare. Mothers are used excessively as breeding machines for profit and then discarded, or even killed, when they are no longer of any use. They are kept for their whole lives in cramped, unhygienic and often horrendous conditions. That simply is not acceptable to the UK public.

A puppy's journey should be tracked from birth, through a system of registration and microchipping. Disreputable breeders ignore the guidelines, but often go unpunished, which only reinforces their behaviour. Guidelines indicate that dogs should breed no more than six times in their lifetime, and the Kennel Club’s recommendation is no more than four times. The Kennel Club reports that one in five pups bought in a pet shop needs veterinary care or dies before they are five months old. That is simply not acceptable for the welfare of the puppies involved or the right of the public to buy puppies who have been looked after properly and appropriately.

Will the Minister consider the need for a public awareness campaign, co-ordinated with the devolved Governments throughout the United Kingdom? Such a campaign could outline how to recognise best practice in dog breeding and provide the public with guidelines on how and where to buy puppies reputably. We are looking for Government leadership on this issue. As other Members have said, currently a third of people do not see the mother when they buy a puppy.

We must tackle the sale and trafficking of illegally imported puppies. Key agencies will require regular shared intelligence from across the EU and beyond, along with a published strategy that is monitored, enforced and reviewed. Visual checks should be routine for dogs entering the UK. Such checks are necessary on grounds not only of welfare but of public health. What procedures will be put in place for collaboration after Brexit? How will we make sure that systems are strengthened to ensure animal welfare?

We have heard some disturbing accounts of animal cruelty and the far too lenient sentences imposed. Such sentences are not a deterrent because the industry is lucrative, which is why people engage in it. Those involved have no regard for animal welfare. Research indicates, and I know from my work in psychology, that there is a link between cruelty to animals, and psychopathy and cruelty to humans, including children. That must be taken seriously, not only with regard to animal welfare standards, but because of the impact on other victims of cruelty. The individuals involved practise cruelty to animals and then transfer it to humans. The Government must act and sentences must be increased, because they are currently not a deterrent. It is a lucrative industry and fines are simply not enough. Small fines are not much punishment for people who are making large sums of money.

The Government must act on third-party sales to improve animal welfare for puppies, and they must act on sentencing and ensure that there are deterrents for those involved in animal cruelty. I have had numerous emails and letters from constituents who feel we just are not doing enough and that the problem has to be tackled, so I urge the Minister to look into it. I also urge him to consider awareness campaigns. It is extremely important that the public make good, informed decisions when they buy puppies, so that they can enjoy the puppy and the puppy can enjoy a good life.

1.56 pm

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): I, too, thank the various members of the public and numerous organisations that provided evidence to the Select Committee with such conviction and passion. Animal welfare is an emotive issue, but Committee members were extremely grateful for the help we got in reaching our conclusions.

I shall touch briefly on three areas of interest. First, our inquiry revealed that this was about a lot more than just puppy farming. On canine welfare, we learned a lot about the dangers of a wider form of neglect when, in some cases, people are simply unable to look after animals to the standard we expect. To be blunt about it, there is cruelty by kindness. We learned an important lesson about how education is almost as vital as prosecution.

We were also concerned about issues such as breeding disorders, and how it seems to be acceptable, in certain areas of canine ownership, almost to deliberately breed abnormalities into canines. That is an act of considerable cruelty that does not seem to be taken care of by the law. The responsibility must lie with breed societies and show organisers. If nothing else, I hope this debate sends them a small warning that, as society moves on, we will probably close in on the deliberate breeding of dogs to have bizarre physical deficiencies purely for reasons of fashion.
Our conclusion was that we should be more proactive and less reactive on some of the issues. In other words, prosecution is not always the answer, and, increasingly, education probably is. If we get that right, the pressure on the puppy-farming network to deliver will be reduced.

Secondly, on puppy farms and the related market, opinions were probably as divided as any and emotions ran as high as any. With a lot of welfare legislation, I am suspicious that a total ban—a populist and eye-catching expression that we occasionally use in Parliament—is not always the answer to a welfare problem. Nevertheless, I confess to changing my mind on this issue as a result of the visits we made, the vets we spoke to, the expertise to which we were exposed, and the visits to pet shops and other establishments. All that led us to the conclusion that however hard people tried, the basic minimum standards that we all expect could never really be met.

The Committee was also not persuaded by the claim that public demand must be met, and that the only way of meeting it is through this mass production route. We were convinced by the fact that ethical, effective and commercial alternatives do exist. Indeed, in my own part of west Wales, there is an ethical puppy farm, which has large numbers of breeding bitches and which sells large numbers of puppies to the public, but it does so in a way that enables the buyer to meet the mother and the father, have a cup of coffee and do all the things that we would like to encourage, and yet it is perfectly capable of running a commercially successful enterprise in the process.

The Committee also learned that demand is not a dirty word. As colleagues know, I am interested in working dogs, and gun dogs in particular. I want to bring on a new gun dog as we speak, but I expect to have to pay money for it and to travel to find exactly the animal that I am looking for, and that is absolutely how it should be. I should not be able to buy one by going online, popping down to the pet shop, or going to some dealer whom I have never met before. I need to research the purchase and understand everything that there is about veterinary records, breeding and the like in order to do so. I do not see why that practice should be restricted only to working dogs. If we get that bit right, there are only moral, welfare, and economic and commercial up sides.

My third point relates to prosecutions, which was raised by the hon. Member for Poplar and Limehouse (Jim Fitzpatrick). Despite what the press may have said, prosecutions featured fairly low in the Committee’s conclusions. Perhaps unsurprisingly, there has been a little bit of misrepresentation in the media. The Committee never did, nor could it, recommend that the RSPCA be stripped of its prosecuting powers, because it does not have any such powers over and above those that we all have as private citizens in the UK—not in Scotland—which is the right to take out a private prosecution. The conclusion that we reached was based on the very compelling evidence that was offered by the SSPCA. It was just a more nuanced approach that avoids the accusations of a conflict of interest. We were also not persuaded by the argument that, in the absence of the RSPCA, no one would do this work. I have with me a schedule of animal welfare prosecutions, more than half of which have been carried out by local authorities and the police.

Oliver Colvile: Does my hon. Friend also recognise that it is very important that there is as much publicity as possible about how people misuse animals? It might be helpful if “The Archers”, of which I am a very strong advocate, were to run a storyline about animals that are being badly treated and badly harmed.

Simon Hart: My hon. Friend makes an interesting point. I need to listen to “The Archers” a bit more often. From what I gather, the programme is covering quite a lot of contemporary issues at the moment, but he makes a good point.

In conclusion, let me bring to the attention of the House the letter written by the Attorney General’s Office in the name of the Solicitor General to my right hon. and learned Friend the Member for Harborough (Sir Edward Garnier) who raised the question about whether the Crown Prosecution Service ever refuses to proceed with prosecutions on the basis of resource. The answer stated:

“Resources are never the only bar to prosecution because as you know, the Code of Crown Prosecutors sets out the two stages of the Full Code Test”.

In answer to the question, “Does the Crown Prosecution Service ever refuse to proceed on the basis of a lack of expert knowledge in the subject area in question?” the Solicitor General said:

“No, but a distinction should be drawn between expert knowledge provided by expert witnesses and specialist legal knowledge.”

Jim Fitzpatrick: I made reference to the wording of a recommendation, which I have reflected on significantly. It says that the RSPCA “should, however, withdraw from acting”.

I understand the hon. Gentleman’s point, and I agree that the CPS should be acting, but does he really think that the CPS will do it if the RSPCA takes a step back?

Simon Hart: The hon. Gentleman makes a good point. The Wooler report, which has been much talked about and which has helped us to reach our conclusions, raises exactly the point that he makes. There is a transitional period, but it is fair to say that concerns have been expressed—not by people such as me who might be accused of having a partisan view, but by more arm’s-length organisations—about potential conflicts of interest between organisations such as investigators, prosecutors, campaigners and fundraisers. The Royal Commission inquiry in 1983 recommended that the CPS was created so that the police would not be accused of that kind of conflict. My view was that if it was good enough for the police to have an arm’s-length prosecuting process, it is probably good enough for the country’s second biggest prosecutor to be subject to the same criteria.

Mr Deputy Speaker, I see you hastening me to a conclusion. Thank you.

2.4 pm

Patricia Gibson (North Ayrshire and Arran) (SNP): I begin by expressing my thanks to the hon. Member for Tiverton and Honiton (Neil Parish) for initiating this debate? I was keen to speak because, probably like everyone else in this Chamber, I believe that the welfare of animals is extremely important. Certainly, my constituents in North Ayrshire and Arran have been writing to me in large numbers asking me to voice their support for stronger sentences for animal cruelty. This debate has a particular focus on puppy farming and that is something of deep
concern to all of us. Although puppy farming has been banned since the 1970s, there are still those who overproduce puppies. We must all be vigilant and consider the ethical sourcing of pets.

We really should pay attention to banning the third-party sale of dogs right across the UK. Dogs should be available only from licensed, regulated breeders or approved rehoming organisations, and that should apply right across the UK. Anyone breeding two litters or more a year should be licensed as a breeder, and that is two litters fewer than under Scots law at the moment.

Animal welfare is, of course, devolved to the Scottish Parliament, but I have called for sentences to be stronger both inside this place and outside it. Wilful cruelty to animals is simply unacceptable in a civilised society. Indeed, the Scottish Government will continue to legislate to improve animal welfare. A consultation on offences and penalties under the Animal Health and Welfare (Scotland) Act 2006 will be held before too much longer. Despite the fact that there are different laws in England, Scotland and Wales, there are areas on which there is a huge amount of common ground.

The Scottish Society for the Prevention of Cruelty to Animals is unique among animal welfare charities in the UK, because it is a reporting agency to the Crown Office, which means that its investigators are authorised to enforce the Animal Health and Welfare (Scotland) Act 2006. Last year, the SSPCA helpline received 241,403 calls and its inspectors and animal rescue officers attended a record 80,944 incidents.

The Scottish Government do not publish the number of people convicted of animal cruelty, but a Freedom of Information request from February 2016 shows that in 2013-14, 284 charges were brought by the Procurator Fiscal, and that in 2014-15 the figure was 184.

Brendan O’Hara (Argyll and Bute) (SNP): My hon. Friend is making a powerful speech. Like her, I, too, have an extremely large mailbag, with letters from constituents who are very concerned about this issue. We have heard an awful lot today about puppy farming, but not much about organised dog fighting. Does she share my concern that there are organised dog-fighting gangs in operation throughout the United Kingdom and does she agree that penalties and sanctions against these people should be much stronger and much harsher than they currently are?

Patricia Gibson: Absolutely. In fact, we had a debate in Westminster Hall on that very issue. Like general animal welfare issues, it is a subject on which all people in all parties can unite. This is a despicable act, an horrific example of cruelty, that is conducted purely for the purposes of making money.

We all know that the popularity of programmes such as “Animal SOS”, “The Dog Rescuers”, “Pet Rescue” and “Animal 999” has raised public awareness of the animal cruelty and neglect taking place in our communities, but we must continue to be mindful of the crime of animal cruelty. It is a serious crime in our own neighbourhoods. Governments must lead by example, and I am proud that the Scottish Government have confirmed a host of new measures to improve and protect animal welfare. I am talking about tough new regulations on the use of electronic training collars; the prohibition of electric pulse, sonic and spray collars unless used under the guidance of a vet or another trained professional; a ban on wild animals in travelling circuses; and tough action on dog fighting and on irresponsible dog ownership.

When we see neglect, we must continue to ensure that the laws protect animals from such treatment, and that these laws are always fit for purpose. Sadly, there are too many cases, as reported by the SSPCA, of people who simply do not know how to look after an animal properly. It seems that quite a significant number of well-intentioned people welcome pets into their homes, but are simply unequal to the task of giving them the care that they need. That tells us that a job of public education and information needs to be undertaken so that potential pet owners are well acquainted with the full responsibility that having a pet places on their shoulders.

Where we find wilful cruelty—unfortunately, we find it too often—we must take it extremely seriously. As we have heard today, there is a connection between the wilful mistreatment of animals, and violence and mistreatment of fellow citizens. That, as well as protecting animals, should give us pause for thought. I am ashamed to say that the SSPCA has reported cases of “unimaginable cruelty”, and I honestly do not believe that a life ban on owning a pet is sufficient censure for such behaviour towards a helpless animal. There is plenty of evidence that such cruelty is a precursor to, and has a clear link with, violence against other people.

Fines or community service orders do not offer much of a punishment or deterrence against such behaviour. Cases such as deliberately starving an animal to death, knowingly locking an animal in the boot of a car in soaring temperatures in the full knowledge and understanding that it will not survive such treatment, and other horrible examples that we have heard today must surely be eligible for a custodial sentence. However, we must all be vigilant when it comes to preventing cruelty to animals. We are the eyes and ears of the agencies who seek to prevent cruelty to animals and challenge it where it takes place. We all have a responsibility to report cruelty or neglect wherever we find it. The courts across the United Kingdom must send out a clear signal that wilful cruelty to animals will not be tolerated and will be taken extremely seriously.

Before I end, there is something that is of concern to us all: the need to be mindful of animal welfare standards in farming post-Brexit. Brexit poses a challenge to us all: the need to be mindful of animal welfare standards, which protects animal health, consumers and, of course, the environment. The EU sets down minimum standards. National Governments may adopt more stringent rules, but the UK Government have been resistant to gold-plating EU regulations in the past over fears that this would weaken UK competitiveness. As well as answering all the points that have been raised, I would like the Minister to reassure the House that there will be no diminution in our animal welfare standards as we seek to work towards unilateral treaties outside Europe.

2.13 pm

Chris Davies (Brecon and Radnorshire) (Con): May I join my fellow colleagues on the Environment, Food and Rural Affairs Committee and other hon. Members
here in thanking my hon. Friend the Member for Tiverton and Honiton (Neil Parish) for bringing this debate forward? It is always a pleasure to serve under his chairmanship on the Select Committee.

I will try to touch on a few points that have not been made in the Committee’s excellent report, but I must start by joining everybody else in talking about third-party sales and puppy breeding. I will be truthful: I went into the start of the Select Committee inquiry thinking that it was a bad idea to ban third-party sales. However, my opinion changed after looking at, listening to and reading the evidence, and seeing things with my own eyes while visiting a puppy farm in west Wales. There must have been 60 to 80 dogs when we looked around that puppy farm. They were all in tiny enclosures with 3 feet high walls, so they could not see out or see their neighbours. They could not be dogs. It was quite distressing because, although I could not look back and say that they were skinny, maltreated or in danger of needing relief and veterinary care, they just could not be dogs. Having had dogs all my life, I found that very disturbing and that visit made me change my mind.

Something that has sadly not been touched on today is the fact that there are many responsible dog breeders. We went to look for a dog only last year. I wanted a labrador and my wife wanted a whippet and, as is typical in our family—I have a wife and two young daughters—we ended up with a whippet, and a female whippet at that. We went to look at the bitch and the puppy down in the Vale of Glamorgan, where we had the choice of the litter. My children had to be there with us, and it was clear to me that we were being interviewed and interrogated by the dog breeder. If she had not thought us suitable, we would not have been going back a month or so later to pick up our puppy. That is what we should be aiming for. So far, we have all said what is wrong. We have all said that the law is wrong, but what we need is education and like-minded people to do the job of breeding dogs.

Something else that was clear when the Committee took evidence—I was quite surprised about this—was that even with the puppy farming here that we do not like, the country does not breed enough puppies to sustain demand. Hence, we have to bring in dogs from Ireland or mainland Europe. The situation really needs to be tackled. We need to look at how we can supply the demand in this country without these unfortunate practices. Wherever that may be, sadly leave their mother and do not even live to get to mainland Britain. That is a tragedy.

Dr Cameron: The hon. Gentleman is making an excellent speech. Does he agree that part of the issue with demand is about changing public attitudes? Cats and dogs homes are full of puppies that have been discarded. They might not be pedigrees, but they make extremely good pets and should be offered the opportunity of a good home.

Chris Davies: I could not agree more. Because of that, I was surprised that organisations such as the RSPCA, the People’s Dispensary for Sick Animals and Battersea Dogs & Cats Home were not keen on banning third-party sales. I am glad that they have now changed their minds. People now have a great choice in going to catteries and dog kennels to get an animal.

The British Veterinary Association has not been mentioned today, but it has come out with an excellent paper and it gave excellent information to the inquiry. It is a highly respected organisation, which says that “irresponsible dog breeding and the practice of puppy farming must be tackled as quickly as possible.”

All of us, including the Minister, agree with this excellent organisation. We must listen to such organisations, which have so much to offer and carry out a lot of the work on our behalf.

The BVA also came out with an interesting point about having a framework of animal welfare because we do not seem to have one. We have heard the “B” word all week with Brexit, but the “D” word is devolution. More and more powers are going to various parts of the country, but these various forms of devolution—Parliaments and organisations—are coming up with their own laws, making life difficult for veterinary surgeons, RSPCA officers and so on. For example, electrical pulse collars are now banned in Wales, but they can be used in England, Scotland and Northern Ireland. There are parts of my constituency with fields and commons where those collars would be illegal on one side and not on the other. Dog licences are required in Northern Ireland, but nowhere else on mainland Britain. There is separate legislation on control of horses in England and Wales, but none in Northern Ireland and Scotland. It really is getting terribly complicated for anybody who wants to comply with and enforce the law, so we need to think about a framework at some point.

I have owned horses all my life. Clearly, as the evidence shows and as we all agree, equine identification and traceability must be made simpler. There are over 60 passport-issuing organisations out there; the report recommends one single organisation. The national equine database closed in 2012, making this impossible to enforce. I ask the Minister where we are with this, because equines are vitally important, whether for leisure, work, or purely pleasure. They are great animals to have—I strongly recommend them—and we should certainly have the right system in place for them.

In closing, I am afraid that I must touch on the RSPCA. The report contains a very worthwhile set of points that should be looked at very seriously. Fund-raising, campaigning, investigation and prosecution do not fit together. As I said earlier, our friends from Scotland lead by example. The Attorney General has clearly said that there is capacity within his Department for us to look at this, and I strongly urge all Ministers that we should do so.

2.20 pm

Jim Shannon (Strangford) (DUP): I congratulate the hon. Member for Tiverton and Honiton (Neil Parish) on setting the scene so well and his hard work as Chair of the EFRA Committee. We all deeply appreciate not only his efforts, but the knowledge of the subject matter that he regularly brings to this Chamber whenever we debate farming issues. We all look forward to his contributions, whether on milking or, as in this case, on dogs and animal welfare.

I have received a substantial number of emails about puppy farms, and it is incumbent on me to put forward a plea on behalf of many of my constituents. We are often referred to as a nation of animal lovers. I believe that we are, by and large, but when we see examples of
animal cruelty by individuals, whatever the reasons for that might be, we realise that there are some nasty and evil people out there.

I should declare an interest. My wife is an active volunteer with Assisi, which is an animal charity that looks after cats and dogs. When I married her, I realised that I was marrying all the cats as well, so I became a cat lover, which I never was before.

The recently published plans to improve the licensing of animal breeding establishments are most welcome, but it is disheartening that it appears that, despite the calls from the EFRA Committee and numerous leading charities, a ban on third-party puppy sales is not being implemented. I look forward to hearing the Minister’s response to our concerns—he knows that I hold him in high esteem, as we all do in this Chamber. It is clear that while licensing and microchipping are necessary and good, that in itself will not address the problem of the puppy trade. In the words of my constituents, “it will not stop the cruel puppy trade.” There is something despicable and wrong about a puppy farmer continually and regularly breeding from a dog for the purpose of selling their pups, to the detriment of the dog’s health.

I have had dogs about me for all my life, whether Pomeranians, when I was very young, or Jack Russells in later years. They say, “You don’t own a Jack Russell terrier, the Jack Russell owns you.” I am not sure how true that is, but I know that the ones I had owned me. The hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart) referred to working dogs, of which I have a number—springer spaniels and cocker spaniels. Whenever we sold dogs when the mother had pups, we always made sure that the person who got that dog was suitable—the hon. Member for Brecon and Radnorshire (Chris Davies) referred to that. It was nothing to do with money; it was do with finding good homes. We wanted a good home for the dog, and we want legislation to ensure that that happens.

As other Members have said, it is thought that if the middlemen are eliminated, the dog-loving public will instead need to source their puppies from legitimate breeders or rescue centres, which will lead to a massive improvement in welfare standards for dogs. However, I must lay down a marker to the Minister in relation to labradors and alsatians—dogs that are prone to dysplasia. We need to do something about the fact that dogs and pups are often sold without the veterinary approval to say that they are free from potential physical disablement. I join with others who have called on the Government to put in place a ban on the sale of puppies without their mothers being present.

I again refer the Minister to legislation from the Northern Ireland Assembly. The hon. Member for Brecon and Radnorshire talked about the differences across all the regions of the United Kingdom. I think that we in Northern Ireland, if I may say so—we have to blow our own trumpet sometimes—have particularly good legislation. What discussions has the Minister had with representatives in Northern Ireland?

Animal cruelty sentences here are designed in such a way that if the defendant pleads guilty, their sentence is reduced, meaning that no matter how despicable the act of cruelty was, the sentence will be four months. That situation needs to change drastically. After having had a similar sentencing scheme in Northern Ireland, the Northern Ireland Assembly took steps to alter it, voting to change the law as part of the new Justice Act. The amendment means that the maximum sentence handed down in the Crown court for animal cruelty crimes increases from two years to five years. That is justice that fits the crime, and that is how the legislation should be across the whole United Kingdom.

There have been some instances of dog fighting in my constituency. Nothing grieves me as much as to say that, because it was a despicable act. We have a very active police force in Northern Ireland, with a specific wildlife officer set with the task of dealing with this. I happen to know the police officer responsible, because I have known her father for a long time. The police in Northern Ireland have been very active in trying to catch these people. Someone found guilty of causing unnecessary suffering to animals, or causing and attending an animal fight, will face up to 12 months’ imprisonment instead of six months, and the maximum fine for a conviction will rise from £5,000 to £20,000. That is the sort of legislative change and action that we need.

New powers are to be handed to Northern Ireland’s Director of Public Prosecutions to enable the appeal of animal cruelty sentences on the grounds of undue leniency. In the past, I have referred cases to the DPP for review, after which a stronger sentence has been handed down, as it should have been. That has happened not though my actions alone but those of many others. That, at the very least, must be replicated on the UK mainland. I sincerely urge the Minister to make contact with the Northern Ireland Assembly so that he can learn from the legislation and strategy that we have in place now. What discussions has he had with the Republic of Ireland, where the same legislation is not necessarily in place? What are we doing about the movement of puppies and puppy farms across the border and directly to the mainland?

The current system on the mainland does not even come close to ensuring that people understand the abhorrence of animal cruelty. A tough sentence must be available for offenders who persist in showing horrific cruelty to animals. I call on Minister—I know that he will respond positively—to take the time to ensure that steps are taken urgently to deal with the current failures on sentencing and puppy farming.

Several hon. Members rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): I call the patron saint of hedgehogs.

2.28 pm

Oliver Colville (Plymouth, Sutton and Devonport) (Con): Thank you, Mr Deputy Speaker.

I very much commend my hon. Friend the Member for Tiverton and Honiton (Neil Parish) not only for securing the debate, but for chairing the EFRA Committee, and producing this report about animal welfare and how we should take better care of animals. I congratulate the hon. Member for Redcar (Anna Turley) on telling in no uncertain terms her heart-wrenching stories about how some people end up abusing animals. I come back to the point that I made in an intervention: it is important that we better educate children so that they understand the value and importance of looking after animals.
I will not pretend for one moment that I have ever lived in a family with lots of dogs and cats, and things like that—[Interruption.] I can tell the stories about hedgehogs in a moment. However, the point that my right hon. Friend the Member for Chipping Barnet (Mrs Villiers) made about animals on farms is incredibly important.

It is important that we consider how to safeguard the animals of people with dementia. I am doing a lot of work with Professor Ian Sherriff of Plymouth University, who runs a dementia taskforce in the Yealm valley in Devon. The work is difficult. It found some people looking after a couple with dementia, but their animals were not being fed properly and there were problems to do with the drinking of water. My hon. Friend the Member for Tiverton and Honiton and the Minister might want to look at that—indeed, the EFRA Committee may wish to carry out an inquiry into this important issue.

I make no apologies for saying that the Government need to look at the whole issue of protected species and to be much more flexible. I have spent a lot of time in this place talking about our wonderful friends the hedgehogs, the number of which has declined by 30% over the past 10 to 15 years. I launched an online petition that ended up with 50,000 signatures, while another 12,000 people signed paper petitions. I will present those petitions with colleagues who participated alongside me, and we will try to make sure that the issue is addressed.

Flexibility is important, because there are some places where not only hedgehogs but seagulls—the other big issue that I have been taking up—are in decline. We need more flexibility. Hedgehogs are in decline partially because of the decking of properties and the taking away of the wildlife and grassland that they go into. Occasionally the problem arises because people put down poisonous slug pellets; the hedgehogs eat slugs that have been contaminated and then end up dying. The Government need to look at that. They also need to look closely at the traps that are being introduced for Tiverton and Honiton and the Minister might want to look at that—indeed, the EFRA Committee may wish to carry out an inquiry into this important issue.

I will touch on a couple of the report’s themes, namely sentencing and licensing, which have been addressed by many other colleagues. Puppy farming is a massive business in the UK. It is worth an estimated £300 million, so it is not small. To put it simply, demand outstrips supply, as we have heard, which leaves space for unscrupulous breeders to come in and operate. The report aims to address that.

We have the lowest sentences for animal abuse crimes in the developed world. As has been said—I am sure Members on both sides of the House agree that the UK has very high animal welfare standards. We pride ourselves on that, which is why it is strange and puzzling that our sentences for offenders are so low. The maximum sentence, as we have heard, is six months’ imprisonment and an unlimited fine. To put that in context, Northern Ireland, Latvia and Montenegro have maximum prison sentences of five years, which makes me think that we need to look at the issue.

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We have the lowest sentences for animal abuse crimes in the developed world. As has been said—I am sure that the Minister knows this, but I want to highlight it again—there is a very strong link between animal cruelty and domestic violence. One study found that in 88% of homes where child abuse had been discovered, there had also been incidents of animal abuse. Another study found that up to 83% of women who enter domestic violence shelters report that their abusers have also been abusing the family pet. That very worrying and strong link shows why we should take the issue so seriously.

People can get five years for fly-tipping—that is a serious offence, so we should not backtrack on such sentences—but if someone burns their pet or carries out gross abuse such as that described by Opposition Members, they might get only six months. That is absolutely unbelievable. Clearly we do not want to overload our prisons, but we need to have another look at the issue and not be coy about very serious cases.
them and abusing them verbally. It was absolutely horrific. The dairy farmer had no idea that that was happening until he was shown the video, which hon. Members can see online. The lad’s sentence is being considered at the moment, but it will probably not fit the crime.

I will quickly touch on internet sales, about which my hon. Friend the Member for Southend West (Sir David Amess) spoke eloquently. Many illegal puppy sales take place on the internet, and I am pleased that the Government are looking at the matter. I welcome the fact that breeders now require a numbered licence to sell puppies online. Many people want the Government to introduce a centralised register, as has been touched on. My daughter is always sending me pictures of cutey little puppies in handbags or in chocolate boxes that she has seen online. She says, “Mummy, why don’t we get one of these?” but I know for a fact that lots of those puppies have been illegally bred and imported, and they have probably been subject to some of the horrible things that we heard about in detail from my hon. Friend. Friend the Member for Brecon and Radnorshire (Chris Davies).

Oliver Colville: We will, I hope, have a nice long, hot summer. Does my hon. Friend agree that we will face the problem of people leaving their dogs in cars without taking steps to protect them, such as opening windows or leaving water in the car?

Rebecca Pow: My hon. Friend makes a pertinent point. Many colleagues will often see dogs locked in homes for hours on end when we are out canvassing. Many of those dogs now suffer psychological problems, and I gather that vets are giving some of them Valium to calm them down. There are loads of welfare issues that we have to deal with.

The Committee’s report called for the breeders of puppies to be required to apply for a formal licence if they breed three litters a year—that is definitely a step in the right direction. There are calls for the number to be reduced to two litters, to take account of any accidental litters, which often occur. And please do not forget cats—as a lover of Mr Tips and Raffa, my family’s two cats at home, I know that we must not forget cats. I applaud our Committee’s recommendation that the breeders of cats who have two litters or more a year should also be licensed and subject to the relevant welfare conditions.

Education has been mentioned, and I wonder whether there is any way we can give our local authorities—they are often the ones who have to police these things, and they are often under pressure—a bit more education in this area. I am not necessarily saying that we should throw money at them, but education and additional support might help councils to clamp down on offenders.

I am coming to the end of my speech, Mr Deputy Speaker, but I want to make a final point about our animal welfare standards in general as we exit the EU. My right hon. Friend the Member for Chipping Barnet (Mrs Villiers) touched on this. If the UK is to set itself up as an animal welfare exemplar for domestic pets and livestock—I believe that the Minister has that very much in mind—it is crucial that our regulatory framework is fit for purpose, and that framework should cover the use of antibiotics, which has been referred to, as well as how animals are kept and managed. That is essential if we are to build a British brand on this platform. We know what countries in the EU do, but we also need to know exactly what our global partners do, because we have to trade with them on equal welfare terms. I urge the Minister to consider that; it is something that the all-party group on animal welfare, which I chair, could have a look at.

I applaud the Select Committee report. There is still much to do on welfare, but we have taken many steps in the right direction and I know that the Minister is listening. The overall aim of all the work that is being done is to give our pets the happy, healthy and lovely life that they all deserve.

2.42 pm

Vernon Coaker (Gedling) (Lab): I want to make a brief contribution to the debate on the need to increase courts’ flexibility to sentence offenders for up to five years. As it stands, the maximum sentence is six months, and that has been the case since 1911. All Members have experienced considerable pressure from constituents about the issue. Constituents have contacted me to say that they simply cannot believe that the law has stayed in place for so long without being changed.

When we look at the cases that we deal with in our constituencies, as well as the cases reported in the newspapers, we can clearly see that courts need the flexibility to deal with those offenders much more severely than they can at present. Making this change would not compel the courts to sentence somebody for five years—it would not compel them to do anything—but, as the Minister knows, it would send a message to the courts that they have that power and they can use it if necessary.

I support the Committee’s recommendation, and I add the voices of my constituents in Gedling, and of many others from across the country, to those who ask the Government to review the matter as quickly as possible and change the maximum sentence from six months to five years. I hope that the Minister will take that on board and make the change as soon as possible.

2.44 pm

Dr Paul Monaghan (Caithness, Sutherland and Easter Ross) (SNP): The inquiry we are debating was conducted by a Sub-Committee of the Environment, Food and Rural Affairs Committee, and I was very pleased to participate as a member of it. We ordered our detailed report to be published on 2 November 2016, following scrutiny of 256 items of published evidence, seven evidence-gathering sessions and three site visits. I am very grateful to a number of organisations, including Pup Aid and the Scottish Society for Prevention of Cruelty to Animals, for the briefings they have provided for today’s debate.

I should say at the outset that the inquiry caused me, and I believe other members of the Committee, significant distress from listening to accounts of serious animal cruelty and, indeed, viewing at first hand animals in recovery shelters and those held in horrific conditions in puppy farms. The treatment and the plight of many of the animals we saw is simply unacceptable. As other hon. Members have done, I want to focus on two aspects of the inquiry: first, the recommendation that an immediate ban be placed on the third-party sale of dogs; and secondly, the recommendation that the maximum penalty for animal welfare offences in England be increased to five years in prison.
This inquiry learned that dogs are bred, sold and traded every single day. While the scale of the market for puppies in England is largely unknown, estimates suggest that somewhere between 700,000 and 1.9 million dogs are traded each year, with a street value of somewhere between £100 million and £300 million per annum. The public purchase puppies from a variety of sources, including unlicensed breeders and back-street traders, commercial licensed breeders and pet shops, illegal importers, Kennel Club registered breeders and excellent rescue organisations. Unlicensed breeders, commercial licensed breeders and illegal importers are the sources that caused us concern. We identified a significant variation in the quality of puppies, their viability and the welfare problems experienced by dogs from these sources.

The Breeding of Dogs Act 1973 and the Breeding and Sale of Dogs (Welfare) Act 1999 set out the licensing regime under which local authorities license dog breeding establishments in England. The legislation states that anyone carrying on the business of breeding and selling puppies must have a licence irrespective of the number of litters. However, owing to a lack of clarity, many local authorities in England have interpreted the legislation to mean that a licence is required only for those breeding five or more litters during a 12-month period. As a consequence, a large number of breeders are considered to fall outside the current licensing regime, which means there is no record of the dogs being born and no enforcement of welfare standards.

DEFRA’s recent consultation on its review of animal licensing establishments noted that there was confusion about the threshold and about how it should be used in practice. DEFRA has proposed clarifying the threshold at which a breeding establishment requires to be licensed, suggesting that in the future the requirement for a licence would be applied to

“(a) anyone in the business of breeding and selling dogs; or
(b) anyone producing three or more litters from their dogs in a 12-month period.”

Witnesses told us that they want a lower threshold. In fact, experts in animal welfare argued that anyone breeding two or more litters per year should be required to register as a breeder. The view is that while one litter might be unintended, anyone producing more than one litter a year is clearly running a business breeding dogs for sale, and I agree with that opinion. Witnesses also told us that those falling below this threshold should be registered with their local authority. For example, the National Companion Animal Focus Group told us that a registration scheme would

“ensure licensing authorities are aware of breeding dogs in their area, and can monitor when they fall into the definitions of commercial breeding”.

I also agree with that opinion. It is vital to bring transparency to ensuring that appropriate welfare standards are in place. For that reason, the Committee recommended that anyone breeding two litters or more per year should be licensed as a breeder, and that those falling below the threshold of a licensed breeder should be registered with their local authority.

Turning to commercial breeders, current requirements dictate that anyone who carries on a business of breeding dogs for sale must hold a licence from their local authority and meet certain conditions, such as providing suitable accommodation, food, water and bedding. Dog breeders are supposed to keep records to show compliance with those requirements. Puppies bred at licensed commercial breeding establishments are required to be sold at those premises or at a licensed pet shop. This is where the problems arise. Undoubtedly there are very good commercial breeders, but in evidence we encountered far too many examples of those requirements being ignored, with puppies being bred in substandard conditions on an industrial scale. Some of those establishments house as many as 200 breeding bitches. The cruelty and lack of care and attention was self-evident. In evidence, the Minister acknowledged that enforcement of the licensing regime was a “mixed picture”, with local authorities placing different levels of emphasis on it. That is an understatement.

We call for improvements in two areas in particular: the current legislation and licensing conditions, and the enforcement of the licensing regime. The current enforcement of the licensing regime is simply unsatisfactory. While some local authorities have developed expertise in animal welfare, the overwhelming majority of English local authorities lack any suitably qualified inspectors. We believe that a national inspectorate, which local authorities could call upon, would enable expertise to be brought to the licensing process. Such an inspectorate could also support local authorities in enforcing the licensing regime, undertaking inspections and dealing with complaints.

In respect of illegal importers, we found that puppies are being imported for commercial purposes under the non-commercial trade rules that were set up to allow the free movement of people’s pets through the pet travel scheme. Witnesses told us that loopholes originating in the UK mean that the pet travel scheme is abused by unscrupulous dealers and traders. Puppies are being moved as pets and then traded commercially at the final destination. Between the introduction of PETS in 2011 and 2015, there was an 850% increase in the number of dogs entering the UK from Lithuania alone. From Hungary the increase was 761% and from Romania it was 2,055%. As hon. Members have noted, puppies imported in that way are routinely bred in horrific conditions, are taken from their mother when too young and endure long journeys of over 1,000 miles. The welfare of those animals is severely compromised and many do not survive the journey.

During our inquiry, witnesses identified three areas of concern: the age at which puppies were allowed into the UK; a lack of enforcement checks by Border Force; and poor intelligence sharing between UK enforcement agencies. When buying a puppy, members of the public want to buy a happy, healthy animal from a reputable source; however, disreputable dealers are selling animals for huge profits without regard for their health and wellbeing, and leaving families with congenitally unviable, sick animals.

Witnesses told us that the Pet Animals Act 1951 was “thoroughly outdated” and that there is lack of clarity about what is and is not licensable activity. They had differing opinions on how to deal with current problems around the sale of animals. Some called for increased regulation, while others called for a ban on third party sales. On that point the RSPCA bizarrely changed its position several times within the period of the inquiry. The charities Dogs Trust and Blue Cross lobbied Ministers directly in ways that appeared to promote their narrow business interests rather than animal welfare, and disappointingly have chosen not to answer my subsequent correspondence seeking clarity on their position.
On this issue there is no excuse or room for implausible arguments. The Committee’s recommendation to ban third-party sales is essential if unlicensed breeding, commercial breeding and illegal importation are to be brought to an abrupt end. Removing the opportunity to sell abused animals would address the issue. The advice to the public is simple: never buy a puppy that is not with its mother. Those ignoring that advice are supporting horrific puppy farming and regimes of cruelty that are of epic proportions.

I am coming on to my conclusion, Mr Deputy Speaker. Turning to sentencing policy, the sub-committee found that England and Wales has the lowest maximum custodial sentences for animal cruelty in Europe. Scotland currently has a maximum sentence double that of England and Wales, and Northern Ireland is to be applauded for recently increasing its maximum limit to five years. Our witnesses expressed grave concern that sentencing powers under the Animal Welfare Act 2006 are too low, neither recognising the seriousness of the offence nor acting as a significant deterrent.

The Association of Lawyers for Animal Welfare noted that sentencing powers in England under the Animal Welfare Act are some of the weakest within the international community. The RSPCA noted increasing inconsistency in sentences available in differing animal legislation in England. For example, the Law Commission recently recommended the imprisonment for up to two years for cruelty to wildlife. Under the Anti-social Behaviour, Crime and Policing Act 2014, a person can be sentenced to three years if their dog injures a guide dog, but for only six months if they beat their dog to death with a baseball bat in front of their children in their living room. If the same individual then dumped the corpse illegally, they could be sentenced to five years for fly tipping. If they stole the baseball bat, they could receive a sentence of seven years for shoplifting. This is ridiculous and unacceptable.

DEFRA responded to the inquiry report on 27 January 2017. The response began:

“We have the best animal welfare in the world and we are a nation of animal lovers.”

I say to the Minister that in fact England has some of the poorest animal welfare in the world. I have seen it. If he really wants to show respect to animal lovers in England, of whom there are very many, he must implement the Select Committee’s recommendations.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I ask those on the Front Bench to try to stick to nine minutes, otherwise Members in the second debate will not be able to speak.

2.56 pm

Sue Hayman (Workington) (Lab): I thank the hon. Member for Tiverton and Honiton (Neil Parish) for bringing this debate to the Chamber, and for his continued chairmanship of the Environment, Food and Rural Affairs Committee. We have had excellent contributions from both sides of the House, including many from members of the Select Committee.

I would like to speak broadly in favour of the Committee’s recommendations. It is an excellent and thorough report, and I recommend that everyone read it.

Having seen the RSPCA’s response to the report, I concur with its assessment of the recommendations and urge the Government to pay heed to them.

It has been said that Britain has the best animal welfare in the world. The Animal Welfare Act 2006 was a landmark piece of legislation and we in the Labour party are very proud of it. Acting upon the report’s recommendations would cement our position as world leaders and ensure that our high standard of animal welfare is maintained. I would like to touch on two main points from the report, areas that have been admirably covered by my hon. Friend the Member for Poplar and Limehouse (Jim Fitzpatrick).

First, I agree with the Committee and the RSPCA that the Government should ban the third-party sale of dogs. Dogs should be available only from licensed, regulated breeders or approved re-homing organisations. The Pet Animals Act 1951 requires third-party sellers of dogs to hold a pet shop licence. However, this licensing is not protecting the welfare of all dogs or the interests of consumers, so the current situation is no longer fit for purpose. Licensing must be considered appropriate for third-party sales only if it meets the welfare needs of puppies. It serves no purpose if it does not mitigate risks or prevent harm. The only solution to protect the welfare of puppies is to ban third-party sales entirely.

International studies have found that puppies obtained from pet shops are more likely to be aggressive towards people, fearful, prone to separation anxiety, and infected with parasites and pathogens to a significant level. Behavioural problems are the most common cause of euthanasia in dogs under two years old, with the most common cause of fear and aggression being a lack of socialisation during the critical period up to 16 weeks old. Responsible breeders, by definition, will not sell puppies through third parties.

The third-party licensed pet shop market depends on demand, and sustains low welfare breeding. As long as there is a market for cheap, intensively bred puppies, welfare problems will persist because the incentives for non-compliance far exceed the potential penalties.

We heard about online sales from the hon. Members for Southend West (Sir David Amess) and for Taunton Deane (Rebecca Pow). Demand has also been mentioned, and we need to look at that as well. Availability may artificially inflate demand, so reducing the supply of cheap, poorly bred puppies from dealers will promote a more responsible buying culture. A ban is vital to protect the welfare of puppies, and to serve as an essential first step in the improvement of standards in high-risk breeding establishments.

When we bought our family dog, a lovely chocolate labrador called Max, we knew how to find him—we knew who to buy from: we knew where to find a responsible breeder—but not everyone knows how to do that. We need to protect consumers from irresponsible breeders, and help them to make responsible purchases. We must ensure that animal welfare comes before profit. The Government must place a statutory duty on local authorities to enforce the Animal Welfare Act so that it has proper teeth, and then give local authorities adequate resources with which to enforce the regulations made under the Act.

The Committee recommended an increase in the maximum penalty for animal welfare offences to five years. My hon. Friend the Member for Redcar (Anna Turley) has
done a huge amount of work on that with Battersea Dogs & Cats Home; I am grateful for her contribution today, and I am proud to support her campaign. Labour’s Animal Welfare Act created and amended a number of offences—for instance, causing deliberate harm or any unnecessary suffering to an animal, and wilful neglect. Such offences carry a maximum penalty of six months’ imprisonment or an unlimited fine: the penalty was raised in 2015 from a maximum fine of £20,000. The Act also includes a provision to increase sentences to 51 weeks under the “custody plus” system, consisting of a combination of community service and imprisonment. Current sentencing guidance issued by the independent Sentencing Council states that the starting point for attempting to kill, torture or cause prolonged neglect to an animal and the permitting of fighting is an 18-week custodial sentence, with a range of between 12 and 26 weeks in custody.

Unfortunately, the Government have yet to make any significant changes to ensure that the punishment for animal cruelty reflects the gravity of the crime. They should consider increasing magistrates’ sentencing powers, and providing for the most serious cases of abuse to be heard in the Crown court. Groups such as the League Against Cruel Sports, the RSPCA, and Battersea Dogs & Cats Home have expressed concern about the sentences for animal cruelty, which do not always appear to match the abuse suffered by the animals, especially in the case of extreme cruelty such as dog fighting. Sentences—which were mentioned by my hon. Friend the Member for Gedling (Vernon Coaker)—must reflect the seriousness of such crimes.

The Labour manifesto of 2015 committed us to improving protection for cats and dogs. We support the call by the League Against Cruel Sports for the implementation of its dog fighting action plan, which would include the holding by statutory agencies of a national register of individuals banned from keeping dogs. The RSPCA has run campaigns calling on the Government to undertake a review of sentencing for animal cruelty under the Animal Welfare Act, and to amend it to allow tougher sentencing for offences such as animal fighting. Of the 752 people who were found guilty of causing, permitting or failing to prevent unnecessary suffering to animals in 2014, only 76 received a sentence involving immediate custody, and only about half that number received custodial sentences of more than three months.

Finally, I have a couple of Brexit-related questions for the Minister. First, will he commit himself to maintaining all existing animal welfare legislation post-Brexit? Secondly—this was mentioned by the right hon. Member for Chipping Barnet (Mrs Villiers)—does he agree that any trade deals struck post-Brexit must respect the high animal welfare standards of the UK, and must not undermine the ability of British farmers to compete at home?

I look forward to the Minister’s response, and hope that he will take on board the many excellent recommendations in the Committee’s report.

3.4 pm

The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice): I congratulate my hon. Friend the Member for Tiverton and Honiton (Neil Parish) on securing this debate on a matter that affects so many of us, and thank him for his Select Committee reports into animal welfare in England that we are debating today.

Last month my Department published proposals to overhaul the laws on a number of animal-related licensing schemes, such as the regulations on pet vending, animal boarding, riding schools and dog breeding. The main aim of our proposed changes is to improve animal welfare and to make the licensing schemes easier to enforce.

I want to begin by talking about the issue of dog breeding, which a number of Members have raised. As my hon. Friend will recall from the time when I was on the Environment, Food and Rural Affairs Committee, I have long argued that we should reduce the threshold before which people have to be licensed by the local authority to breed dogs. I have argued that for some six months, and it is a pleasure to remain in a position in DEFRA for long enough to actually see through something I have argued for for so long. Included, therefore, in our proposals is that anyone breeding and selling more than two litters in a 12-month period will need to be licensed by their local authority. This will have the effect of increasing substantially the number of dog breeders needing to be licensed by about 5,000 per year.

We have also, crucially, proposed that statutory conditions will be applied to all licensed establishments. In relation to dog breeding, that will mean that basic standards taken from the model licence conditions and guidance for dog breeding establishments 2014, published by the Chartered Institute of Environmental Health, will be applied directly to all licensed breeders.

We had in our consultation initially proposed that there could be an exemption from requiring a licence for breeders who signed up to United Kingdom Accreditation Service-accredited schemes. The Committee and others expressed concerns about going that far, so we listened and have modified that proposal to enable local authorities to recognise risk and to recognise people who sign up to accreditation schemes without removing entirely the need for a licence.

On the question of a ban on selling dogs by third parties, which a number of hon. Members have raised, I understand the desire to try and help potential buyers realise that puppies should be seen with their mothers before they are purchased. Indeed, DEFRA makes such a recommendation. However, I think the specific proposal for an outright ban on all third-party sales is more problematic.

First, we have to consider who would enforce it and how they would do so. Local authorities have to balance their local priorities, and trying to establish whether a particular online advertiser of puppies is located in their area would require the commitment of considerable resources. As I have said, we have already increased the burden on local authorities by taking the number of people required to be licensed from 600 to some 5,000. The demand for dogs is also such that in our view there is a significant risk that an outright ban on third-party sales would simply drive the market underground.

We have therefore decided to address the problem in a different way, through a tougher approach to licensing provisions and to enforcement of the provisions in the Pet Animals Act 1951. First, we are placing beyond any doubt that online commercial sellers need to have a licence. It is not a pet shop licence; it is now a licence for
animal sellers, and we will make that absolutely clear in revisions to the licensing conditions. Secondly, as with dog breeders, we propose that statutory conditions should be applied to all licensed pet sellers, whether online or a shop. These will again be based on the Chartered Institute of Environmental Health model conditions for pet vending licensing of 2013. Thirdly, we have also made it clear that, as a condition of having such a licence, if breeders advertise online they will in future need to state their licence number. That will be particularly important in helping with enforcement. I believe that these steps to strengthen the licensing regime currently set out under the 1951 Act go a long way towards addressing the concerns raised.

A number of hon. Members, including the hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron), raised the issue of puppies being brought through ports. I know there are concerns about the import of puppies for sale, and this is an area where we take action. It is a condition of approval that the transport company checks 100% of all those pets declared to them for compliance with the current EU pet travel scheme. Stringent penalties are in place for those who breach the law by smuggling pet animals or using false documentation.

The Animal and Plant Health Agency has been conducting random audit checks on pet animals arriving in Great Britain. Since December 2015, the agency has been working with Kent County Council, Dover police and the Dogs Trust to identify under-age dogs, and in that time, 489 puppies have been seized and placed in quarantine kennels. The majority of them were judged to be younger than the age given on their passports. We have taken action, through our chief veterinary officer, to escalate our concerns to the authorities in the relevant countries from which the dogs came. We take this issue very seriously.

I shall turn now to the crucial part of the debate: the issue of maximum penalties for animal welfare offences. The hon. Member for Redcar (Anna Turley) gave the House some touching examples of cases that she had seen in her constituency. I know that she and my hon. Friend the Member for Torbay (Kevin Foster) have both recently introduced private Members’ Bills to address this question, and the hon. Lady expressed her frustration at the Whips having objected to her Bill. I can tell her that she joins a large and illustrious club of hon. Members who have faced such a fate—myself included, some years ago—so she should not take it personally.

This is fundamentally a matter for the Ministry of Justice, but my Department obviously works closely with the Ministry. At present, the maximum penalty for such offences is six months’ imprisonment and/or an unlimited fine. The unlimited fine was raised from £20,000 only in 2015. In addition, offenders can be disqualified from not only owning an animal but from having influence over the way in which an animal is kept, for as long as the court sees fit. This is an important point because it covers not only owning an animal but issues such as arranging transport.

My noble Friend Lord Gardiner in regular contact with the Ministry of Justice to discuss the question of maximum sentences. Current sentencing practice for such offences does not suggest that the courts are finding their sentencing powers inadequate. That is to say that changing the maximum sentence would not make a difference if the courts consider a lower sentence appropriate. However, the Sentencing Council has recently reviewed the magistrates court sentencing guidelines, including those relating to animal cruelty. The revised guidance, which is published on the Sentencing Council’s website and which will be effective from May, will allow magistrates more flexibility when imposing penalties towards the upper end of the scale. In addition, I will ensure that hon. Members’ representations for a change in the legislation to allow for higher maximum penalties are relayed to colleagues in Government.

I want to turn now to some of the other points that have been raised in the debate. My hon. Friend the Member for Tiverton and Honiton raised the question of an animal abuse register. I know that the police are considering how they can improve access to the register that they already have. The police national computer provides a searchable single source of locally held police operational information, and there is existing functionality for a police officer to apply a person marker, which can also deal with this issue. My hon. Friend also raised the question of enforcement. We are in discussions with the National Companion Animal Focus Group to try to develop standards of competency and to raise all local authorities to the level of the best.

My hon. Friend the Member for Southend West (Sir David Amess) raised the issue of the Pet Advertising Advisory Group. I would like to pay tribute to the six website groups—Gumtree, Pets4Homes, ePupz, Preloved, Viva Street and the Hut Group—that have signed up to this. In many cases, those organisations automatically email guidance on keeping pets to people who make a particular search. Organisations including Gumtree immediately take down adverts posted by people who are making repeat sales and high volume sales. It is through working with such organisations that I believe we can make good progress.

My right hon. Friend the Member for Chipping Barnet (Mrs Villiers) and the hon. Member for North Ayrshire and Arran (Patricia Gibson) raised the issue of farm animal welfare, which I know we have covered before. As I have explained, we have a manifesto commitment to reflect farm animal welfare in our future farm policy. My hon. Friend the Member for Taunton Deane (Rebecca Pow) and for Plymouth, Sutton and Devonport (Oliver Colvile) talked about education. We are, through our consultation, planning to introduce a requirement for pet sellers to give guidance to people on certain pets, particularly exotic pets. Guidance relating to pet animals also exists in the current school curriculum.

3.14 pm

Neil Parish: In chairing the Environment, Food and Rural Affairs Committee, I am fortunate to have great members who are supportive and good at attending, and five of them really contributed to today’s debate. I thank everybody on both sides of the House for their contributions. We have been a united force in wanting stiffer sentencing, and many have called for a ban on third-party puppy sales. We also want to ensure that we stop the importation of puppies through our ports, so that illegal puppies are not brought into this country. I thank the Minister for his support, but I want more from the Government on stronger sentencing. We want
action. I also thank the shadow Minister for her support. We have had a really good debate, and I thank all Members for supporting the report. We need action now. The Animal Welfare Act 2006 is 10 years old and needs a lot of tightening up. We are a nation that loves animals, but unfortunately there are people out there who do not, and they must be dealt with strongly. All Members across the House have made that point clear this afternoon.

Finally, I thank the Kennel Club, the BVA, the all-party parliamentary group for animal welfare, the RSPCA, the SSPCA, Battersea Dogs & Cats Home, Dogs Trust and the staff of the Department for Environment, Food and Rural Affairs for helping to put the report together and for giving evidence. Following our report, I look forward to the Government taking even greater action than they already have.

Question put and agreed to.

Resolved,

That this House notes that current penalties for animal welfare offences in England are among the lowest in Europe; believes that while the Government’s plans for a new licensing regime for dogs in England is welcome the Government should consider a ban on the third party sale of dogs; and calls on the Government to increase the maximum penalty for animal welfare offences to five years, as recommended in the Environment, Food and Rural Affairs Committee’s Third Report, Animal welfare in England: domestic pets, HC 117.

_3.16 pm_

**Ian Mearns** (Gateshead) (Lab): I beg to move,

That this House has considered matters to be raised before the forthcoming Adjournment.

I speak today as the Chair of the Backbench Business Committee, and on that note, I thank my esteemed colleague the hon. Member for Harrow East (Bob Blackman), who so eloquently filled this spot on my behalf on a couple of occasions.

We have heard time and time again that we must spend within our means and that cutting public expenditure is necessary to bring down the deficit. I am not just the Chair of the Backbench Business Committee; I am also the Member of Parliament for Gateshead, and I am afraid to say that Gateshead has not been doing well out of the Government’s programme of public expenditure cuts. We are told that slashing public services and increasing the complexity of our social security system are necessary to pave the way for countrywide prosperity in years to come, but I want to offer some home truths and facts and figures from my constituency.

My local authority, Gateshead, will have a £92 million funding gap by 2021. Real and damaging further cuts will have to be made, and I have no doubt that my already suffering constituents will face more misery. Our unemployment rate is twice that of the national average, the average weekly pay for a constituent is £20 less than the regional average in the north-east and £70 less than the UK average, and 26.8% of our children are living in poverty. That is just the tip of the iceberg in Gateshead. Significant numbers of my constituents are underemployed in part-time work, on zero-hours contracts, or juggling multiple part-time jobs to make ends meet. Many families in my constituency live in poverty, but many are living just above the bread line and also struggling. They are not “just about managing”; many of my constituents are really struggling. I appreciate that I have so far painted a bleak picture of my constituency, but it would be greatly remiss of me not to do so, because I am constantly aware from my casework workload that that is a fact of life for so many people.

There are, of course, some wonderful organisations and people, and a wide array of different cultures, in Gateshead. Just last week, on our annual single day of unbroken sunshine, I had the pleasure of walking from the heart of Gateshead—I live in the neighbourhood of Bensham—down towards the Gateshead quays. I walked through the Sage Gateshead music centre and on to the quayside by the Baltic centre for contemporary art. I could have been forgiven for thinking that I was in a tourist trap in any number of destinations across the world.

Gateshead is a great place to live and work. For those with a well-paid job, the quality of life can be very good. We are close to the countryside and to the coast, and we have the nightlife in the Newcastle-Gateshead conurbation. It could be argued that, for those in work, we probably have some of the best quality of life anywhere in the country.

Gateshead remains a hive of multiculturalism, too. Only three weeks ago the orthodox Haredi Jewish community where I live celebrated Purim, which is an event in itself. The youngsters from the community...
really go to town, as it were, and are encouraged to do so. It is a fantastic event, and I live in the heart of that community. Purim is an event enjoyed not only by those who participate but by those in the community who appreciate the benefits of that diversity.

Earlier this month, along with students from the National Citizen Service, I pressed the button to tilt the Gateshead millennium bridge to celebrate the fantastic opportunities that the NCS offers to young people in Gateshead and across the north-east.

Jim Fitzpatrick (Poplar and Limehouse) (Lab): Is that the bridge that goes from Gateshead to Newcastle? It is the Gateshead millennium bridge, is that right?

Ian Mearns: It is indeed, and I will come on to that in a moment.

The NCS in my constituency is already oversubscribed for the summer placements on this year’s programme, and the young people who have been involved are a credit to my constituency.

The Gateshead millennium bridge is a magnificent feat of engineering, and it truly is an iconic landmark. On the Newcastle side of the bridge is a glass structure upon which the words “Gateshead millennium bridge” are emblazoned. On the Newcastle side of the river is a little piece of Gateshead in a foreign land that will be for ever Gateshead. A bridge that has, by its very nature, managed to secure a foothold for Gateshead on the Newcastle side of the river is an impressive achievement. Some Members will appreciate the importance of that to those of us from the Gateshead side.

I also continue to chair the governing body of one of my local primary schools, Kelvin Grove. The school, in the heart of Bensham, Gateshead, was rated good by Ofsted only a couple of months ago. Gateshead has an array of cultures within its population, and a significant proportion of students have English as a second language. At the last count, a total of 27 different languages were spoken by pupils at that school, and I am sure Members will agree that, although the mix of languages poses difficulties and complexities for the learning environment, there is no doubt that such diversity also has a significant positive effect on the education of all our young people in that neighbourhood. It is a great place to live in many respects.

There are further funding cuts to education, persistent problems in the NHS across the country, which we heard about over the winter, and the localisation of business rates. That localisation will have a negative impact on regions such as the north-east of England, where the 12 local authorities will lose some £300 million whereas Westminster, if we believe the figures published last year, will on its own gain more than £400 million, so we can see how it will have a different impact in different parts of the country. With all that happening, my constituents have little hope of benefiting from some of the measures of prosperity that we are told other parts of the country are currently enjoying or will enjoy. The Prime Minister pledges to have a country that “works for everyone” but, sadly, our definition of “everyone” varies somewhat, because the impacts of what is going on are very different in different places.

I have highlighted and will continue to highlight some of these injustices in this House and to anyone else who can understand what I am saying, but now I wish to take the opportunity to highlight some of the great things happening in Gateshead, despite some elements of Government policy that are having a detrimental impact on us. With colleagues from the Select Committee on Education, I had the pleasure of visiting Gateshead College in my constituency a couple of weeks ago. Despite significant cuts to funding for further education, Judith Doyle, the principal, and her team have ensured that Gateshead College remains one of the best further education colleges in the country, and only last year it was rated as “outstanding” by Ofsted. It is imperative in communities like Gateshead that we have institutions that have the ability to train our future workforce, in an environment that gives our young people the best opportunity to succeed going forward into their working life. Gateshead College, with its rich and diverse offer, is a fine example of this, and I am proud to have it in my constituency and to represent it.

Turning back to local government for a moment, significant cuts to the revenue support grant have forced local authorities to come up with ever more creative ways to plug the holes in their budgets and help grow the local economy. I was delighted to see the Under-Secretary of State for Business, Energy and Industrial Strategy, the hon. Member for Hereford and South Herefordshire (Jesse Norman)—visit Gateshead earlier this month to open the new £18 million Gateshead district energy centre, which uses cutting-edge technology to recycle heat from the energy generation cycle, using it to heat homes and businesses and water throughout the centre of Gateshead. It is hoped that the scheme will provide local homes and businesses with affordable energy, as well as making Gateshead an attractive place for new businesses to invest, taking advantage of the lower energy costs. I hope that all hon. Members will join me in congratulating Gateshead Council on taking the bold step to self-fund the entire project, for the benefit of local residents, businesses and employers.

In Gateshead, my constituents are very fortunate, as we have a fantastic hospital trust, operating out of the Queen Elizabeth hospital, which provides excellent service and care for all of its patients. I wish to place on record my thanks to not only the staff at the Queen Elizabeth hospital, but all staff in the NHS across Gateshead and the north-east for their unreserved commitment and dedication to ensuring that every person of every background is afforded the care that they very much deserve. Colleagues will be aware that I, too, have had to use the services of the NHS in my constituency, and on a personal note I would like to place on the record my thanks to my GP, Dr Ruth Bonnington, and my physiotherapist, Shane Ryan, for greatly accelerating my recovery from the slipped disc I suffered some weeks ago. Without their care and attention, I would not be here to make this contribution today.

Finally, I wish to pay tribute to the outstanding work that the voluntary sector does on a daily basis to help my constituents who often have nowhere else to turn. Whether it be in dealing with benefit sanctions, homelessness or illness, organisations such as the Gateshead citizens advice bureau, Barnardo’s, the Trussell Trust, the Gateshead food bank, and many more organisations and individuals across Gateshead, put their lives on hold to ensure that...
those most vulnerable in our communities receive the help and support they most desperately need. They are the real unsung heroes in our communities, and I would like to thank them for everything they do.

The north-east has a proud track record of donating to charity, despite the relatively low incomes people live on there. Our record on donating to things such as red nose day or Children in Need shows that we often exceed the national body’s expectations. Despite low incomes and indeed poverty, we have very successful food bank collections. The points are often overflowing with food, which has often been donated by families who are struggling themselves. Sadly, despite the generosity of my constituents and others across the north-east, organisations providing often vital support to those most in need continue to find themselves short of resources. So as much as my constituents already give, I ask them from the Floor of the House of Commons to carry on and give more—it is needed.

As I open the debate, I look forward to the speeches of hon. Members from both sides of the House. Before I finish, Madam Deputy Speaker, may I wish you, the staff of the House and all hon. Members a very happy Easter?

Madam Deputy Speaker (Natascha Engel): Thank you. As in the previous debate, if Members stay within an eight-minute limit, everyone will be able to get in and there will be plenty of time for wind-ups. That is not an imposed limit, just guidance for Members.

3.29 pm

Bob Blackman (Harrow East) (Con): It is a pleasure to follow my friend the hon. Member for Gateshead (Ian Mearns), who is your successor as Chairman of the Backbench Business Committee, Madam Deputy Speaker. I look forward to passing through his constituency, over the Gateshead Millennium bridge, on my way to see Newcastle when they return to the premier league next season, as no doubt they will. A little while ago, I got myself into trouble by being pleased that I would not have to make that journey again.

Ian Mearns: Please do not jinx them, for goodness’ sake!

Bob Blackman: Even Newcastle would find it difficult not to get promoted after the season they have enjoyed so far.

In two years’ time, when we have the pre-recess Easter Adjournment debate, we will be celebrating Britain’s freedom from the yoke of the European Union; much of this speech will be about unfinished business as the House rises for the Easter recess.

I am delighted that my Homelessness Reduction Bill had its Third Reading in the other place last Thursday and now awaits Royal Assent from Her Majesty the Queen. I place on record my thanks and appreciation to Lord Best, who ensured the Bill’s smooth passage through the other place. We can look forward to it becoming law in the not-too-distant future. The Department for Communities and Local Government is doing all the necessary work to prepare local authorities for their duties under the new Act. I trust that it will advantage homeless people throughout the country forevermore.

I also place on record my thanks and appreciation to Glenn McKee, who was the Clerk of the Public Bill Office and before that the Clerk of the Communities and Local Government Committee, and who is retiring after, I believe, 34 years’ service. He gave brilliant help and assistance to ensure that we did everything necessary to get that private Member’s Bill through.

On unfinished business, we had a wonderful debate last week on Equitable Life. I have the privilege of co-chairing the all-party group on justice for Equitable Life policy holders, which now has more than 230 MPs as members. I shall not go over that debate, but let me be clear that we will not cease until such time as every individual who suffered as a result of that scam is properly compensated. The Government have a debt of honour, and it sends the wrong sort of signal to young people in this country when, at a time when we are asking them to save for their old age, the Government will not properly compensate the people who suffered, even though it is proven beyond doubt that the regulator, Equitable Life and the Treasury knew about the scam but did nothing about it. We need to right that wrong.

I am also chair of the all-party group on smoking and health. Smoking is the single biggest cause of cancer, heart and respiratory disease in this country, with 78,000 people alone dying unnecessarily each year. I am concerned that we still do not have the tobacco control strategy that the Government announced. The previous one ran out in December 2015. There has been an extended period of consultation on why a new strategy needs to be put in place, so I trust that the Government will publish the long-awaited strategy shortly after Easter, so that we can get in place the measures we need to take to combat this terrible affliction and addiction.

Ian Mearns: The hon. Gentleman makes an important point about the tobacco control strategy. He mentioned football earlier: I used to say that the 90,000 people who died each year was around the capacity of Wembley; now, we are talking about the capacity of Old Trafford, but it is still very serious. The tobacco control strategy really is long overdue.

Bob Blackman: I thank the hon. Gentleman for his comments. He is absolutely right.

I welcome the fact that the Government introduced a minimum excise duty in the Budget, and it will add, on average, some 35p to a packet of cigarettes. The money should go to the national health service to ensure that treatment is provided. We have introduced standardised packaging and a whole series of other measures to encourage people not to smoke, but that has meant that a number of local authorities are either phasing out, or removing completely, their smoking cessation services. The job is not yet done. In my own local borough of Harrow, the stop smoking services are being removed. Closing those services is a false economy when they have helped 1,751 people to give up smoking in the past two years alone. Such a move will return to haunt us unless we invest properly.

This week, the Government published the long-awaited consultation document on the use of the term “caste” and on caste discrimination, which was introduced in the Equality Act 2010. The term was added in the other place via an amendment to the Enterprise and Regulatory Reform Act 2013. There was no proper oversight or
proper debate on the repercussions of introducing such a term into the British legal framework, and indeed it was not properly debated in this Chamber either. A considerable amount of hurt has been suffered by the Hindu community in particular. I encourage the whole Hindu community across the UK to participate in the consultation, so that we can get this unnecessary, divisive and ill-thought out legislation off the statute book once and for all.

I have also raised in the House this week Pakistan’s decision to annex Gilgit-Baltistan, which had been illegally occupied by Pakistan in the first place. The annexation has caused widespread concern across the community and across the whole of Jammu and Kashmir. The reality is that we in Britain have a strategic role in helping to bring this divisive issue to an end, and we should use our good offices to prevent Pakistan increasing the impact on this area, especially as it had no right to occupy the area in the first place. The United Nations has registered that in a series of resolutions, yet Pakistan chooses to ignore them. We should ensure that we put that right.

Keith Vaz (Leicester East) (Lab): I support everything that the hon. Gentleman says in respect of both the caste legislation and Pakistan, but may I bring him a little closer to home? He is a great campaigner for his local constituents. I am a frequent user of Stanmore station. Whenever he has spoken in such debates, he has mentioned the new lifts to be installed at the station. Has he brought any good news to this debate about those lifts?

Bob Blackman: I would dearly love to give the right hon. Gentleman good news about Stanmore station, especially as he uses it regularly. The sad fact is that a planning application was made by a private developer for a site alongside Stanmore station. The developer offered £1 million towards providing a lift. Harrow Council’s planning committee, in its infinite wisdom, decided to turn it down. It did not want the £1 million, so the developer, not unreasonably, took it away as part of their offer, but they still got their planning application for the flats alongside the station, which has received lots of objections from residents.

Madam Deputy Speaker, I realise that I am transgressing your informal time limit, but, having given way a couple of times, I will conclude on three quick issues that are of particular concern to local residents.

First, Harrow Council introduced the unwanted garden tax at the highest level in London—the highest garden tax in the country for garden waste collection—and has now increased it even further in this year’s budget. It is rightly objected to by residents all over the Borough of Harrow. Secondly, I am delighted that progress is happening, albeit slow, on the redevelopment of the Royal National Orthopaedic hospital, which I have been campaigning for an extended period.

The final issues are of education and the police service in Harrow. I have registered with the Secretary of State my concern that the proposed new fairer funding formula will discriminate against schools in Harrow, as 17 schools in my constituency will actually lose money, not just in real terms. That is completely unacceptable. Equally, the concern about police funding is that the new proposals for amalgamating boroughs will mean that Harrow, which is the safest borough in London, will lose police and therefore be at greater risk of crime. That is also completely unacceptable, and I trust that we will put it right.

Madam Deputy Speaker, I wish you, the staff and everyone else involved in running the House a very happy and peaceful Easter. I look forward to coming back after the recess suitably refreshed. I apologise in advance that I am unlikely to be here for the wind-ups and the reply from the Deputy Leader of the House; I have to use the national health service for a long-awaited medical appointment that has to take precedence in these circumstances.

Madam Deputy Speaker (Natascha Engel): May I remind hon. Members that the eight-minute limit does include interventions? If everybody takes this much time, I am afraid that the last Member who wants to speak will not get to do so.

3.41 pm

Jim Fitzpatrick (Poplar and Limehouse) (Lab): I am grateful for the opportunity to contribute to this debate and pleased to follow the hon. Member for Harrow East (Bob Blackman). I am grateful to him and the mover of the motion, the Chair of the Backbench Business Committee, for the work that they do in facilitating colleagues to raise important matters in the Chamber and in Westminster Hall. They do a very difficult job. Having been to the Committee only this week to bid for time, I know that its members have pressures to balance. I am sure that they will make the right decision, but I am happy to wait to hear their conclusions in due course.

The title of the debate on the Order Paper is “Matters to be raised before the forthcoming adjournment”. Such debates are an opportunity for colleagues to present their shopping lists to the Government and the House, and I hope to be brief in presenting mine. I shall begin with a few thanks. As co-chair of the all-party group on maritime and ports, may I express my appreciation to the Minister of State, Department for Transport, the right hon. Member for South Holland and The Deepings (Mr Hayes), and congratulate him on commissioning Lord Mountevans to chair the maritime growth study? The growth strategy produced by the study led to Maritime UK, which is chaired by David Dingle and is trying to showcase British shipping and ports. That positive initiative is very important post-Brexit, and I wish it well.

I also wish the right hon. Gentleman well in his negotiations with the Treasury for an extra £15 million for support for maritime training—SMarT—for ratings and officer cadets on board merchant navy vessels. The SMarT money was introduced by the Labour Government in their 1997-to-2001 term. It produced 50% of funding for maritime training, but that is now down to a third. The right hon. Gentleman is arguing strongly with the Treasury, and I wish him success. The amount is only £15 million, which would double the £15 million that is already in the kitty, so he is not asking for a great deal. He is also working strongly on the contribution of shipping to air quality, and we are grateful for his efforts on that.

During my Adjournment debate last Friday on cochlear implants, I did not get the opportunity to thank the Under-Secretary of State for Health, the hon. Member for Warrington South (David Mowat), who explained that it was for not the Department of Health but the
National Institute for Health and Care Excellence to decide who gets cochlear implants. Some 600,000 people out there could benefit from them. The Minister’s comments were positive and supportive, and I was grateful for the way in which he gave the Government’s response to the debate. NICE will come forward with the conclusions to its review this summer, so I hope that it will have listened to what he and I said.

The Department for Communities and Local Government has produced a White Paper on housing, and the Minister for Housing and Planning is in charge of taking it forward. The Governments of 1986, 1993 and 2002 all tried to reform leasehold provisions, but were unsuccessful, and now this Government are trying again. The hon. Member for Worthing West (Sir Peter Bottomley) and I co-chair the all-party group on leasehold reform, and I hope that the Government will be able to bring forward proposals on that in due course. The Housing Minister might also want to examine the role and accountability of housing associations, which is probably worth doing, given how important they now are within the housing market. They do great work, but when they do get things wrong, it is hard to rectify those problems.

I want to express gratitude to International Development Ministers for facilitating meetings between their officials and the international aid charity Fire Aid, which I chair. It is a small non-governmental organisation that is, on behalf of UK plc, delivering the millennium sustainable development goals put forward by the United Nations and the World Health Organisation. It works to reduce the one and a quarter million people dying on the world’s roads every year and the 20 million who are seriously injured. DFID deals in billions of pounds. We are a small NGO, and £20,000 or £50,000 is life or death to us, but this does not feature on DFID’s radar. DFID Ministers are reviewing the role of small NGOs in delivering international objectives, and we would be very grateful if they were to proceed on that more positively.

I want to issue an apology to the hon. Member for Mid Norfolk (George Freeman). During proceedings on the statement on personal independence payments made by the Secretary of State for the Department for Work and Pensions in late February, I asked about reports of the hon. Gentleman’s comments about PIP and those suffering from mental health conditions. The Secretary of State advised me that his hon. Friend had issued an apology for his reported remarks and hoped that the House would accept that. Obviously I completely accept the assurance of the Secretary of State and the apology issued on the hon. Gentleman’s website, which I have since had a chance to visit. Having raised the matter as a complaint, it is only right for me to put on record my acceptance of his position.

There is still a case for the fire service to have a statutory duty to deal with flooding. I see the chair of the all-party group on fire safety rescue, the hon. Member for Southend West (Sir David Amess), in the Chamber. The Government’s position has been that the fire brigade will turn up to floods like it turns up to fires, special services and road traffic crashes. Those are all now statutory duties, but it took decades for them to arrive. I think that a statutory duty on flooding will arrive, but the quicker it does, the better. I welcome the joint working between the fire service and the national health service on social care issues in Greater Manchester, and with the ambulance service in London. I recognise that in many counties the fire service is now answering more medical calls than fire calls. This is clearly moving the fire service into more combined working. The Government are disinclined to create a fire and emergency medical rescue service, as we see in most other countries. However, it seems to be happening none the less, even though the Government are not putting it forward.

The final political matter I want to raise is the lack of prosecutions following the court case on electoral fraud and other offences in Tower Hamlets. Despite the judgments and penalties handed down by the electoral court, and despite the allegations of fraud, corruption, mortgage fraud, wrongful disposal of buildings, abuse of grants and so on, there have been no prosecutions—all has gone unpunished. I hope that the review by the Mayor of London and Her Majesty’s inspectorate of constabulary might mean that something will be satisfactorily concluded for the residents of Tower Hamlets.

Naturally, last week’s events are still very fresh, as is the grieving of the families and friends of those who were killed and seriously injured, who are very much in our thoughts. The lockdown was a stressful experience for many of us here in the Chamber and the Lobbies, notwithstanding the safety we were in. I want to place on record my thanks to the Deputy Speaker, the Doorkeepers, the police and security officers, and other staff for looking after us. I hope that we all have a safe and peaceful Easter, and that those who are still in emotional and physical pain secure some relief.

3.49 pm

Sir David Amess (Southend West) (Con): Before the House adjourns for the Easter recess, I wish to raise a number of points. I shall end with a tribute to two Officers of the House who are retiring today.

We are leaving the European Union. My goodness, it has taken nine months actually to start the process, but now that we have done so, local fishermen Daryl Godbold and Paul Gilson have drawn to my attention the fact that marine conservation zones prohibit fishing in 20% of UK waters, but allow dredging for sand and gravel. That is weakening the British fishing industry, as Thames estuary fish stock levels are at a bare minimum due to dredging. Crabbing is popular in our area and apparently there is a shortage of local crabs. I hope that we will get on with addressing that issue quickly.

Last week there was a Westminster Hall debate about Iran. It is absolutely disgraceful that its regime funds Hamas and Hezbollah.

If the national schools funding formula goes ahead unchanged, every single school in Southend will be worse off and I will have to vote against the proposition.

Southend hospital has a successful regime. There is new management in place and I wish it well. It is very important that local residents realise that the A&E at Southend will not be closing. As the new chief executive officer, Clare Panicker, has said:

“We are not discussing any plans to move Southend A&E to Basildon. Our current thinking is that there should be 24/7 A&E services at all three hospital sites in mid and south Essex for the majority of people who go to A&E.”

I shall hold a health summit in April to take that matter further.
I hope that the House realises that Southend is the alternative city of culture. It was such a joy to welcome the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson) to talk about the wonderful books that he has written. Tonight, after I have left here, I will go to the Southend’s Got Talent competition. In May, stilt-walkers will walk nonstop from Southend to No. 10 Downing Street, where they will present the Prime Minister with a letter from our good selves asking for Southend to become a city—[Interruption.] Unfortunately, we are not a city. It is 125 years since the inauguration of the borough, and I am delighted to say that we now have a town crier. We will celebrate a festival in Chalkwell park between 27 and 29 May.

I was delighted that Princess Anne visited Southend recently and paid tribute to all our volunteers at the citizens advice bureau. Members of Parliament really do benefit from such bureaux.

Following on from what the hon. Member for Poplar and Limehouse (Jim Fitzpatrick) said, we recently visited the excellent Fire Service College in Moreton. I hope that the facility will be promoted as a national training service by the Department for Communities and Local Government, and that the Ministry of Defence seriously considers the college’s bid to provide defence fire and rescue programmes for the armed services. My hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown) joined me on the visit to that wonderful centre.

Uber is a delicate subject, but I for one am not very happy about the situation, which is certainly having an impact on the taxi trade in Southend. I therefore hope that the Policing and Crime Act 2017 will be amended accordingly.

Two constituents of mine, Valerie and Tony Rochester, have brought to my attention the situation regarding freeholders. They say that they have been mistreated by Gateway Property Management and the freeholders, Westleigh Properties. They were asked to pay £5,220 in February 2016 for building works that did not begin until 2 August 2016. The eventual work was unsatisfactory, and that is just one case of many in which leaseholders have been led to believe that they owned their property. Clearly the Government need to review the situation.

On 12 July, as I mentioned a couple of hours ago, the responsible pet competition will take place near Westminster. I hope that everyone will enter it.

I have the honour of being chairman of the all-party group on the Maldives. The Government occasionally send me on the odd trip to the Maldives, and my right hon. Friend the Minister for Trade and Investment held a meeting recently about new trading opportunities.

The Made in Britain trade centres are absolutely wonderful. I recently hosted a reception for the Alliance for Human Relevant Science and Safer Medicines, which does wonderful work.

On funerals and bereavement, following meetings with Dignity funeral services and Golden Charter, I congratulate them on the high-quality services that they provide and their desire to ensure that people are adequately accompanied during times of bereavement. I was especially moved to find that Dignity does not charge funeral costs for anyone under the age of 17. Both groups raised concerns about the lack of licensing and regulation of funeral services, which often leads to people being charged an unfair amount for funeral costs. I pay tribute to Rio Ferdinand, as I think that the recent BBC programme about his bereavement struck a chord with us all and I very much support what he wishes to do. His brother, Anton, whom I will be seeing later this evening, happens to be the captain of Southend United, who are back in the playoff zone.

Last week was Salt Awareness Week, and we need to do much more on the matter. The Commonwealth Parliamentary Association roadshow visited Southend and I pay tribute to the secretary-general, who attended the event with me.

We are leaving the European Union. As a result, Borough Plating has already gained £9 million in additional business, which is excellent.

The Jazz Centre and National Jazz Archive have opened in Southend. Digby Fairweather is leading that project, which is truly wonderful. The YMCA “Sleep Easy”, at which people raised money overnight, was led by our mayor, Mrs Judith McMahon, and Syrie Cox, the chief executive of Southend YMCA.

On lobbying, I really despair about social media. There are some low-lifes who put the most disgusting remarks on newspaper comment sections as soon as an issue is mentioned. Why they are allowed to do that, I do not know.

Southend airport will benefit once again from duty-free goods.

I end with a tribute to two officers. John Wrighton, who has worked in our post office office Members’ Lobby for 38 years, is retiring today. He has done an absolutely magnificent job. Alan Dickens is our longest-serving Doorkeeper, and he leaves the service of the House tomorrow. He has been a Doorkeeper since 1993 and senior Doorkeeper since 2004. He entered the Royal Marines Band Service in 1969 and was invalided out of the service aged 24. He has been a loyal servant of the House. Apparently, he intends to spend his time caravanning with his wife of 41 years, Maureen.

Madam Deputy Speaker, I wish you and your team a very happy Easter.
She was told she had failed the English test, despite the refusal on only one count of the many she had to pass.

For example, there was the woman whose application was Home Office staff even looking at their paperwork. For have lost count of the number of people in my weekly Over 40% of my constituents were born overseas, and I are not confined to the Department for Work and form was on its 54th iteration when we last looked at it. come through. There is the sheer bureaucratic mess: one working have enough to buy food but worry about not have benefits to fall back on, or whether civil service low incomes and the slightly better-off families who do been torture, on top of the punishment of ever lower those of my constituents who are on low incomes or who are unable to work at all, universal credit has been torture, on top of the punishment of ever lower benefit caps and the cutting back of support for people with disabilities and long-term health conditions. I do not know whether this Government are consciously driving through the enforced destitution of those on low incomes and the slightly better-off families who do not have benefits to fall back on, or whether civil service cuts mean that there is just no one to implement the system properly, but that means claimants have no money at all for weeks and families whose members are working have enough to buy food but worry about whether the money they are due for their rent will ever come through. There is the sheer bureaucratic mess: one form was on its 54th iteration when we last looked at it.

Sadly, crazy bureaucracy led by mendacious policies are not confined to the Department for Work and Pensions in my experience as a Member of the House. Over 40% of my constituents were born overseas, and I have lost count of the number of people in my weekly advice surgeries who have told me that their application to the Home Office has been turned down without Home Office staff even looking at their paperwork. For example, there was the woman whose application was refused on only one count of the many she had to pass. She was told she had failed the English test, despite the fact that the certificate stating she had passed with distinction was right there as part of her application. There was the French citizen whose application for UK citizenship was refused because she failed the test of permanent residency. Why? Because she had had the temerity to go on a two-day break abroad exactly three years to the day before the date of her citizenship application. Both these cases illustrate how those affected and their families feel that they are victims of the rule about getting net immigration down to 100,000—a pledge dreamed up by the Prime Minister when she was Home Secretary. The last example leads me on to Brexit. I supported remain, and 60% of my constituents agreed with me because of what it means to their family, their work, their business, or their hopes and aspirations for the UK. For many, it is personal. The French national I have mentioned—her family had a referendum vote, but she did not—is worried for her future. She has now retired, but has lived here and paid taxes continually for 30 years. She has married a UK citizen, and has two UK children. She applied for UK citizenship, which she had never wanted to do, because, like 3 million others, she has been given no assurance that she can stay here and claim the pension—and, if needed, the social and health care support—that she has paid for throughout her working life in the UK. She would not of course be eligible for any of that support if she were forced to return to France.

I want to finish by mentioning the concern of our communities about the impact of the third runway at Heathrow. Heathrow is the major driver of our local economy, and it is and will continue to be vital to UK plc, but until we develop glider passenger planes, the expansion of Heathrow will mean more noise for many more people—300,000 people—in and around London. I conclude by wishing you, Madam Deputy Speaker, and all Members and staff of the House a peaceful and happy Easter recess. I hope you will accept my apologies, but I have to leave before the winding-up speeches in order to chair a community meeting about station overcrowding.

4.4 pm

Bob Stewart (Beckenham) (Con): I want to raise again the ongoing and tragic situation in Syria. Of course we want to help Syria, but equally we do not want to be dragged into another Iraq or Afghanistan situation. To date, our strategy has been carefully sculpted so as not to get committed on the ground, yet to provide help from the air and with intelligence. The stark truth is that President Bashar al-Assad, the 19th President of Syria, is going nowhere. His regime, which many predicted would topple several years ago, has been stabilised by Russian support, and the Russians are there to stay. They want to keep their port at Tartus and their airbase, Hmeimim, south-east of Latakia. Those are now strategic jewels for Russia and are unlikely to be given up easily.

Whatever we may think of the current Syrian Government, though, for many people in Syria, President Assad is their best hope, and it is all they have got. For those living in Damascus, he is their only choice. They believe that the stark option is between Assad and Daesh. In truth, such people would receive short shrift from Daesh. They also think, with good reason, that no foreign country would intervene to save them if Daesh arrived in their capital city. For them, Assad is all they have got, and they are probably right.
[Bob Stewart]

However, I feel that the circumstances could now allow for the establishment of a humanitarian safe zone. That would not be easy to achieve, but it is possible. If the international community was determined enough, it could happen. From what he says, President Trump and his Secretary of State Rex Tillerson are now also prepared to accept the establishment of safe zones. Maybe the Russians and President Assad might also agree to it, but Daesh certainly would not. Thus, it is clear that safe zones must be positioned where the chances of interference from Daesh, or indeed al-Qaeda, are reduced to a minimum.

The easiest of such areas to establish may be in the north of Syria. The first possibility appears to be in the north-west of the country, perhaps stretching from Kilis to Aleppo, then south to Idlib and thence to the Turkish border again, near Reyhanli. Another possibility could be in north-central Syria, bounded in the west by Azaz and stretching east to the Euphrates while extending south to al-Bab.

Let me focus on the north-west zone, which is around 1,500 sq km in area—about the size of Wales. There is a little al-Qaeda activity there, which would have to be sorted out by military action, but that may not be too difficult. Importantly, Daesh does not operate there. Nor is the region of great strategic interest to Russia or, really, to President Assad. Right now it is predominantly controlled by the Free Syrian Army and other moderate groups. It already contains about 500,000 displaced persons who really need help. The British charity Syria Relief has a few functioning schools there, and the Union of Medical Care and Relief Organisations also runs several effective hospitals and clinics nearby. Both schools and medical facilities could readily be expanded if the safe zone concept were allowed to come to fruition.

Personally, I would not be averse to using British soldiers for such a purpose. In my experience, they are quite good at that sort of thing.

In conclusion on Syria, I believe that the time is right for us to be more energetic there. Can we make safe zones work there? Of course we could, if the international community really wants it. In truth, the chances of success are greater now than they have been for the last six years.

May I end by quickly mentioning that I, too, like my hon. Friend the Member for Southend West (Sir David Amess)—who is not in his place at the moment—feel that Uber is taking the biscuit? It is under-regulated, its profits are amazing, and it is taking on people’s work. Will the Secretary of State feel that Uber is taking the biscuit in the future?

4.9 pm

Lyn Brown (West Ham) (Lab): I would like to use this debate to highlight three areas where I feel our national health service might do a bit better. The first, regular attendees of this debate will not be surprised to learn, is about the medical procedure of hysterectomy.

To refresh our memories, a hysterectomy is when a small device, often including a camera, is inserted manually through the cervix into the womb, usually to cut a sample from the tissue or lining which can be used to help to diagnose cancers and fertility issues. It is usually performed without any anaesthetic. I am told—reassured—by medical professionals that it rarely causes discomfort. However, as we have heard before in this House, it can also be horrifically painful.

This is the fourth time I have raised the issue and when I last spoke I asked for a letter from the Minister to address the issue. I must thank those on the Government Benches for ensuring that such a response was forthcoming. Unfortunately, the response from the Department of Health was, if I can put it gently, bland in the extreme and did not really move the issue forward. I have written again, this time to the Secretary of State for Health. I have asked him or one of his Commons team to meet me and discuss this issue in person. The Secretary of State is not a bad man, so I hope that with the encouragement of the Minister on the Treasury Bench I might be successful.

Since raising this issue in December, I have been contacted by even more women. Given how short the debate is, I will mention only one story. This is from a woman in Leicester, who said:

“The prior information leaflet suggested there would be minimal pain...it was so excruciatingly painful that I began to cry out, my body went into shock and I started to sweat profusely. I came over disorientated and dizzy. I felt heavily nauseous and I began to pass out. I have never experienced agonising pain like it in all my life...when arriving home, I spent a long time crying, curled up in a ball doubled over with pain...the use of no local anaesthesia in this procedure seriously requires investigation.”

Bob Stewart: I have heard the hon. Lady on this subject several times before. It deeply upsets me that doctors do not recognise the pain that women undergo and apparently continue to say, “There will be mild discomfort” when women are in agony. For goodness’ sake, this has to be sorted!

Lyn Brown: I am genuinely grateful to the hon. Gentleman. He has listened to me, wincing, through the many debates in which I have raised this issue. I know I have genuine support on both sides of the Chamber, so I am hopeful that his Secretary of State will come up with a solution that will enable us to move forward.

A colleague of ours in this place had to undergo this procedure and she was mindful of my words. She attended a central London hospital and, with no little trepidation, asked about anaesthesia. The doctor looked at her with disbelief and said, “They use anaesthesia as a matter of course, because to do anything else would be barbaric.”

All we are asking for is that all women get the same care and attention whichever hospital they go to and whichever part of the country they live in.

My second issue is the speed of cancer diagnosis. West Ham has a relatively low incidence of cancer, but patients from my constituency are, unusually, likely to die within a year of being diagnosed. The essential research done by Cancer Research UK makes the primary reason for this clear: too many of my constituents die because successful diagnosis takes too long. To be honest, they also do not get to the doctors early enough to seek diagnosis. Less than half of cancers in the Newham clinical commissioning group area are diagnosed early,
recognising that I had diabetes, approached me several times to offer me biscuits. It was the first time that he had offered me biscuits; he usually borrows chocolate biscuits from me at Norman Shaw North. I was very grateful for the concern that he showed for Members.

Sadly, attacks on our police officers are all too common. In February, the Police Federation of England and Wales revealed that more than 6,000 officers are assaulted every day on our streets, which means that a police officer is attacked every 13 seconds. That is a staggering statistic. I thank my hon. Friend the Member for Halifax (Holly Lynch) for the work that she has done in raising the issue of attacks on the police force. It is important for us to recognise that they are happening on a daily basis, and I commend her campaign.

When he responds to the debate, will the Deputy Leader of the House tell us what measures are being taken to reduce the number of such attacks, and to provide better protection for our police officers? He will remember all the excellent work that he did on the Home Affairs Committee when we considered these issues, but it would be good to know what the Government are doing.

Bob Stewart: I intervene very briefly just to remind people that nowadays some police widows lose pensions when they remarry. I think that the House should take action to deal with that, because it is totally unfair. It does not apply throughout the country—it does not apply in Northern Ireland—but we must get this right: police widows deserve justice.

Keith Vaz: The hon. Gentleman must have read my speech or hacked my emails, because he clearly knows that I am going to come on to the subject of police widows shortly, and I agree with him on that point. Let me first turn to the other issue of policing that I want to raise: the police funding formula.

Given the dangerous roles our officers play in keeping us safe, I am sad to see the damage done by reductions in police force budgets over the last few years. Of course I understand why this is happening, but it is right that we should point it out. This problem has been compounded by the continued failure of the Home Office to implement a new funding formula, something that affects every single Member of the House here today.

As a result, police forces cannot predict their future funding. At a recent meeting with the police and crime commissioner for Leicestershire, Lord Bach, and Chief Constable Simon Cole, Leicestershire MPs were told that constabularies like Leicestershire have complex funding challenges, that the funding they have is inadequate for a mix of urban and rural policing, and that forces cannot adapt and keep up with modern crime issues like cybercrime unless they know what is happening in respect of their allocations.

In November 2015 the former policing Minister, the right hon. Member for Hemel Hempstead (Mike Penning), said the review on this was being paused until the National Police Chiefs Council carried out a capabilities review. Sara Thornton, chair of the NPCC, has said that this review does not stop the Government continuing with announcing the results of the funding formula. I ask the Deputy Leader of the House when the new funding formula arrangements will be published.
Another area that needs urgent review is police pensions—I am most grateful to the hon. Member for Beckenham (Bob Stewart) for raising this point, because he is right to do so—particularly in relation to how officers’ widows receive their pensions. Legislation passed in 2006 meant that the partners of any new police officers were entitled to receive a pension for life. Those falling under the 1987 regulations—the year I was elected to this House—were allowed to opt into the new scheme. However, the new rules introduced in 2015 effectively deny police widows in England and Wales who remarried before 1 April 2015 the right to move on with their lives and find happiness, as they cannot get this pension. The flip-flopping of legislation that has affected these families is totally unacceptable. How can it be fair that a widow who has remarried after 1 April 2015 can be awarded a pension for life, but one who has remarried before that date is denied that entitlement on a mere technicality?

Bob Stewart: And her children.

Keith Vaz: And, indeed, her children. There are disparities in how the pension regulations apply across the United Kingdom. The remarriage deadline applies only to England and Wales. There is no such cut-off date in Scotland. In Northern Ireland all survivors rightly keep their pensions for life, no matter how their former partner died. Can the Deputy Leader of the House explain why English and Welsh widows are treated in this way, while their Scottish, Northern Irish and other counterparts are not faced with that difficulty?

Finally, let me raise the issue of written parliamentary questions. The Deputy Leader of the House is a master at giving replies to difficult questions. I was reading a debate in which he was involved recently, and he used the following phrases when asked about the timetable for the restoration works on the House of Commons: “in due course”, “in the fullness of time”, and “shortly”. These are his favourite replies: he could star in his very own version of “Yes Minister”, playing both the Minister and Sir Humphrey.

I recently wrote to the hon. Member for Brxbourne (Mr Walker), Chair of the Procedure Committee, to complain about the disappointing answers I had received to two written questions: from the Minister for Immigration and the Under-Secretary of State for Exiting the European Union, the hon. Member for Worcester (Mr Walker). Parliamentary questions are about facts: we ask a question and we get a reply. I asked the Minister for Immigration how many entry clearance officers there were in Mumbai, and back came not a reply giving me the numbers but a press release on the wonderful work being done by entry clearance officers. I already knew about that. I asked the Under-Secretary of State for Exiting the European Union how many civil servants had been seconded to his Department, and again I got a press release. I did not get the facts and figures, which are what we need. Will the Deputy Leader of the House look into the issue of written parliamentary questions? Let us get rid of all this “in due course” and “shortly”, and concentrate instead on providing factual answers to factual questions.

I do not want to delay my hon. Friend the Member for Heywood and Middleton (Liz McInnes) from beginning her speech, because it is her birthday today and I know that she wants to go off and celebrate. I cannot end, however, without wishing Members of the House, the Serjeant at Arms, the Chair and all the Officers who do such fantastic work a very happy recess. There are three supporters of Leicester City football club in the Chamber: myself, the hon. Member for Strangford (Jim Shannon) and my hon. Friend the Member for Scunthorpe (Nic Dakin). I do not know why I always think that my hon. Friend is the Member for Skegness; it is nearby. Leicester City are the only English team remaining in the Champions League. Forget about all the others that spend billions of pounds on their players; we are in the last eight, and on 12 and 18 April, we will be playing Atlético Madrid. Easter is a Christian festival, and we believe in rebirth and in the blessings of almighty God. We hope that those blessings will be upon the Leicester City team as they undertake the most important two matches in their entire football lives. I am sure that the whole House will be with me on that.

4.26 pm

Liz McInnes (Heywood and Middleton) (Lab): It is a pleasure to follow my right hon. Friend. Friend the Member for Leicester East (Keith Vaz). I should just like to thank him for blowing my cover; I was trying to keep my birthday quiet. He was the first person in the House to wish me a happy birthday today, however, and I am grateful to him for that—[Interruption.] Thank you, Madam Deputy Speaker.

I should like to echo my right hon. Friend’s comments about PC Keith Palmer and to extend my sympathies to his family and to the families and friends of all those who died during the terrible events of last week. Two things have come out of those events. The first is that we are going to have a review of our response, which is the right thing to do. I will certainly be feeding in my views on what we could have done better. Some things were done very well, and I am grateful to all the staff of the House for protecting us, but we as MPs should have taken more responsibility for our reactions and for looking after the numerous visitors and children in the building. I did not know what on earth was going on, and the people I was with did not know either. I think that we could look after our visitors better.

For me, there is a second issue that has come out of last week’s event. The Prime Minister has encouraged us as MPs to learn more about first aid, but I am struck by the fact that it was this Government who talked out a Bill to introduce compulsory first aid training in schools. Try as I might, I cannot see the logic of the Government encouraging people to learn first aid while putting a block on making it a compulsory part of our children’s education. What better way could there be to teach children first aid skills that they can carry with them for the rest of their lives, so that they can feel confident about dealing with emergencies? With that in mind, I have written to the Prime Minister to ask her to revisit the question of teaching first aid in schools. I await her reply.

I want to take this opportunity to raise the issue of the Government’s drugs strategy. Drug-related deaths in England and Wales have hit record levels, with cocaine deaths reaching an all-time high in 2015 and deaths involving heroin or morphine doubling over three years to reach record levels.
The Prime Minister is facing a barrage of criticism over the policies she pursued while Home Secretary, with Niamh Eastwood, the executive director of drugs charity Release, saying:

"The Home Office's pursuit of a 'tough on drugs' strategy and refusal to acknowledge the evidence for best practice in drug treatment is quite literally killing people."

Martin Powell, of the Transform Drug Policy Foundation, echoes that view and says:

"The Home Office—under the now Prime Minister's watch—is responsible for the highest number of drug deaths ever recorded. That the Prime Minister keeps claiming her drug policy is working should send a chill down the spine of every parent and reasonable person in the country. She knows, from countless studies, what keeps communities safe, and it isn't driving people away from help and into the hands of criminals. It is responsible reforms that take the drug market away from dealers, and puts it into the hands of doctors and pharmacists."

Drug-related deaths are increasing, and new drugs and associated problems are causing problems in prisons and emergency departments. In February 2016, the Government confirmed:

"We will shortly be publishing a new Drug Strategy."

At the Christmas Adjournment, my hon. Friend the Member for North Tyneside (Mary Glindon) reminded the House that, barring an unexpected delivery from Santa Claus, it was still not to be seen. She asked again in the new year and was told that it would be “soon.” So “soon” in Government terms, means months, and “shortly” means more than a year. Will Ministers please announce an actual date for the drug strategy, or would we be better off asking the Easter bunny?

Local Authorities have seen their funding for drug and alcohol treatment slashed by 42% since 2010. Many clients seeking treatment for addiction lead chaotic lives and many struggle with a whole host of difficulties that go far beyond their addiction. They might be embroiled in the criminal justice system and need advice, they might have housing problems or be struggling with trauma, or they might have been in care and survived institutional abuse. Positions for psychologists in drug and alcohol addiction teams who could provide treatment for complex trauma related to sexual abuse have also been cut.

Members of the drugs, alcohol and justice cross-party parliamentary group, of which I am a member, are today debating in the other place the cost of alcohol misuse to the National Health Service. There are more than 1 million alcohol-related hospital admissions each year, and alcohol is a contributory factor in more than 1 million alcohol-related hospital admissions each year, and alcohol is a contributory factor in more than 200 different health conditions. Our cross-party group will be discussing alcohol misuse and treatment after Easter, on 26 April. As one regular contributor to group meetings, John Jolly, has said:

"As Chief Executive of a drugs and alcohol charity I see the harm that alcohol does on a daily basis. I saw the impact as a police officer. I saw the impact as a probation officer. I saw the impact on children and families as a social worker. For this reason I would urge the Government to take urgent action to develop a national alcohol strategy."

The shadow Health Secretary, my hon. Friend the Member for Leicester South (Jonathan Ashworth), whose father was sadly an alcoholic, has also called for greater recognition of the damage done by excessive drinking. Drug and alcohol abuse and addiction are not going to go away. Let us hope that both a drugs strategy and an alcohol strategy will be forthcoming as a matter of urgency.

4.33 pm

Jim Shannon (Strangford) (DUP): It is always a pleasure to speak in the House on any issue. I begin by joining those who have already conveyed their sympathies regarding PC Palmer and the innocents who were murdered just over a week ago. We also think of the injured, some of whom are critical even today, and their families.

I rise to speak not about the geological components of drought and what causes it, but about the suffering of men, women and children in Africa and what can be done to help them. We all know the issues, and we see them on TV. I will not be the only one in this Chamber who has seen the devastating images of children who are so malnourished that they cannot even stand. I read the report from Save the Children, which brings home the extent of the problem in Africa at present. It states that an estimated 6.5 million children could be at risk of starvation in the horn of Africa as a result of the back-to-back droughts in Somalia, Ethiopia and Kenya. Nearly 500,000 children in the region are already suffering from severe acute malnutrition.

What is malnutrition? It is a lack of nutritious food, which has an horrific effect on quality of life. Malnutrition increases the risk of infection and infectious disease, and even moderate malnutrition weakens every part of the immune system. For example, it is a major risk factor in the onset of active tuberculosis. Protein and energy malnutrition and deficiencies of specific micronutrients, including iron, zinc and vitamins, increase susceptibility to infection. All that happens to people who do not have food.

Malnutrition affects HIV transmission by increasing the risk of transmission from mother to child and by increasing the replication of the virus. Again, the complications are far-reaching. In communities or areas that lack access to safe drinking water, those additional health risks present a critical problem. Lower energy and impaired brain function represent the downward spiral of malnutrition as victims are less able to perform the tasks needed to acquire food, earn an income or gain an education. That is a massive problem, as several seasons of either failed or erratic rainfall have led to severe water shortages and the death of livestock, leaving nearly 15 million people across the three countries in urgent need of assistance. We have seen charities requesting help on TV, and the Government are doing a lot, but I urge them to do more.

With the next rainy season again expected to bring below-average rainfall across the region, the situation for already desperate children and families in Somalia, Ethiopia and Kenya will only get worse, leaving millions at risk of starvation in the horn of Africa as a result of the next rainy season. An estimated 6.5 million children could be at risk of starvation in the horn of Africa as a result of the back-to-back droughts in Somalia, Ethiopia and Kenya. Nearly 500,000 children in the region are already suffering from severe acute malnutrition.

I urge them not to forget the plight of these children and families by stepping up their efforts to fund this response. The lives of millions are at stake. We must not allow many of the same mistakes that resulted in the deaths of 130,000 children under five during the last Somalia famine alone, to be repeated."

I continue that plea and look to our International Development Ministers. What have the Government done since January to help address this tragic situation? What is in place to ensure that aid reaches its destination...
intact? And what more can we do in this place to ensure that that happens? Focusing attention in this debate is one way of doing it.

With 5 million people, nearly half its population, facing severe food and water shortages, Somalia is now on the verge of famine. Malnutrition rates across Somalia have already reached critical levels and are expected to worsen in the coming weeks. Thousands of families are on the move in search of food and water, and many are now crossing the border into Ethiopia, which is dealing with its own effects of the drought, in search of help.

After screening on arrival at Dollo Ado camp, 77% of children show signs of malnutrition. In Ethiopia, the drought is forcing many children to drop out of school, leaving them at risk of early marriage and forced migration, both of which we do not want to happen. Again, those are the side effects of drought. The Ethiopian Government are working to mitigate the effects of last year’s drought, and the country is appealing for $948 million of funding. Ethiopia itself has already committed some $47 million to help 5.6 million people in need, but even that will never come anywhere near addressing the issue. In Kenya, more than 1.25 million people are in urgent need of food, with hunger levels expected to worsen over the coming months.

The level of need can be, and is, overwhelming, but the young man who threw starfish back into the sea was making a difference to as many as he could, which is all I ask today. Are we making a difference to as many people as we can? I understand that we are not able to solve all the problems of that nation, and that we are not able to solve all the problems of our own nation, but we can make sure that we do all we can to see that the aid we have to offer is going directly to the right places and ends up in the hands and the bellies of the children and others who so desperately need it.

I understand that the Deputy Leader of the House will be responding, but I hope my message will go to the Department for International Development either directly or through him. I hope that, either now or at a later date, there is a strategy in place to secure our goals. I seek assurance that we are doing all we possibly can, and in the best possible way.

I conclude by thanking you, Madam Deputy Speaker, for the opportunity to speak in this House on a regular basis, and I thank the other Deputy Speakers and Mr Speaker for also making that possible. I am very honoured to be the Member for Strangford and to sit in the greatest seat of democracy in the whole world. What a privilege it is to be able to sit in this place on behalf of our people. I say, with respect to everyone else in this House, that I know I represent some of the most wonderful people in the whole of the United Kingdom of Great Britain and Northern Ireland—the people of Strangford. These are people I have known all my life.

I also wish to thank all the House staff and the right hon. and hon. Members for their courtesy and good manners. I thank the Deputy Leader of the House and the shadow Deputy Leader of the House in advance for the contributions they are going to make. I also wish to remind people of the real meaning of Easter, which is that our Lord and saviour was crucified on the cross and came into the world to save sinners.
My hon. Friend the Member for West Ham (Lyn Brown) once again raised the issue of hysteroscopies. If Ministers think that she will be going away any time soon, they might want to think again. I suspect that if things are not resolved, she will be back at the next Adjournment debate before a recess raising the exact same issue, as she does at every opportunity she gets.

My right hon. Friend the Member for Leicester East (Keith Vaz) talked about many issues relating to police matters and about the real need for justice for police widows. As we move towards the Easter Adjournment, we do so with a great sense of loss and sadness in our hearts, because last week we lost PC Keith Palmer, who was part of our Westminster village. That has affected every one of us. On behalf of the Opposition Front-Bench team, I add my condolences to PC Palmer’s family, friends and colleagues in this place as they mourn his loss. We remember all those killed and injured in last Wednesday’s act of terrorism and thank all those who work so hard to keep us safe, not only here in the Houses of Parliament but in our constituencies. We also thank all those who work for the security services doing work that goes unseen but that saves a great many lives.

I wish my hon. Friend the Member for Heywood and Middleton (Liz McInnes) a happy birthday; I suspect she will be getting many birthday greetings now that my right hon. Friend the Member for Leicester East has outed her birthday. She raised the important issue of compulsory first aid in schools. The issue came to light in my constituency recently when I was at a large gathering. I had just taken the microphone when somebody on the back row had an epileptic fit. It surprised me that there were just two of us in the room who knew what to do in that situation. It was a room full of 100 people, and just two of us responded as first responders. I call on the Government to think again about the campaign for compulsory first aid in schools, which I fully support.

The hon. Member for Strangford (Jim Shannon) talked about the issues in Ethiopia and Somalia. He is a great, passionate campaigner for global justice and against poverty, and I know he will continue his fight for justice.

As we move towards the Easter Adjournment, I wish you, Madam Deputy Speaker, and Mr Speaker, the Deputy Speakers, the staff of the House, and all Members and their staff who work on this estate, a happy Easter. In particular this Easter, I wish the police and security staff—who work very hard and who may often have gone unnoticed but certainly not in the past few days—a happy and peaceful Easter. Happy Pesach to everyone.

4.47 pm

The Deputy Leader of the House of Commons (Michael Ellis): It is a real pleasure to be the Minister at the Dispatch Box for this debate and to follow the eloquent remarks of the shadow Deputy Leader of the House, the hon. Member for Lancaster and Fleetwood (Cat Smith). In the few minutes remaining, it falls to me to try to answer some of the points raised and sum up the debate.

My hon. Friend—he feels like a friend, but I should say the hon. Member for Gateshead (Ian Mearns), the Chairman of the Backbench Business Committee, is not currently in the Chamber. I know what a powerful and effective Chair he is, and the charm with which he performs his functions really does help to get things done. He spoke movingly about Gateshead, its nightlife and the coast and surrounding countryside there. As the shadow Deputy Leader of the House said, he spoke about the orthodox Jewish community in Gateshead and about Purim. I thank him for speaking so affectionately and welcomingly about his community.

The hon. Gentleman also spoke about the National Citizen Service. To use its catchphrase, we should “Say yes to NCS”, because it is a wonderful organisation—a charity—that really is very popular with people. It has extremely high success rates, and the last time I looked its approval rating was well above 90%. It is an organisation that is working very well indeed.

It is a shame that the hon. Gentleman is not present because I want to mention the Gateshead Millennium bridge. When he said that he pressed the button to tilt the bridge, I was reminded that he himself, I think it is fair to say, is a bridge linking his constituency so very effectively with this House. He is as much Gateshead as the Gateshead Millennium bridge is. I hope that a Minister complimenting him in that way will not adversely affect his credibility.

My hon. Friend the Member for Harrow East (Bob Blackman) has also had to leave the Chamber. I am tempted to call him Bob bhai, which is a nickname that he has affectionately been given by the Hindu community in Harrow East. He spoke of his Homelessness Reduction Bill, which he should be terribly proud of. Congratulations are due to him on getting that Bill on the statute book. It is always an achievement for any Member to get a Bill on the statute book, but that Bill, which helps homeless people, really is an achievement.

My hon. Friend told a very concerning story about the lifts at Stanmore railway station and about how his local council—Harrow Council—is so flushed with funds that it refused a £1 million gift to improve the railway station. No doubt, there will be some local questions about that decision. I can see the right hon. Member for Leicester East (Keith Vaz) nodding sagely at that.

Next we heard from the hon. Member for Poplar and Limehouse (Jim Fitzpatrick) who spoke about cochlear implants. I was particularly struck by the fact that no fewer than 600,000 people could benefit from them. I wish to reiterate what was said to him in an earlier debate, which is that the National Institute for Health and Care Excellence is duty bound to consider such matters and to make decisions on them. I wish him well in his campaign in that regard.

The Department for International Development is looking at small non-governmental organisations, which the hon. Gentleman mentioned. I recommend that he seek a meeting with the excellent Secretary of State of DFID, because she is a powerful voice and one of those people who regularly gets things done. He should certainly seek a meeting with her. If I can help in any way, he should speak to me.

The next Member to speak was my hon. Friend the Member for Southend West (Sir David Amess) who most certainly is in his place. Traditionally, he puts on a tour de force at the end-of-term Adjournment debates. He spoke of Southend, the alternative city of culture, and about Southend’s Got Talent competition, which is on tonight. I do not know whether he is a contestant— Interruption. I hear the words, “He should be.” He certainly is a talent in this Chamber and in this debate. He said that it was 125 years since the inauguration of his borough. I think that he has been the Member for
a large proportion of that time—certainly a fifth of it anyway—and that is a real achievement for him. He spoke of the recently appointed town crier. No doubt, that town crier can thank him for his remarks by shouting about how effective my hon. Friend is as MP for his area.

My hon. Friend very kindly mentioned two officers of this House who are retiring after very long service: Post Office member John Wrighton who has been here for 38 years; and Alan Dickens, a Doorkeeper since 1993 and senior Doorkeeper since 2004, who has been a loyal servant of this House, and I thank him for his services. Indeed, I wish to thank all our Doorkeepers here. During the recent terrible terrorist incident, they were remarkable and showed reassuring calm, dignity, professionalism and control. We thank them for their devotion to duty.

The hon. Member for Brentford and Isleworth (Ruth Cadbury) made a party political speech about Brexit and many other things. Nevertheless, I feel sure that she will respect the wishes of the democratic majority, who, of course, voted in a referendum to leave the European Union. No doubt, she will join me in wishing the country and her constituents the very best deal that we can get—that we will get—over the coming months and years.

My hon. and gallant Friend the Member for Beckenham (Bob Stewart) spoke movingly about Syria. He is an authoritative voice in this House and particularly so on such a subject. The United Kingdom has, of course, pledged more than £2.3 billion in response to the humanitarian crisis in Syria and the region generally. That is our largest ever response to a single humanitarian crisis in Syria and the region generally. That is our largest ever response to a single humanitarian crisis in Syria and the region generally.

The hon. Member for West Ham (Lyn Brown) spoke, as she has on previous occasions when I have had the honour to be at this Dispatch Box, about issues very close to her heart, including hysteroscopies. She said that she wishes to meet the Health Secretary about the subject, and I commend her for that. I found it disconcerting that apparently some areas consider anaesthetic to be routine, whereas others do not. No doubt, she will wish to raise that with the Health Secretary, and I wish her well in her campaign in that regard.

The hon. Lady also spoke of cancer diagnoses. I was moved by her description of the loss of her mother. She said that she has written to the Department of Health about faster and more joined-up cancer diagnoses. As she knows, more than £1.5 billion has been put towards the cancer drugs fund, which has helped more than 100,000 people. Although there is always more that can be done, £130 million has gone into modernising, for example, radiotherapy equipment across England, and more than £5.5 billion a year has been spent on other cancer drugs and treatments, and £2.5 billion on pathology services. Those are large numbers. Cancer affects us all in this House and this country in one way or another and people we know—family, friends, relatives and colleagues—so her remarks will certainly strike home.

The right hon. Member for Leicester East, in his inimitable remarks, spoke powerfully about police bravery and the appalling attacks that some police officers suffer in the line of duty. Before I was in this place, I practised at the Bar in criminal law, and I dealt with many such cases. Anyone who assaults our police officers in the exercise of their lawful duty commits a serious and aggravating offence and should be dealt with to the fullest available extent of the law. It is an aggravating feature in sentencing, and one that we will follow closely along with the individual cases that come to the attention of the House. The right hon. Gentleman also spoke about the police funding formula. He does not like the phrases, “in due course”, “shortly” or “as soon as possible”, so may I just say instead, “as soon as reasonably practicable”? I hope that he will be satisfied with that.

I wish the hon. Member for Heywood and Middleton (Liz McInnes) a happy birthday. She spoke about first aid in schools, which is an important issue. The events of the past week have brought home how important it is for people to know about first aid. Whether those issues and all those important things can be made compulsory is, of course, another matter entirely, as there are a lot of priorities for schools and schoolchildren.

The hon. Member for Strangford (Jim Shannon) spoke of the wonderful people he represents. I have no doubt of that. He then spoke movingly about the famine in east Africa. It is an urgent and severe crisis. More than 20 million people are at risk, but the UK is delivering life-saving support across South Sudan, Yemen, Somalia and Nigeria. We will not look the other way while they suffer, which is why we have already announced £200 million in aid for Somalia and South Sudan. The phenomenal public response to the Disasters Emergency Committee is testament to the British people’s unwavering generosity in response to suffering. The UK Government have matched that pound for pound—£10 million.

Several Members mentioned PC Keith Palmer. He protected and courageously defended our parliamentary democracy last week. He stood his ground, as one constable proudly described him to me earlier today. He did nothing less than save lives. He bravely defended us and Her Majesty’s Palace of Westminster. We will forever be indebted to him. Our thoughts are with his family, his friends and his colleagues. He was a hero. He was a national hero, and he was our hero.

Question put and agreed to.

Resolved,

That this House has considered matters to be raised before the forthcoming adjournment.

Business without Debate

DELEGATED LEGISLATION (COMMITTEES)

Ordered,

That the Child Tax Credit (Amendment) Regulations 2017 (S.I., 2017, No. 387), be referred to a Delegated Legislation Committee.—[Heather Wheeler.]
Andrew Stephenson (Pendle) (Con): I rise to present a petition signed by 306 parishioners of St John Southworth, Nelson, Brierfield and Fence, which was shared with me by Rev. Brian Murphy.

The petition states:

The petition of parishioners of the Parish of Saint John Southworth, Nelson, Brierfield and Fence, Lancashire, Declares that the petitioners believe that attacks on Christians in 20% of the world’s countries since 2014 is concerning and that more should to be done to combat religious persecution.

The petitioners therefore request that the House of Commons urges the Government to take further action to prevent and raise awareness of attacks on Christians, worldwide.

And the petitioners remain, etc.

Paula Sherriff (Dewsbury) (Lab): I declare an interest as chair of the all-party group on women’s health.

I am grateful to have secured the final debate before the recess to raise the issue of period poverty. I have touched on this matter before in this House in the context of homelessness. I wish to expand on that, and also to talk about the shocking recent reports of period poverty among school-age girls in west Yorkshire. The phenomenon of period poverty has gone under the radar for some time and is only now starting to be discussed after the successes of the campaign against the tampon tax. It is a unique challenge faced by women in poverty, who all too often face a choice between buying sanitary products or food. In the worst-case scenario, homeless women have been faced with a choice between stealing sanitary products and doing without.

Judith Cummins (Bradford South) (Lab): Does my hon. Friend share my concern that women using sanitary products beyond their recommended duration are at risk of toxic shock syndrome, and that homeless women, in particular, self-ration these products at great risk to their health?

Paula Sherriff: I thank my hon. Friend for her intervention. I will be coming to the issue of toxic shock syndrome and other associated health conditions, but she makes that crucial point very well.

The horror of these choices cannot be overstated, and they are choices that women in one of the most advanced industrial nations on earth should not face. Period poverty represents nothing less than the affected women being robbed of their human dignity. As an illustration of this, the Salvation Army has relayed to me the experiences at its Darlington Citadel food bank, where women have turned up literally begging for sanitary products. With your indulgence, Madam Deputy Speaker, I will quote its commanding officer in full, because I believe that the House really needs to hear this:

“Since we have started supplying’’
sanitary products,

“with tears in their eyes many women have told us what they do when they can’t afford them. They use rolled up socks, they rip up clothing, they even use newspaper, they stuff these into their underwear as makeshift sanitary wear—or they simply have to free bleed. These women however, struggle to pay for electricity and so doing laundry to a sufficient level to kill any bacteria is a problem and they are putting themselves and their daughters at risk of infection resulting in possible medical treatment with antibiotics or even hospitalization. Some women have informed us that they have needed dilation and curettage treatment and courses of antibiotics for infections, costing the NHS money and resources.”

Unfortunately, this testimony does not stand alone. An investigation by Amanda Ternblad of Goldsmiths University into period poverty in London has found that some women resort to using toilet roll, which can pose a risk of thrush infection, or using sanitary products for longer than they should be used—that follows on from the point made by my hon. Friend the Member for Bradford South (Judith Cummins)—which can lead to
fatal toxic shock syndrome and the risk of further long-standing health problems. Of course, that costs the NHS in the long run, but that should be as nothing compared with the desperation, indignity, humiliation and degradation visited on those women, who are already among the most vulnerable in our society. That should beggar belief in one of the wealthiest nations on the planet.

The problem is most pronounced for women who are homeless, who typically have no stable source of income with which to buy sanitary products. In the debate on homelessness on 14 December 2016, I mentioned that homeless shelters get an allowance from the Government to provide items such as condoms and razors, but they have no such allowance to buy sanitary products, leaving them reliant on charity donations instead.

When I last raised that point in the House, the Under-Secretary of State for Communities and Local Government, the hon. Member for Nuneaton (Mr Jones), said that the Government provide funding for outreach services for homeless people, meaning that such facilities would ultimately be funded anyway. Unfortunately, the point is that there appears to be a shortfall in toiletries such as sanitary protection for women. In many places in the UK, condoms are given away for free, and there is a clear and well-understood public argument for that. Why, then, is that not commonplace for sanitary products, which every woman requires, and the absence of which can have grave health consequences? Although valuable work has been done in the past couple of years by organisations such as St Mungo’s to ensure that homelessness services are gender-appropriate, the Government’s allowance for such products does not appear to have kept pace and speaks to something of a male-dominated view of homelessness.

In reality, women who are homeless face numerous unique challenges, from their personal safety, to vulnerability and falling into prostitution. Those challenges, while grave, have in various ways been targeted before by the good works of homelessness charities. Period poverty, however, is one of the unique challenges for women that has been under-represented, which makes it all the more important that it is now taken seriously.

The reliance on charity is a problem in itself. Donations of sanitary products to food banks and homeless shelters are often not enough to keep up with demand, while supply is variable across the country, meaning that the donations are not always made in the areas with most demand. The Homeless Period campaign is an attempt to gain more attention for the problem and to secure more donations of sanitary items to homeless shelters and food banks so that their stocks are more readily available. I again wish to pay tribute to the incredible work of Laura Coryton, who campaigned so effectively with me on the issue of the tampon tax, for her work in bringing the issue to wider public attention.

As part of my support for the campaign, I have secured a trial of a donation point for toiletries at a Boots store in Dewsbury to go to the Fusion Housing charity, which supports food banks in the Kirklees area. It is a small step, but I hope that many more like it can be achieved in the near future and that they will make a difference.

If, as we sadly now find, the Government are content to let charity supplant welfare in providing for the needy in our society, I will call on other companies to follow the example of Boots. Every area will have similar problems, and similar charities will try to cope with them. Many companies that deal with toiletries could set up similar schemes as part of their wider corporate responsibility to their communities. I was encouraged by an example on a recent trip to Brussels, where a hotel chain was donating surplus toiletries to its local facility for the homeless. With a bit of ingenuity, companies can make a significant difference to the lives of some of the most vulnerable—as could this Government.

It is not, however, just homeless women who are vulnerable to period poverty. I was absolutely appalled—actually, I was heartbroken—by the recent BBC Radio Leeds report that a west Yorkshire charity called Freedom4Girls, which usually sends sanitary products to girls in Kenya, had been contacted by a school in Leeds to provide sanitary products to girls there. Concerns were raised after girls were found to be playing truant because they could not afford sanitary protection. I ask everyone to take a moment to consider what is happening in one of the richest nations in the world.

As with the homeless women in the examples I mentioned earlier, the same makeshift and risky remedies had been tried. We heard about 15-year-old girls sellotaping toilet roll to their knickers because they could not afford tampons or sanitary towels. Girls would rather not attend school than go through the indignity of doing so in a vulnerable state. There are related reports of teachers having to pay for sanitary products for their pupils. That, too, beggars belief. Schools are the perfect place for the Government to enact early intervention on matters relating to women’s health, as has been borne out by the valuable human papilloma virus vaccination programme. I urge the Government to investigate how the problem of period poverty can be tackled in schools, for example by including menstrual health in sex and relationships education and by looking at the possibility of using eligibility for free school meals for the provision of sanitary products to vulnerable young girls.

Jason McCartney (Colne Valley) (Con): I congratulate the hon. Lady on securing this important debate and praise her for the passionate way in which she speaks about the issue, on which she has campaigned for a long time. I have heard the BBC Radio Leeds report about the girls in school. I am a father to young girls, as she knows, so it was something that hit me. Has she thought about whether the tampon tax funds that are being distributed at the moment could be directed to support girls from low-income backgrounds with tampons and sanitary towels? Perhaps pupil premium money could be used, or boosted, to help to provide those much-needed products to girls so that they do not have to go through the horrible situation that the west Yorkshire girls faced.

Paula Sherriff: I thank the hon. Gentleman for his intervention. I note that the first time we debated the tampon tax in this House, he chose to vote to keep it, but I do take on board what he says about the tampon tax funds. I would much rather see the tax removed than boosted, to help to provide those much-needed products to girls so that they do not have to go through the horrible situation that the west Yorkshire girls faced.
Jason McCartney: I remember the night when the hon. Lady forced a vote on the tampon tax. As she is well aware, it is due to EU regulation. She had a lot of cross-party support, and this is not party political—it is about coming together to look after young, vulnerable girls, and homeless people. The Government are trying to address that with their approach on the tampon tax. As she knows, through cross-party working, we can help those vulnerable women, rather than scoring puerile, partisan points.

Paula Sherriff: The existence of this problem in our schools speaks to my grave concern that we are seeing just the tip of the iceberg. I dare say that if we looked hard enough, up and down the country, we would find examples of similar schools whose girls face the same problem. Leeds City Council has the same concern. It notes: “This issue has happened in Leeds—a city where services for children are judged to be ‘Good’ and over 90% of schools are judged to be ‘Good’ or ‘Outstanding’ by Ofsted—and as such could be happening in towns and cities right across the UK.”

The Salvation Army has said that “it appears that this phenomenon may be more widespread”.

We need to ask ourselves what is so fundamentally broken with our society that the poorest families, even those in work and secure housing, cannot afford sanitary protection for their daughters.

When the House returns from the recess, the two-child cap under the Government’s universal credit will have come into effect. The poverty that led the girls in Leeds into this position existed even before that, but I ask the Government whether they honestly believe that their changes will not make the situation even worse. The Opposition have repeatedly said that any such limit to child tax credit will serve only to punish unjustly the children involved. I fear that we may be setting a time bomb of poverty, misery and indignity for the underprivileged girls of the future if we do not act now to ensure that period poverty goes no further.

My sense of sadness about this issue comes not only from the assault on the health and dignity of the women involved—as I have repeatedly said, they are some of the most vulnerable in our society—but from the fact that the whole situation is absolutely avoidable. It is no accident of history that these women are being hit so hard that we do not act now to prevent it from getting any worse for those involved.

The Financial Secretary to the Treasury (Jane Ellison): I congratulate the hon. Member for Dewsbury (Paula Sherriff) on her continuing and committed work in ensuring the affordability of sanitary products. During the passage of last year’s Finance Bill, she and I had reason to discuss this issue on several occasions, not least in relation to her successful amendment to reduce the level of VAT on sanitary products. I of course stand by the pledges the Government made at the time. Those pledges have been legislated for, as she knows and has acknowledged. I recognise, as I think all hon. Members do, the clear and evident passion with which she spoke, and we know how sincerely she campaigns for the rights of women and girls. I hope to be able to respond to some extent, if not to all her wider points, at least to some of the specific points she made.

Before I narrow down to the specific points, let me turn to the broader ones. The Government have been clear that tackling disadvantage is a priority for us. That includes taking action to help the most disadvantaged, with a real focus on tackling not the symptoms but the root causes of poverty. We are determined to reform the welfare system to incentivise work and to help people to achieve their potential. We believe that, as we have seen during the past six years, our reforms have helped to improve lives and living standards for some of the most vulnerable in our country, most prominently by helping people to get back into work.

That is why in our approach to general taxation we are increasing the personal allowance to £12,500 by the end of this Parliament. Next week, increases in the personal allowance and higher rate threshold will have cut taxes for 31 million people and taken 1.3 million of the lowest paid out of income tax altogether, compared with 2015-16. A significant proportion of them will of course be women. Next week, we will increase the national living wage to £7.50 an hour, which marks a £1,400 a year increase in earnings for a full-time worker on the national minimum wage since the introduction of the national living wage in April 2016. It is also why we are reducing the universal credit taper to 63% from April, so people who progress into work can keep more of what they earn, which will enhance the support provided to working families in meeting day-to-day costs; why we will double free childcare to 30 hours a week, which is worth up to £5,000 a year for eligible working parents of three and four-year-olds; and why we will introduce tax-free childcare in the coming month. These are just some of a range of measures that we are taking to ensure that work always pays and that hard-working families can earn more and keep more of the
money they earn. It is by taking these steps that we are supporting ordinary working families, including the women about whom the hon. Lady spoke.

Let me turn to the tampon tax fund, because we have had a timely update from the Under-Secretary of State for Culture, Media and Sport, my hon. Friend the Member for Reading East (Mr Wilson), who is the Minister for Civil Society. I will take a moment—I think I have enough time—to update the House on some of the work that the fund is going to support. That is important, not least in the light of the hon. Lady’s successful campaign to change the law so that we reduce VAT, as soon as we practically can, as has been mentioned, within the constraints of EU law. In the meantime, we have established the £15 million a year tampon tax fund, which, as hon. Members will know, is equivalent to the amount of VAT paid on sanitary products each year.

Since the 2015 autumn statement, £32 million of tampon tax funding has been allocated to women’s charities. The majority of that funding is through grants to frontline charities that aim to improve the lives of disadvantaged women and girls. Those include health, wellbeing and education initiatives and support services for vulnerable women. A significant proportion of this round’s funding will focus on initiatives that help to tackle violence against women and girls—something that all of us across this House want to see borne down on—alongside a broader criterion to support disadvantaged women and girls.

Jason McCartney: I saw today’s update on where the tampon tax funds have gone. Rather than point scoring, I want something positive to come from this debate. Will the Minister please consider using some of those funds to help with supplies of sanitary products for schools, to make sure that all girls, no matter what their economic background, have access to tampons, pads and towels?

Jane Ellison: I will certainly draw my hon. Friend’s comments to the attention of my hon. Friend the Member for Reading East, the Minister for Civil Society, and I will come to some of the support available in schools and the work already under way as a response to recent questions in Parliament.

My hon. Friend the Minister for Civil Society has today announced the full list of funding for charities from the latest round of the tampon tax fund. That means that more than 90 charities are now set to benefit from the fund over this Parliament. The fund continues to benefit organisations in every corner of the UK, from Children North East to the Women’s Rape and Sexual Abuse Centre in Cornwall. It is helping to improve the lives of women and girls who suffer disadvantage, supporting our wider ambition to create a fairer society for everyone.

Paula Sherriff: I recognise that some excellent charities are receiving funds from the tampon tax, including Jo’s Cervical Cancer Trust, which I have been working with very closely. How will those charities be provided for when we finally see the abolition of the tampon tax, which I hope will come very soon?

Jane Ellison: Indeed; that is something we have explored in debates. We said at the time that while this is inevitably a time-limited fund by its nature, we will look at all those issues in the round. It is, of course, only one of a number of sources from which we support civil society organisations. I am glad that the hon. Lady picked out Jo’s Cervical Cancer Trust, a charity that I greatly enjoyed working with when I was at the Department of Health and that does excellent work.

A number of worthwhile organisations are going to benefit from the money, and the Government have committed to continuing the fund until EU rules allow a zero rate of VAT to be applied on women’s sanitary products, or until the UK leaves the EU—whichever comes first within the legal framework. The hon. Lady mentioned this in her speech, but I note that she has recently championed national retailers in her constituency to support the cause through charitable means, as she has outlined today, for those least able to afford sanitary products. I noted her work with her local Boots on that.

Turning to practical matters, like hon. Members on both sides of the House, I, too, heard the same BBC Radio Leeds report that has been referred to. It was a distressing listen. It was very difficult to hear about the girls in Leeds who were unable to attend school because they could not afford sanitary products. Of course, if this country is going to work for everyone, we clearly need an education system that enables people to achieve their potential. That is the Government’s clear aspiration. If someone cannot attend school on the days that they are having their period, it is obviously much harder for them to reach their potential.

My hon. Friend the Member for Colne Valley (Jason McCartney) talked about school funding. Schools do have discretion over how they use their funding. The Department for Education does not currently give schools guidance on this specific issue, as we believe that headteachers should be able to use their professional judgment. However, we do encourage all schools to use their resources to support their pupils to be safe, healthy and ready to learn each day, so schools are free to support girls in this way if they need to. The evidence is clear—we have all seen that every extra day of school missed can affect a pupil’s chances of achieving good GCSEs, with a lasting effect on their life chances. We therefore strongly encourage all parents and schools to do everything they can to support children to attend schools.

The hon. Member for Dewsbury made a number of suggestions about funding. As one would expect, that question has been raised in recent days by a number of hon. Members. In fact, in response to the hon. Member for Leeds North West (Greg Mulholland), the Secretary of State for Education acknowledged the importance of the issue and said that she is looking carefully at it, and she has undertaken to write to him. I think there is more to be said by the Department for Education on this subject. The Secretary of State was very clear about the seriousness with which she takes the issue and her own commitment to gender equality is well documented.

We touched on the support available through the education system and the wider welfare system. We talked about the legal commitment we have made to zero-rating sanitary products as soon as possible, fully recognising the importance of the issue. In the meantime, we are using the VAT we receive to benefit women’s charities. I hope those responses go some way towards addressing the issues raised in the debate.
More widely, I believe the Government can hold their head up high on supporting women. The gender pay gap is at a record low and the number of women in work is close to a record high. We are one of the first countries in the world to introduce gender pay gap reporting, but we always acknowledge that we can go further. As I mentioned earlier, the national living wage will be increased to £7.50 an hour from next month. We expect that two thirds of those who will benefit from the rise in the national living wage will be women.

As well as continuing our efforts to get more women back into the workplace, we are providing an additional £20 million of funding over this Parliament to support organisations working to tackle domestic violence and abuse—a strong personal priority for the Prime Minister. She has committed to bringing forward a domestic violence and abuse Bill. The funding I have just mentioned increases the total funding for the Government’s violence against women and girls strategy to £100 million over this Parliament.

The hon. Lady raised the additional vulnerability of homeless women, which I think we all acknowledge. In October, the Prime Minister announced a new £40 million programme to provide an innovative approach to tackling homelessness, with prevention at its heart, looking at the complex underlying causes that I think all of us as constituency MPs acknowledge can lead to a person losing their home. That includes a £10 million rough sleeping prevention fund and £20 million for local authorities to trial new initiatives for those most at risk.

I will draw the hon. Lady’s particular concerns about the additional vulnerabilities of homeless women to the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Nuneaton (Mr Jones).

All in all, the Government are committed to supporting those who are struggling to get by. I congratulate the hon. Lady on bringing this important issue to the attention of Parliament. We feel that by taking steps to improve the living standards of ordinary working families across the country, committing to eliminating the VAT charge on sanitary products, and striving to provide greater equality more generally for women, the Government are showing they are sensitive to these issues. There are 200,000 fewer children in low-income households than in 2010, which is one of the ways in which we have demonstrated our commitment to tackling the root causes of disadvantage. I hope that in my response today I have shown that the Government take these issues seriously. We are looking carefully at the points raised today and will aim to respond further to them.

In closing, I echo the words of the hon. Lady in paying tribute to the actions of many of the staff of the House in recent days, and in wishing you, Madam Deputy Speaker, as well as hon. Members on all sides and all staff of the House, a restful Easter recess.

Question put and agreed to.

5.28 pm

House adjourned.
House of Commons

Tuesday 18 April 2017

The House met at half-past Two o’clock

PRAYERS

[Mr Speaker in the Chair]

BUSINESS BEFORE QUESTIONS

New Southgate Cemetery Bill [Lords]

Third Reading opposed and deferred until Tuesday
25 April (Standing Order No. 20).

Oral Answers to Questions

TREASURY

The Chancellor of the Exchequer was asked—

School Budgets

1. Derek Thomas (St Ives) (Con): What discussions he has had with the Secretary of State for Education on school budgets in (a) England and (b) the St Ives constituency.

The Chief Secretary to the Treasury (Mr David Gauke): The Government are protecting the core schools budget in real terms, reaching almost £41 billion this year. The Department for Education has consulted on a national funding formula to address the current postcode lottery in schools funding. The consultation lasted for 14 weeks, and received over 25,000 responses. The Government are considering the responses carefully, and will publish a response in the summer. For the St Ives constituency, the proposals would mean an increase in schools funding of 0.4%.

Derek Thomas: The majority of schools in my constituency are rated good or outstanding, due to the hard work and determination of teaching staff and their heads. However, Government funding for schools has not kept up with costs, which, according to the House of Commons Library, increased by 3.4% in 2016-17 and will increase by 8.7% by 2020. What message can I take back to my schools, which tell me they cannot keep up with these increased costs?

Mr Gauke: The Government do recognise that schools, like other organisations, face additional costs, such as salary increases. That is why the Department for Education is supporting schools to become more efficient, including with over £1 billion of savings from better procurement by 2019-20. It is also worth pointing out that, by protecting the total schools budget in real terms, as pupil numbers increase, so will the amount of money in our schools.

Helen Goodman (Bishop Auckland) (Lab): If the Government are protecting the budget, why is the average cut in my constituency 8%, rising in some village schools, including to 22% in Butterknowle?

Mr Gauke: As I have said, the reality is that the total core schools budget is increasing, and it can increase only if we have a strong economy that can pay for it. It is also right that we have a fairer funding formula to ensure that that money is distributed fairly.

Digital Infrastructure

2. Matt Warman (Boston and Skegness) (Con): What fiscal steps he is taking to develop the UK’s digital infrastructure.

The Chancellor of the Exchequer (Mr Philip Hammond): The Government are taking action to give the UK the world-beating digital infrastructure that it needs. Broadband across the country has been transformed by the Government-led £1.7 billion superfast programme, extending coverage at 24-plus megabits per second to 95% of UK premises by the end of this year. At autumn statement 2016, we committed over £1 billion more to support the market to deliver full-fibre broadband networks, to enable 5G mobile and to keep Britain at the forefront of the development of the internet of things.

Matt Warman: The reduction in business rates on new fibre roll-out is hugely welcome, but will the Chancellor assure me that we will incentivise the roll-out of more fibre in such a way that no tax is paid until the fibre is first used, rather than from when it is first installed?

Mr Hammond: The Government’s clear intention is to incentivise investment in fibre broadband networks. The Department for Communities and Local Government will shortly publish a consultation on the implementation of this relief, which will set out more detail on how new fibre will be defined, and we look forward to the responses to that consultation.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Why does the Chancellor not shake up some of his colleagues, and start investing in the digital infrastructure in the north of England, in Yorkshire in particular? Will he also look at other infrastructure, such as railways? When are we going to get the electrification of the TransPennine Express route?

Mr Hammond: At autumn statement, we announced £23 billion of additional investment in our infrastructure, and key priority areas such as research and development, specifically designed to address the UK’s productivity problem. This investment has to be spread across the whole of the UK economy to make sure that we deliver improved productivity and improved economic growth across the economy as a whole. Such investment is going in: public capital investment will be at a higher level in this Parliament following the announcement of this decision than it was before the financial crisis.

Sammy Wilson (East Antrim) (DUP): While the Government boast about the speed of fibre broadband across the United Kingdom, there are many areas—especially in parts of my constituency—where sending mail by pigeon would almost be quicker than sending it through the fibre network. What action does the Chancellor...
intend to take to ensure that farmers, small businesses and others relying on digital means of communication in rural areas have a greater ability to deliver such messages?

**Mr Hammond:** I cannot speculate on how fast the pigeons are in the hon. Gentleman’s constituency, but I can tell him that all consumers now have a right to 10 megabits broadband. By the end of this year, 95% of properties will have access to 24 megabits broadband. The Government are investing more money to reach the last 5%, the hard-to-reach that are often in rural areas.

**Stewart Hosie** (Dundee East) (SNP): In Scotland, the original plan was as for the UK: 95% coverage by this year, additional funding for rural areas, money for wi-fi in public buildings and a superfast broadband target of 100% property coverage by 2021. Given that this should be a common endeavour, will the Chancellor welcome the steps taken in Scotland to deliver on those performance targets?

**Mr Hammond:** We have a UK-wide target. We of course welcome any other actions taken on top of that to achieve yet higher levels of broadband penetration. That is a very positive move for the economies of the regions and nations they affect.

**Stewart Hosie:** I thank the Chancellor for that. However, the issue is not simply about the provision of infrastructure, but paying for digital usage. Will he give a guarantee to the House that when the UK Government enter the Brexit negotiations there will be no return to the super-expensive roaming digital phone charges for UK citizens working and living in the EU, and for EU citizens living and working in the UK?

**Mr Hammond:** I hear the hon. Gentleman’s concern and I am absolutely sure that the vast majority of our constituents would agree with his suggestion that we seek to maintain cost-effective access for UK phone users whenever they are roaming within the EU. I think that will be an issue for this Parliament post-Brexit unless we choose, in the course of the exit negotiations, to reach a reciprocal agreement with the European Union.

**School Funding**

3. **Helen Hayes** (Dulwich and West Norwood) (Lab): What discussions he has had with the Secretary of State for Education to ensure the protection of money following each child under the proposed new schools funding formula.

**The Chief Secretary to the Treasury (Mr David Gauke):** The Government are protecting the total core schools budget in real terms. That is possible only through careful management of the economy. As a result, school funding is at its highest ever level, at almost £41 billion in 2017-18. Spending will increase to £42 billion in 2019-20 as pupils numbers rise. We are also delivering our manifesto commitment to implement fairer schools funding. The recent national funding formula consultation includes generous transitional protections for schools that would see a reduction in their funding. The Government are carefully considering replies to the consultation and will respond in the summer.

4. **Rishi Sunak** (Richmond (Yorks)) (Con): What steps he is taking to support economic growth outside London and the south-east.

**The Chancellor of the Exchequer (Mr Philip Hammond):** The Government are supporting economic growth across the whole country as a key part of our productivity agenda by investing in infrastructure and skills, and by developing our industrial strategy. At the autumn statement, I launched our northern powerhouse strategy and earlier this year set out our midlands engine strategy. We recently allocated a further £1.8 billion from the local growth fund and an initial tranche of £185 million of local transport funding across the English regions.

**Rishi Sunak:** From Merseyside to Teesside, ports are a great northern success story. Will my right hon. Friend look into the potential for the creation of free ports throughout the United Kingdom? Free trade zones would increase trade, create manufacturing jobs and boost regional growth, which are all key ingredients of our future economic prosperity.

**Mr Hammond:** My hon. Friend has made the case for free ports, and the Government have heard that case very clearly. We will consider all options that have the potential to support our ambition to see Britain as a great global trading nation, but before making any decisions we shall need to consider carefully not only the advantages that free ports can deliver, but the costs and potential risks associated with them.

**Rachel Reeves** (Leeds West) (Lab): If towns and cities in our economy—including those in the north of England—are to flourish, we need banks and building societies...
that support them. Does the Chancellor agree that those banks and building societies should keep their branches open? Leeds Building Society has just announced that it will close its branch in Armley Town Street, which is in my constituency, following the closure of branches of HSBC and Yorkshire Bank in the last two years.

Mr Hammond: Of course we want there to be a viable branch banking network across the country, but we must recognise that the nature of banking is changing. More and more of us are using online digital banking, and that is bound to be reflected in the configuration of the branch networks that the banks operate.

Mr Steve Baker (Wycombe) (Con): As the entrepreneurial heart of England, Buckinghamshire provides an excellent bridge to the east midlands and beyond. Will my right hon. Friend look into how investment in Buckinghamshire can help to stimulate growth throughout the country, not just in London and the south-east?

Mr Hammond: I am sure you are delighted, Mr Speaker, that my hon. Friend has lighted on the key role of Buckinghamshire as a bridge between the north, the south, the east, the west and every other part of the country. I should be happy to receive, and I confidently predict that I will receive, my hon. Friend’s detailed submission on the case for greater infrastructure investment in Buckinghamshire.

Mr Speaker: Be careful what you wish for, sir.

Peter Dowd (Bootle) (Lab): An important driver of economic growth, both inside and outside London and the south-east, is productivity. Notwithstanding the rosy picture painted by the Chancellor, the Financial Times’s chief economist says that our productivity performance is “calamitous” and that the disparity in performance has widened regionally. Who do we believe, a respected economist or a backtracking Chancellor?

Mr Hammond: I do not recognise the picture that the hon. Gentleman paints of my position. I have stood at this Dispatch Box on countless occasions and lamented the fact that Britain has a poor productivity record—worse than Germany’s, and worse than those of the United States, France and Italy—but simply lamenting that fact is not enough. What we must do is put together a plan for tackling it, and it will be a long—

John McDonnell (Hayes and Harlington) (Lab): Seven years.

Mr Hammond: If the right hon. Gentleman checks the records, he will discover that this problem has existed for 40 years. It would be better if we tried to tackle this challenge in a spirit of bipartisan recognition and if we both recognised that there is a real problem that we have to tackle by investment in infrastructure, by investment in skills and by actions to spread growth and prosperity across the country.

John McDonnell: Seven years.

Peter Dowd: Yes, seven years.

Although the £6 billion investment for a new two-mile lower Thames crossing is welcome, how does such imbalanced infrastructure spending help to close the economic gap of regions outside London and the south-east? Does not that simply reaffirm the Government’s pathological incapacity to see much beyond the M25? I will be happy to buy the Chancellor a satnav if he wants to take the opportunity to use it.

Mr Hammond: I am not going to take any lectures from the hon. Gentleman on regional awareness, but perhaps he should speak to the Mayor of London, who has a view on infrastructure investment and what should drive it. The Government are clear that we need to spread infrastructure investment around the country in a way that will tackle the productivity challenge. One of the ways we will tackle it is by harvesting the benefits of our city regions in the west midlands, in the northern powerhouse and elsewhere, which evidence across the developed world has shown can be major drivers of productivity improvement. That is what we have to focus on.

Probate Registry Fees

5. Rob Marris (Wolverhampton South West) (Lab): What representations he has received on the Government’s proposals to increase probate registry fees. [909620]

The Financial Secretary to the Treasury (Jane Ellison): As the hon. Gentleman may be aware, the Ministry of Justice recently ran a consultation on this issue and received 533 responses in total. The Government response to the consultation was published on 17 March and is on gov.uk. They have since laid the statutory instrument to implement the changes set out in that response.
Rob Marris: The majority of the responses to the consultation were against the proposals because, in a civilised democracy, access to justice should not depend on being rich. Unfortunately, this Government do not agree: they are intent on lessening access to justice by greatly increasing court fees. The increase in probate fees is another stealth tax and one that will affect almost half the estates in England and Wales. It is an attempt by the Government to hide the massive cut in inheritance tax for their rich friends. Will this dying, cut-and-run Government abandon their tax on access to justice?

Jane Ellison: I certainly do not recognise that characterisation of the fee structure. These fees are about helping to sustain an effective justice system that supports some of the country’s most vulnerable people and victims. It is fair to ask those who can afford to do so to support it. In fact, more than half the estates in England and Wales will pay no probate fees at all.

Money Laundering

6. Gareth Snell (Stoke-on-Trent Central) (Lab/Co-op): What discussions he has had with the Secretary of State for Exiting the European Union on the provisions of the EU anti-money laundering directive in the UK’s negotiations on leaving the EU; and if he will make a statement.

The Economic Secretary to the Treasury (Simon Kirby): I reassure the hon. Gentleman that the Treasury and the Department for Exiting the European Union are working closely on that issue. As we exit the EU, we will look to negotiate the best deal possible so that we can continue to work together to maintain justice and security both in the UK and across Europe.

Gareth Snell: The Panama papers showed that thousands of UK-based banks, accountants, lawyers and other intermediaries have helped to set up shady and opaque corporate structures to handle illicit cash flows after registering in the Crown dependencies and overseas territories. Almost a year on from the anti-corruption summit, will the Minister commit to a public register of beneficial ownership covering the Crown dependencies and overseas territories?

Simon Kirby: If only we could do that; we do not have the ability to do so. What I can say is that in March 2017 we published the draft money laundering regulations and announced plans for a new watchdog to ensure supervisors and law enforcement work together more effectively. Since 2010, law enforcement have seized £1.4 billion in illegal funds.

James Duddridge (Rochford and Southend East) (Con): The EU is to blame for many things, but it is not to blame for money laundering and, in fact, any solution that looks to the EU to solve money laundering is missing the point that it is an international problem. Therefore, will the Minister confirm that he will be engaging internationally and not through the parochial lens of the EU?

Simon Kirby: We are of course a founding member of the Financial Action Task Force, which sets international standards for anti-money laundering and counter-terrorism financing. After exiting the EU, the UK will continue to lead in FATF and around the world.

Mr Speaker: I call Toby Perkins.

Toby Perkins (Chesterfield) (Lab): Lucky No. 7.

Mr Speaker.

Exiting the EU: Public Finances

7. Toby Perkins (Chesterfield) (Lab): What recent assessment he has made of the potential effect of the UK leaving the EU on the public finances.

The Chancellor of the Exchequer (Mr Philip Hammond): We’ll see how lucky, Mr Speaker.

The Government have undertaken a significant amount of work to assess the economic and fiscal impacts of leaving the EU, and they continue to carry out that work. This is part of a continuing programme of analytical work covering a range of possible exit scenarios, including sectoral analysis, but I have to say to the House that we are seeking the best possible deal for the United Kingdom, recognising that there is a range of possible outcomes to the negotiations, and the work being done reflects this. The Government have also committed to keeping Parliament informed, but it would not be appropriate to publish analysis that risks undermining our negotiating position.

Toby Perkins: Throughout the last seven years, the needs of the British people have had to play second fiddle to the needs of the Conservative party. As a result, the Chancellor has been forced to disown the manifesto commitment to balance the Budget in this Parliament. Is it not the truth that today’s announcement about a general election is another example of this Government putting their party’s interest ahead of the country’s interests at a time when there is a desperate need for stability in this country?

Mr Speaker: The question is about the departure from the EU and the effect thereof on the public finances.

Mr Hammond: In terms of the effect on the public finances, the decision that the Prime Minister made today is very much in the national interest, to strengthen this indispensable investment when we leave the European Union, to provide a clear mandate for the negotiations, and to ensure that the UK can negotiate its exit from the European Union, execute that exit, and then transition to the new arrangements with a clear run before the next general election.

Gerald Jones: After that party political broadcast on behalf of the Conservative party, may I ask the Chancellor a very serious question? Many billions of pounds of EU structural funds are invested annually in the UK, particularly in our deprived areas and regions. Wales, and Merthyr Tydfil and Rhymney, have benefited significantly from this funding. What steps will he take to replace this essential investment when we leave the EU?
Mr Hammond: As we have said on many previous occasions from this Dispatch Box, we recognise that alternative arrangements will have to be put in place. We will no longer be making large subscriptions—payments—into the European Union, but on the other side of the equation we will no longer be receiving some of the funding that we have been receiving for many years, including the structural funds. That places the opportunity back in the hands of this House—this Parliament—to decide how we should use our taxpayers’ funding to achieve the objectives of the UK Government and to achieve economic development in the way that is most appropriate for the UK.

Mr Jacob Rees-Mogg (North East Somerset) (Con): Does my right hon. Friend look forward to getting net £10 billion a year into the Exchequer, and does he note that the claims for tens of billions of euros from our friends in Brussels merely illustrate the financial incontinence on the continent?

Mr Hammond: Any Chancellor would always welcome any net tens of billions of pounds, or even any net billions of pounds, from pretty much any source whatsoever. In terms of the numbers bandied around in Brussels relating to the so-called exit charge, we should recognise them for what they are: an opening gambit in what will be a long and complicated negotiation—nothing more, nothing less.

Chris Philp (Croydon South) (Con): Does the Chancellor agree that, whether inside or outside the European Union, the best way of delivering strong public finances is a strong economy supported by low tax and low regulation, and is that the future we can look forward to?

Mr Hammond: The only way of delivering strong public finances is through a strong economy, with sensible and balanced regulation. We have a very large financial services sector in this country, which is a very important contributor to our fiscal balances, and its success depends on our getting that regulatory equation exactly right: too much regulation and we would drive away industry from London; too little regulation and we may lose our reputation as a safe and secure place to do business. We have to get it right.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): The Chancellor recently said that Brussels had set out a very aggressive starting line on the UK’s bill for quitting the EU. What assessment has he made of the worst case scenario, reported to be in the region of €60 billion, and what impact would that have on public finances?

Mr Hammond: I am not sure what the worst case scenario that the hon. Lady is talking about relates to. We have heard various figures bandied around in Brussels in terms of an exit charge. The work that the Government have been doing—which I was asked about earlier—relates to the economic and fiscal impact of different possible exit scenarios. The numbers being bandied around in Brussels are simply a question of a potential demand which would be raised in the negotiating process, but they are simply that: a negotiating strategy.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I agree with the Chancellor that one of the biggest contributors to the UK’s public finances is the tax revenue that we receive from the financial services sector. Now that we have had the triggering of article 50 and the Government’s White Paper, will he tell us whether he is confident that that revenue will not be significantly reduced, either through the loss of jobs or the loss of any major areas of financial activity?

Mr Hammond: Yes; the negotiating strategy and the objectives that we have set out in the article 50 letter would create an environment in which the financial services industry in the UK would be able, by and large, to continue the levels of commercial activity that currently take place with the European Union 27. But of course that will depend on negotiating the right arrangements with the European Union, and it is essential that we go into these discussions in constructive mode, recognising that there are real issues on both sides and that the UK’s financial services industry is an asset not only of the UK but of the whole of the continent of Europe. European businesses depend on those financial services.

Jonathan Reynolds: I share the Chancellor’s assessment that there is a mutually beneficial deal for us and the EU to agree on, if this Government have the ability to deliver it. Will he therefore state unequivocally that, as a result of the deal that the Government will seek to negotiate, there will be no significant loss of jobs in any major financial institutions, no removal of any major City-wide functions such as clearing, and no relocation of any EU-wide regulatory agencies such as the European Banking Authority?

Mr Hammond: On the hon. Gentleman’s last question, the location of the European Union’s agencies is clearly a matter for the European Union. We cannot credibly seek to leave the European Union and at the same time dictate to it where it should locate its agencies. On the initial items on his list, it will indeed be the UK Government’s objective, as we go into the negotiations, to protect our financial services sector.

Kelvin Hopkins (Luton North) (Lab): Since the EU referendum, the substantial sterling depreciation has seen exports increase and the balance of trade deficit reduce from £13.7 billion in quarter 3 of last year to £5 billion in quarter 4. However, the Chancellor has repeatedly said that he is not concerned about the exchange rate. Is it not just plain wrong to dismiss the significance of the exchange rate?

Mr Hammond: I have never said that I was not concerned about the exchange rate. I have said that the Government do not take a view on what the appropriate exchange rate should be; that is very much a matter for the markets to determine. I am sure that the hon. Gentleman will have been delighted to note that my right hon. Friend the Prime Minister’s statement this morning has sent sterling up in the markets, demonstrating the confidence that the markets have in a future for this country under a Tory Government with a new mandate.

Tax Evasion and Avoidance

9. Susan Elan Jones (Clwyd South) (Lab): What meetings he has had with (a) EU counterparts and (b) Cabinet colleagues on tackling tax evasion and avoidance.

[909624]
The Financial Secretary to the Treasury (Jane Ellison): The question was about what meetings had taken place, and I plead guilty to answering it as asked. If the hon. Lady wants details, she can look at the many measures that have been put through since 2010, and, indeed, already in this Parliament. In fact, if she sticks around for the Second Reading of the Finance Bill, she will hear about even more things that the Government have planned to crack down on avoidance and evasion across the spectrum.

Robert Jenrick (Newark) (Con): Had the tax gap continued on the trajectory left by the last Labour Government, it would be £47 billion, and the public purse would be £11 billion poorer. Instead, as a result of the policies of this Government, the tax gap is at £6 billion, which is its lowest level ever. Does my hon. Friend agree that talk is the best that some parties can offer on tax evasion and avoidance, and that it takes a Conservative Government to get something done about those problems?

Jane Ellison: That is exactly right, and this is something that we have taken extremely seriously. The UK’s tax gap is one of the lowest in the world, and it is certainly one of the most transparent and best documented. Since 2010, Her Majesty’s Revenue and Customs has secured £140 billion in additional tax revenue as a result of tackling avoidance, evasion and non-compliance. As I have said, the Government are ambitious to do more.

Economic Growth (South-east Coast of England)

10. Maria Caulfield (Lewes) (Con): What steps he is taking to support economic growth on the south-east coast of England.

The Economic Secretary to the Treasury (Simon Kirby): Would you mind, Mr Speaker, if I started by sending my congratulations to Brighton & Hove Albion. We have just under six miles of motorway in Sussex, and the Brighton & Hove Albion stadium is on one of our motorway junctions. Does he agree that we need to dual the A27 to make the south coast more economically viable? Will he join me in meeting other Sussex MPs to discuss how we can take that forward?

Simon Kirby: I am fully aware of the problems on the A27 and their impact on the A259 in my constituency, and I look forward to doing all I can to work with my hon. Friend to reach a solution.

Regional Infrastructure Development

11. Sir David Amess (Southend West) (Con): What steps he is taking to support regional infrastructure development.

14. Chris Green (Bolton West) (Con): What steps he is taking to support regional infrastructure development.

The Chief Secretary to the Treasury (Mr David Gauke): We recognise the importance of infrastructure provision in all regions of the United Kingdom. That is why at autumn statement 2016 we committed additional capital to fund high-value economic infrastructure through the national productivity investment fund. We are committed to putting local and regional needs at the heart of this fund. For example, we are spending £1.1 billion on local projects to improve our existing transport networks. That will deliver improvements to hundreds of roads across the country.

Sir David Amess: What further help can my right hon. Friend give to infrastructure projects in Southend West, including the A127 corridor improvement works?

Mr Gauke: My hon. Friend is a tireless advocate of the case for Southend. Indeed, we met in November to discuss some of these issues. It is worth pointing out that the Government have supported improvements to the A127, with more than £35 million of local growth funding. Furthermore, local authorities will have the opportunity to bid into the £490 million local transport fund. For example, we are spending £1.1 billion on local projects to improve our existing transport networks.

Chris Green: I welcome the investment in the electrification of the rail line between Manchester and Preston, but what more can the Chancellor do to ensure that we have vital road links, such as the Westhoughton bypass?

Mr Gauke: The Government are investing more than £13 billion in transport projects in the north and supporting local road schemes such as the Manchester airport relief road and the Heysham M6 link road. The Government are also looking at options for the Highways England north-west quadrant that should ease congestion in places such as Westhoughton.

Mr Stephen Hepburn (Jarrow) (Lab): This Government cannot even begin to pretend that they are interested in boosting infrastructure outside London and the south-east. We need only look at transport spending for proof
of that. In London, transport spending is £1,000 per head; in the north-east it is not even £300. Does that not tell us about the Government’s record and their priorities?

Mr Gauke: As I said a moment or so ago, we are investing more than £13 billion in transport projects in the north. HS2 will benefit the north of England. We make no apologies for also wanting to ensure that we invest in Crossrail to deliver for London, yes, but also for the economy of the whole United Kingdom.

Greg Mulholland (Leeds North West) (LD): Before the last general election, Conservative Ministers were committed to the electrification of the Leeds-Harrogate-York line, on which commuters still suffer from travelling on Pacer trains. Will we do any better after the next general election and finally see the electrification of this line?

Mr Gauke: As I said, we are investing in our infrastructure. We already had significant plans before the autumn statement, which involved further investment to give us scope to improve our transport infrastructure. It is worth pointing out, however, that aggregate investment in economic infrastructure will rise by almost 60% between 2016-17 and 2020-21.

19. Jason McCartney (Colne Valley) (Con): As a Huddersfield Town fan, may I also congratulate Brighton & Hove Albion on being promoted to the premiership? We look forward to meeting Brighton in the premiership next season once we triumph in the play-off final at Wembley.

As for infrastructure spending, as new trains replace the Pacers and HS3 is developed—we have the smart motorways, too—can we ensure that we develop interconnectivity between the northern towns, not just between the great cities of the north?

Mr Gauke: My hon. Friend makes an important point about interconnection between northern towns. It is worth pointing out that we are putting local and regional needs at the heart of the national productivity investment fund. That is why we are spending £1.1 billion on local projects to improve our existing transport networks.

Hannah Bardell (Livingston) (SNP): In the same vein, I congratulate the Economic Secretary to the Treasury’s local team on their success, and I hope that I will be joined in congratulating Livingston FC, who have also gained promotion.

On infrastructure spending, there is no doubt that Crossrail is an engineering feat, but it is costing nearly more than a third of Scotland’s national budget. When will we see more devolution of infrastructure funding—perhaps to fix some of the problems of the Minister’s colleagues?

Mr Gauke: Scotland benefits from the Barnett consequentials of investment in things such as HS2, which will provide a step change in rail connectivity along the east coast corridor, bringing significant benefits to the UK economy as a whole. However, we can afford to spend money on infrastructure only if we have a stable and strong economy to deliver it.

Tourism: VAT Reduction

12. Mr Alistair Carmichael (Orkney and Shetland) (LD): What assessment he has made of the potential effect on the tourism industry of a reduction in the rate of VAT. [909627]

The Financial Secretary to the Treasury (Jane Ellison): The Government have carefully considered the evidence for applying a 5% reduced rate of VAT on accommodation and visitor attractions, which has come up several times in the House, but we believe, on balance, that the costs of doing so outweigh the benefits. We keep all such things under review, but there are no plans for a reduction in the rate of VAT on tourism activity.

Mr Carmichael: That is a disappointing answer. The campaign for a reduced rate of VAT for tourism estimates that a 5% rate would produce a higher tax take and could create 121,000 jobs across the country. That would be of particular benefit to many economically fragile coastal and island communities. Will the Minister meet campaigners to discuss things in more detail?

Jane Ellison: I am familiar with the right hon. Gentleman’s figures, and Treasury officials have met campaigners over several years to look at them. We will always look at the evidence, but we disagree with the campaign’s economic assessment. Together with HMRC, the Treasury assesses that such a cut would cost around £10 billion a year—approximately £7 billion for restaurants and bars, and about £3 billion for leisure and accommodation.

Steve Double (St Austell and Newquay) (Con): What further steps are being taken to support the tourism industry, particularly in places such as Cornwall, where tourism is so important to our local economy?

Jane Ellison: We look to support the tourism sector in a whole range of ways, and the sector is doing very well. We have seen great increases in the number of tourists, and my hon. Friend is a great advocate for his region. Tourism is one of the highest performing sectors in the economy. For example, the UK has one of the highest VAT registration thresholds in the EU—[Interruption.] The highest. That helps many small businesses that are providing goods and services to tourists without charging VAT at all.

Mr Speaker: We can now hear about tourism in South Down as well. I call Ms Margaret Ritchie.

Ms Margaret Ritchie (South Down) (SDLP): With particular reference to that, does the Minister recognise the additional disadvantage faced by the tourism industry in Northern Ireland, particularly in border constituencies such as mine, given that the VAT rate on tourism in the Republic of Ireland sits at 9% and ours sits at 20%?

Jane Ellison: We explored those issues when I gave evidence to the Select Committee on Northern Ireland Affairs, so I know what the hon. Lady is alluding to. One example is that the Government’s decision in last year’s autumn statement to focus on investment in infrastructure will result in an increase of more than £250 million to the Northern Ireland Executive’s capital budget, which gives them the means to boost productivity and promote regional growth in Northern Ireland.
Economic Growth

15. George Kerevan (East Lothian) (SNP): What steps he is taking to support economic growth in all regions and nations of the UK.

Simon Kirby: We will carefully consider the commission’s proposals for a broader register. If those proposals go forward, the Government will consult on what the register should look like after the negotiations have concluded.

The Economic Secretary to the Treasury (Simon Kirby):
In addition to the earlier answer to Question 4, in Scotland and Wales the Government are investing almost £1.3 billion in city deals for Glasgow, Aberdeen, Inverness, Cardiff and Swansea, and we are discussing further deals for Edinburgh, Stirling, the Tay cities and north Wales.

George Kerevan: Will the Minister guarantee that the city deal specifically for Edinburgh and my East Lothian constituency will be neither aborted nor substantially delayed by the calling of the general election?

Simon Kirby: What I can guarantee is that it is about time the Scottish National party started delivering for the people of Scotland. The level of growth in Scotland is a quarter of that across the UK.

20. [909635] Kevin Foster (Torbay) (Con): The Minister will be aware of the difference that will be made by the new high-tech and digital centre at South Devon College in Paignton, which is being supported by the third round of growth funding. Does he agree that the facility makes South Devon College an ideal place to be one of the first to offer the new T-level?

Simon Kirby: I absolutely agree that it would be an ideal place to be in the first stream.

Money Laundering

16. Mr Virendra Sharma (Ealing, Southall) (Lab): If he will support public registers of beneficial owners for all legal entities, including trusts, during negotiations on the EU anti-money laundering directive.

Mr Sharma: We are now a year on from the anti-corruption summit. Will the UK now ensure that the overseas territories and Crown dependencies also have public registers of beneficial ownership?

The Economic Secretary to the Treasury (Simon Kirby):
The UK has spearheaded improvements in the transparency of beneficial ownership information. Her Majesty’s Revenue and Customs is already building a register of trusts with tax consequences, which will improve transparency and assist law enforcement agencies.

Mr Sharma: Is the Minister aware that Her Majesty’s Revenue and Customs will not be signing up to the anti-money laundering directive and that it will not be consulted on this issue?

The Economic Secretary to the Treasury (Simon Kirby): I absolutely agree that it would be an ideal place to be in the first stream.

Productivity

17. Stephen McPartland (Stevenage) (Con): What steps he is taking to improve productivity.

The Chief Secretary to the Treasury (Mr David Gauke): The Government recognise the challenge that Britain’s productivity performance represents, and we are resolved to tackle the issue. At last year’s autumn statement we launched the national productivity investment fund to provide £23 billion-worth of additional spending, focused on areas key to boosting productivity. We went further at the Budget by investing an additional £500 million in technical education to ensure that businesses can access the skills they need.

Stephen McPartland: With the average worker spending 23% of their day on email, what assessment have the Government made of how the increasing reliance on email is stalling productivity?

Mr Gauke: Particularly in the context of the public sector, we have an ongoing efficiency review. Where we find areas in which we can improve efficiency and ensure that everyone becomes more productive, we will obviously look to take those opportunities.

Several hon. Members rose—

Mr Speaker: There can be a link between productivity and recent trends in the level of employment, so if the hon. Member for Northampton South (David Mackintosh) wishes to come in on Question 17, he is welcome so to do.

Mr Gauke: Particularly in the context of the public sector, we have an ongoing efficiency review. Where we find areas in which we can improve efficiency and ensure that everyone becomes more productive, we will obviously look to take those opportunities.

Exiting the EU: Alternative Trade Agreements

23. Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): What assessment his Department has made of the potential economic effect of alternative trade agreements after the UK has left the EU.

The Financial Secretary to the Treasury (Jane Ellison): As the Chancellor mentioned, the Government have undertaken a significant amount of work to assess the economic impacts of leaving the EU. It is part of our continuing programme of rigorous and extensive analytical work, covering a range of scenarios, as the hon. Gentleman would expect, sector by sector.
Mr Bailey: Small businesses manufacturing car components in my constituency are hugely concerned that, post-Brexit, this country may have to revert to the World Trade Organisation agreements, which would mean increased tariff costs and further regulation, and could have an impact on the viability of the booming motor industry. What assessment has the Chancellor made of that impact?

Jane Ellison: Treasury Ministers, and indeed Ministers right across government, are speaking to individual businesses and sectors all the time to understand their concerns about issues of this sort. Obviously, we are seeking the best possible deal for the UK, and all the work being done reflects that, including in respect of understanding how we can respond to those concerns and get a great deal.

Topical Questions

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): If he will make a statement on his departmental responsibilities.

The Chancellor of the Exchequer (Mr Philip Hammond): My priority is to ensure that the economy remains stable and resilient as we conduct our negotiations with the European Union. That means building upon this Government’s achievements in reducing the deficit by two thirds and getting unemployment down to the lowest rate since the 1970s, while tackling the long-term challenges of productivity enhancement and making steady progress towards our goal of a balanced budget. I am pleased to be able to tell the House that in the past few minutes the International Monetary Fund has upgraded its UK growth forecast for 2017 by 0.5% to 2%.

Dr Poulter: Farms and other agricultural businesses are often deterred from making investments in new buildings and infrastructure because of a complex system of capital allowances, including agricultural buildings relief. Will my right hon. Friend examine this issue, particularly in respect of giving the agricultural sector a boost in the wake of Brexit?

The Financial Secretary to the Treasury (Jane Ellison): Agricultural land and buildings are, of course, exempt from business rates, although I know my hon. Friend was talking in particular about some of the capital allowances. We are committed to a capital gains tax system that supports investment and growth right across the economy, which is why at Budget 2016 we reduced CGT rates from 28% to 20%, and from 18% to 10% for gains on most assets. Owners of agricultural businesses benefit from the same CGT rates and reliefs as other business owners.

Mr Philip Hammond: The right hon. Gentleman has some brass neck to stand there and accuse us of having failed to eliminate the deficit, given that his policy is to add another £500 billion to it overnight. The British people understand very well what is going on here: we have a Conservative Government who are maintaining growth, and who have got unemployment down and record levels of employment, and a steadily closing deficit; and we have a Labour party which remains as fiscally incontinent as ever and which, if given a chance, would wreck this economy once again.

John McDonnell: There we have it: not one word of apology—no contrition whatsoever—from a Chancellor who has broken his promises to the British people and is still failing to deliver on a manifesto on which he was elected only 23 months ago. The Government are entering this election having scheduled £70 billion-worth of tax giveaways—for whom? It is for the super-rich and for the corporations, and is over the next five years. The Government are entering an election with a £2 billion unfunded black hole in the Budget the Chancellor delivered only a few weeks ago. So will he now use this opportunity before the general election to put on the record that his party will rule out raising VAT and rule out raising income tax? Will he commit unequivocally to support legislation to protect the triple lock? If the Tories cannot be straight with the British people, Labour will be.

Mr Hammond: The truth is that promises made from the Opposition side of the House are not worth the paper they are written on. The voters, pensioners and workers of this country understand that very well, and they will give their verdict on Labour’s promises on 8 June.

Mr Andrew Tyrie (Chichester) (Con): Assuming the House votes for an election, will the Chancellor confirm that he will seek to truncate the Finance Bill, remove its controversial measures, such as making tax digital, and thereby enable everybody to focus on the economic issue that will matter most to the whole country over the next few months: which party can best be trusted to run the economy?

Mr Hammond: I certainly agree with my right hon. Friend on that last point. On the matter of process, assuming that the House votes in favour of my right hon. Friend the Prime Minister’s motion tomorrow, there will then be the usual end-of-Parliament process of negotiation with the official Opposition on measures that are currently before the House, with a view to passing them in whatever form is appropriate before prorogation.

Several hon. Members rose—

Mr Speaker: Brevity, please, because I am keen to get through as many colleagues as possible.
Mr Hammond: I can confidently predict for the hon. Gentleman that, after the general election on 8 June, there will be a Budget that will give him the answers he is seeking.

The Chief Secretary to the Treasury (Mr David Gauke): Improved rail resilience in the south-west is a priority, which is why we committed £5 million in Budget 2016 and £10 million in autumn statement 2016 to support that work. The Government will continue to work with Network Rail to develop options for future investment in the south-west in Network Rail’s control period 6.

Mr Philip Hammond: We are very keen on employees having an opportunity to take a stake in the businesses for which they work. We will look carefully at any proposals that would tend to enhance productivity by incentivising and encouraging employees.

Jane Ellison: In most cases, the Ministry of Justice expects that banks will be able to release enough cash from the estate to pay the probate fee, and we know from HMRC that the average estate is 25% cash. The MOJ is working with the British Bankers Association and others to put arrangements in place.

Mr Hammond: As I have already said, this should be seen for what it is: an opening gambit in a long and complex negotiation.
Mr Philip Hammond: I am afraid that the hon. Gentleman will just have to contain himself and ready his money, because he will be able to buy a copy in due course.

T9. [909614] Matt Warman (Boston and Skegness) (Con): The taxpayer has benefited from the return to private ownership of Lloyds and UK Asset Resolution, but can my right hon. Friend provide an update on the sale of the Royal Bank of Scotland?

Mr Hammond: We are making real progress in realising our holdings in the banking sector. We continue the programmed sale of our shareholding in Lloyds, which is now down from 43% to less than 2%. Just last month, we sold £12 billion of Bradford and Bingley mortgages in a highly competitive process. The Government are not at present actively marketing their stake in RBS. Our policy remains to return the bank to private hands as soon as we can achieve fair value for the shares, recognising that fair value could well be below what the previous Government paid for them. We must live in the real world and make decisions on the future of our holding in RBS in the best interest of taxpayers.

Mr Dennis Skinner (Bolsover) (Lab): In the real world, seven years ago, a Tory Chancellor stood at the Dispatch Box and said that we had to cut the money to every single local authority in Britain by up to 40% because we needed to get rid of the deficit. Now, seven years later, that deficit is still more than £60 billion. Will the Chancellor apologise to the people of Britain for that lousy mistake?

Mr Hammond: That deficit is still £60 billion, but it was £200 billion when we started working on it.

Martin Vickers (Cleethorpes) (Con): Following the football theme of this afternoon, I am sure that everyone would wish to know that Cleethorpes Town has finished as champion of the Northern Counties East League, which means that even more people will want to travel to Cleethorpes. Infrastructure development was mentioned earlier. Will the right hon. Gentleman give an assurance that all roads will lead to Cleethorpes?

Mr Gauke: I will take that as a representation for all those many fans wanting to go to Cleethorpes to watch football.

Chris Stephens (Glasgow South West) (SNP): Can the Chancellor confirm that HMRC takes eight months to fill a vacancy in the national minimum wage compliance unit? If that is so, what will he do properly to resource that service so that workers can get a decent day’s pay for a decent day’s work?

Jane Ellison: I will look into the specific issue that the hon. Gentleman raises, but I want to make it very clear that HMRC investigates absolutely every report of national minimum wage violations. We take the matter very seriously, and we do enforce it.

David Morris: In my constituency I held a public consultation on creating an enterprise zone or a business park. The Labour county council has blocked it considerably and constantly. Would my right hon. Friend the Chancellor like to come to my constituency and listen to what my constituents are saying about having an enterprise zone?

Mr Philip Hammond: As it happens, I was just planning my domestic travel arrangements for the next five weeks, and I will keep my hon. Friend’s request in mind when I do that.
Business of the House

3.35 pm

The Leader of the House of Commons (Mr David Lidington): With permission, I should like to make a short statement about the business for tomorrow.

Wednesday 19 April—The House will be asked to approve a motion that allows for my right hon. Friend the Prime Minister to seek an early parliamentary general election under the Fixed-term Parliaments Act 2011. This will be followed by consideration of Lords amendments to the Technical and Further Education Bill, followed by a debate on a motion relating to section 5 of the European Communities (Amendment) Act 1993.

The business for Thursday 20 April remains Backbench Business Committee business, as I previously announced. I shall make a further announcement about future business in the usual way on Thursday.

Valerie Vaz (Walsall South) (Lab): I start by thanking the Leader of the House for his statement and for coming to the House to inform us of the change of business to a motion calling for a general election. I now understand why it was so difficult to get out of the Leader of the House a date for the forthcoming Queen’s Speech, despite consistently asking him for it. Obviously, the Prime Minister’s U-turn has been a long time in the planning.

I am concerned that the Prime Minister chose to make her statement outside No.10 rather than come to the House. This is a massive U-turn. At least seven times, most recently on 20 March, the Prime Minister has ruled out an early general election. She said: “I’m not going to be calling a snap election. I’ve been very clear that I think we need that period of time, that stability to be able to deal with the issues that the country is facing and have that election in 2020.”

Clearly, this Government cannot be trusted.

Given that the general election is on 8 June and there are 25 working days until Parliament can be dissolved, can the Leader of the House let us know the exact date for the Dissolution of Parliament? May I repeat that a statement of such importance should have been made to the House of Commons, given the nature of this massive U-turn. Her Majesty’s Opposition will ensure that we will promote stability, and that there is an alternative fairer vision for this country.

Mr Lidington: The hon. Lady asked about the date for Dissolution. That is laid down in statute: it has to take place 25 days before the proposed date of polling day. Therefore, the date of dissolution will technically take place 25 days before the proposed date of polling day. Therefore, the date of dissolution will technically take place 25 days before the proposed date of polling day. Therefore, the date of dissolution will technically take place 25 days before the proposed date of polling day.

I do not recollect any previous Labour Prime Minister announcing a general election on the Floor of the House of Commons. My right hon. Friend the Prime Minister went about things in the time-honoured fashion this morning. She is putting to the country the case for this Government to go forward on the basis of a clear mandate to provide the clarity and stability that the entire United Kingdom needs, as we approach the historic task of implementing the referendum decision taken by the British people and forging the new, deep and special partnership with our friends and allies in the European Union that we all want.

Mr Peter Bone (Wellingborough) (Con): May I thank the Leader of the House for making a statement at the earliest possible opportunity, and the Prime Minister for making an announcement that was not leaked to the media in advance? Will my right hon. Friend confirm that it is not in the gift of the Prime Minister to decide whether there is a general election? It will be this House that decides, and if Her Majesty’s Opposition do not want a general election, cannot face it, or are worried about annihilation, they will not vote for it tomorrow.

Mr Lidington: I agree completely with my hon. Friend.

Pete Wishart (Perth and North Perthshire) (SNP): I thank the Leader of the House for his short but incendiary statement. Here we were believing that this was not the time for these types of big decisions, and that the core focus of this Government should really be on their hard Brexit. This is one of the most extraordinary U-turns in political history, and the Fixed-term Parliaments Act 2011 has been about the biggest possible waste of this House’s time. The calling of a general election now returns to a Prime Minister, and the interests of party now come before the interests of country. In the coming election, we will ensure that Scotland continues to be fully protected from this Tory Government’s attempt to take our nation off the cliff edge of their hard Brexit and from their obsession with austerity. The Tories might play their petty party political games, knowing that they are up against a woeful and pitiful Labour party, but the Scottish National party will ensure that Scotland is fully protected from the worst of this Government’s clutches.

Mr Lidington: The Prime Minister and the party she leads will take to the people the case for the Union of the four nations of our United Kingdom, and our belief that those four nations are better off working together in that unique enduring partnership of the United Kingdom. I say to the hon. Gentleman that the Prime Minister took her decision—a decision that, as she said this morning, she took with considerable reluctance—because it is in the interests of the people of this country. It is in the interests of the entire nation that we have clarity, stability and constancy of purpose as we move forwards.

Mr Jacob Rees-Mogg (North East Somerset) (Con): Does the Lord President agree that this is actually one of the rare occasions when it is absolutely right that the statement was first made to the British people—not to this House—because it is they who are being asked to use their sovereign power to determine the composition of a new House?

Mr Lidington: My hon. Friend makes a cogent point. It will, of course, be for this House in the first place to decide whether to approve the motion that we will debate tomorrow. If the Government’s motion is carried, we will then put our case to the people.

Tom Brake (Carshalton and Wallington) (LD): The Prime Minister was not for calling a snap general election, but now she is, perhaps sensing a political opportunity. The choice to go for an election now is hers and hers...
alone, as was the choice of a hard Brexit. Will the Leader of the House make time available before the general election campaign starts for this House to discuss the party of government’s failure on the NHS, tackling violent crime, and dealing with people with disabilities and their benefits?

Mr Lidington: I am astonished that the right hon. Gentleman, on behalf of the Liberal Democrats, was able to talk about political opportunism with a straight face. The Prime Minister alone has to take the decision to put forward the motion tomorrow, but it will be a decision for every Member of the House of Commons when we meet tomorrow to decide whether that motion is approved.

Geoffrey Clifton-Brown (The Cotswolds) (Con): My right hon. Friend has confirmed that Parliament will be dissolved at midnight on 2 May. Will he please confirm on which date Parliament will be prorogued?

Mr Lidington: The usual discussions are under way between the usual channels about the handling of business that is currently before Parliament. On the assumption that the motion is carried by the House tomorrow, those discussions will intensify. I hope that I will be able to provide the clarity that my hon. Friend seeks as soon as possible.

Ms Angela Eagle (Wallasey) (Lab): The Leader of the House has given us an image of the Prime Minister being dragged, kicking and screaming, into calling a general election when she did not want one. Can we find time in what is left of this Parliament to have a debate about why she decided to trigger article 50 and then throw the entire planning into doubt by then calling a general election, which will waste at least three months of the precious, short time we have left to get the best deal for Britain?

Mr Lidington: Far from throwing things into doubt, the Prime Minister’s decision has, assuming that the people return this Government—it will be a choice for the people to take—ensured that there will be the clarity of a mandate behind her and her Government to deliver a successful negotiation, and to implement it over the course of a five-year term.

Dr Matthew Offord (Hendon) (Con): Some Members of this House are labouring under the impression that the next general election will be a rerun of the referendum. Will the Leader of the House confirm that article 50 having being triggered, regardless of who wins the next election there is no turning back?

Mr Lidington: The wording of article 50 is clear, and it is clear that any change to the two-year timetable can happen only if it is agreed unanimously by all member states, including the departing member state. As my right hon. Friend the Prime Minister has made clear, whatever side we took in the referendum campaign, we must respect the sovereign decision of the British people.

Ian Paisley (North Antrim) (DUP): I thank the Leader of the House for his statement and assure him that the Democratic Unionist party will support the motion tomorrow. We say, “Bring it on: bring on the election and let people support the Union and the Unionist cause in Northern Ireland.” Will he clarify tomorrow the last date for people who wish to register to vote to do so, so that there is clarity and certainty about the registration process, especially in Northern Ireland?

Mr Lidington: Clearly, I do not want to pre-empt the decision that this House will take tomorrow, but, assuming that the motion is carried, I will try to provide that clarity as rapidly as possible.

Helen Goodman (Bishop Auckland) (Lab): The Leader of the House says that he does not want to pre-empt tomorrow’s decision by this House. Was not the Prime Minister attempting to do that in naming 8 June?

Mr Lidington: What the Prime Minister was doing this morning was making her ambition clear about the timeframe for the general election. I have to say to the hon. Lady that the specific date would have been the first question put to the Prime Minister, in the House and outside, had she not named one.

Kirsty Blackman (Aberdeen North) (SNP): Mr Speaker, you may remember—as you took an active part in it—a debate in January 2000 that went on all night so that the next day’s business did not exist. Given that in debating the Finance Bill the House can sit until any hour tonight, what will the Government do in the event of tomorrow not existing?

Mr Lidington: Given that question, I suspect that the hon. Lady and her colleagues are a bunch of fearties as far as a general election is concerned.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The Leader of the House will agree, I am sure, that the prime responsibility of this House is to hold the Government to account. Does he not think that many, not just in this Chamber but outside across the country, will regard the Prime Minister’s rush to an early general election as a strategy to evade responsibility for the chaos we have had in this country since the previous Government arranged a referendum that they actually lost?

Mr Lidington: The Prime Minister’s decision is about inviting the British people, in the national interest, to return her to provide the leadership, the sense of direction and the clarity which this country needs and which those in the hon. Gentleman’s party are so clearly unable to provide themselves.

Mr Nigel Evans (Ribble Valley) (Con): Will the Leader of the House confirm that should the motion pass tomorrow we are not voting for a new Prime Minister for just two years over the course of Brexit, but a new Prime Minister for the duration of a Parliament of five years? Many of us are expecting that either the current Prime Minister or the leader of the Labour party will walk through the door of No. 10 post 8 June. Will the Leader of the House encourage my right hon. Friend the Prime Minister to go head to head with the Leader of the Opposition in as many TV debates as possible before 8 June?

Mr Lidington: I suspect that the electorate would be fascinated to see the outcome of such a debate.
Mr David Hanson (Delyn) (Lab): Will the Leader of the House confirm that in the event of a two-thirds majority not agreeing to tomorrow’s motion, the only way the Government could call a general election would be to table a vote of no confidence in themselves? When does he plan to do so?

Mr Lidington: We intend to go into tomorrow’s debate with the clear objective of persuading that two-thirds majority to support the Government’s motion.

Hywel Williams (Arfon) (PC): The Prime Minister was inconsistent about Brexit, and now her iron determination not to call a general election transmutes into a leaden determination to have one. May I assure the Leader of the House that, with Labour in a writhing mess, we in Plaid Cymru relish the opportunity to provide a Welsh alternative to this ideologically driven, opportunist, right-wing Tory Government, and that we will be voting yes tomorrow?

Mr Lidington: I suppose I should express my appreciation for the hon. Gentleman’s final phrase, if not for the rest of his remarks.

Chris Bryant (Rhondda) (Lab): For weeks constituents have been emailing me and telephoning my office because they are terrified of the changes to the personal independence payment regulations, which we were finally going to be allowed to debate and vote on tomorrow, but the Leader of the House has suspended that. Will he guarantee that this House, this Parliament, will have a chance to vote on and debate them before Dissolution?

Mr Lidington: As I have said, the usual channels will discuss the allocation of business between the debate concluding tomorrow and the date of Dissolution.

Greg Mulholland (Leeds North West) (LD): The Liberal Democrats welcome the opportunity to take on this divisive, destructive Tory Government and their hard Brexit, but how much will this general election cost; and if the Prime Minister wanted to do it, why did she not call it for 4 May? The decision not to do so is going to cost a lot of taxpayers’ money.

Mr Lidington: The timetable for any general election is laid down by the Fixed-term Parliaments Act and the Political Parties, Elections and Referendums Act 2000. A general election on the same day as the local elections would not be possible, given what the laws require.

Mike Gapes (Ilford South) (Lab/Co-op): Inflation is rising, real living standards are potentially going to decline and we know that there will be very difficult negotiations with our European Union partners. Is not the real reason that the Prime Minister has called this election so that she can avoid having a general election in 2020, which would be very dangerous for her party? She thinks that she can win now in order to avoid dealing with the consequences of a hard Brexit.

Mr Lidington: The country I look at is one in which unemployment is falling, employment is at record levels, the deficit is down and there are record levels of spending on key public services, which is made possible because of the strong economy that my right hon. Friend the Prime Minister and the Chancellor have fostered. I look forward to a general election and to making the case to the people for that programme of political commitment and the leadership of my right hon. Friend the Prime Minister to continue.

Alison Thewliss (Glasgow Central) (SNP): The Government’s ridiculous rape clause came into force on 6 April, with no parliamentary scrutiny. The usual channels had promised that a Delegated Legislation Committee would be held to provide some parliamentary scrutiny of that despicable policy. Will that now happen, given that Parliament is to be dissolved very soon?

Mr Lidington: Any change to the law has of course to go before Parliament. I will put the hon. Lady’s point to my colleagues among the business managers, but I cannot give her an immediate promise that she will get the time she seeks.

Angela Smith (Penistone and Stocksbridge) (Lab): Will the Leader of the House confirm what will happen to the Manchester Gorton by-election, given that on 4 May there will potentially be no Parliament for any candidate to be elected to?

Mr Lidington: There is no statutory provision for the cancellation of a by-election when a general election is in progress. It is up to the judgment of the acting returning officer, whom one might expect to regard the by-election writ as having been superseded. That was the course of action taken by the acting returning officer in the one precedent that I have found, which dates back to November 1923.

Mark Durkan (Foyle) (SDLP): Will the Leader of the House tells us whether the Prime Minister took soundings from the Secretary of State for Northern Ireland as to the impact of this announcement on the ongoing inter-party talks, and does the Secretary of State for Northern Ireland still intend to bring legislation through this House and the House of Lords in the wash-up in respect of rates and topping up the mandate for the current Assembly to appoint an Executive?

Mr Lidington: My right hon. Friend the Northern Ireland Secretary is of course considering what difference, if any, should be made to his announced plans as a result of the Prime Minister’s announcement this morning. I will try to provide the hon. Gentleman with absolute clarity as soon as possible, but my expectation is that there will continue to be a need for such legislation.

Kate Green (Stretford and Urmston) (Lab): Will the Leader of the House acknowledge that we will none the less elect a metropolitan Mayor in Greater Manchester on 4 May, who will take up office and responsibility for transport in the city region? Will the Government confirm that the Bus Services Bill will complete its parliamentary passage before Dissolution?

Mr Lidington: The passage of any Bill currently before Parliament will depend on the talks between the Government and the official Opposition which always take place ahead of a general election.
Jonathan Edwards (Carmarthen East and Dinefwr) (PC): In calling a snap election, do the British Government seriously take the view that a UK election will really change the EU 27 negotiating position? If so, are they not guilty of living in a land of fantasy?

Mr Lidington: It will be important that the newly elected leaders in France and Germany will meet a newly re-elected Prime Minister of the United Kingdom, all of them with the confidence that they have mandates from their voters as they approach those negotiations in a constructive spirit.

Alan Brown (Kilmarnock and Loudoun) (SNP): To date, the Chancellor has refused to share with Parliament any analysis of the impact of Brexit—in fact, he seems to have refused to share it with the Secretary of State for Exiting the EU, given his shambolic performance in front of the Select Committee—but this general election is all about clarity. In the interests of clarity, will the Government print analysis showing the impact of a hard Brexit versus Scotland staying in the single market, which is what my constituents voted for?

Mr Lidington: I could make the arguments that the hon. Gentleman has heard about the vital importance to Scotland of the United Kingdom single market, but I would say to him in particular that the Prime Minister’s objective of delivering a new deep and special partnership with our friends and allies in the EU27 will serve the economic and security interests of Scotland well, as it will serve those of the whole of the United Kingdom well.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Following the question asked by my hon. Friend the Member for Kilmarnock and Loudoun (Alan Brown), is the Leader of the House in a position to confirm or deny that the 2017 Tory manifesto will say “yes” to a single market, or will it be “out”?

Mr Lidington: I will put the hon. Lady on the priority mailing list for a copy of the Conservative party manifesto.

Ian Blackford (Ross, Skye and Lochaber) (SNP): The Scottish Parliament recently voted by a margin of 69 to 59 for us to have a referendum, yet the Prime Minister arrogantly and contemptuously told us that now is not the time. If it is now the time for this Parliament to make such a decision, should not this Parliament also empower the Scottish Parliament to allow the Scottish people to have a say on their future?

Mr Lidington: The hon. Gentleman and his parliamentary colleagues have been demanding, week after week, that the Prime Minister seek a new electoral mandate from the people of the United Kingdom in order to deliver our exit from the European Union. She is doing just that, and if the hon. Gentleman is to be consistent, he might welcome that, rather than complain.

Stewart Malcolm McDonald (Glasgow South) (SNP): Following the question from my hon. Friend the Member for Kilmarnock and Loudoun (Alan Brown), the Leader of the House is right to say the general election will be about clarity. Does he, like me, look forward to the clarity that the TV debates will give us, and does he agree that any attempt by any political leader, especially one from the Government Benches, to shirk from those invitations would be wholly unacceptable?

Mr Lidington: Ahead of tomorrow’s debate it is somewhat premature to speculate on what the broadcasters will decide to propose with regard to the allocation of time for general election coverage, but I will take the hon. Gentleman’s comments as a representation.

Jess Phillips (Birmingham, Yardley) (Lab): I was not going to speak, but like everybody else sat in this Chamber it may well be the last time I get the chance. [Interruption.] If hon. Members will let me finish. I came here to speak honestly and plainly, and to speak like the people outside this building. What I cannot understand from what the Leader of the House has said today is how any of this makes things clearer, or makes us feel more stable, more secure. All I ask is: how does this look to people outside? As somebody who came from outside, it looks to me like political opportunism.

Mr Lidington: I think and I hope that people outside this building will look at what the Prime Minister said on the steps of No. 10 this morning and believe that she is seeking an electoral mandate for herself as leader of a Government who will then be in a position to carry through the extremely challenging and ambitious European negotiations over the next two years. She would then implement the new partnership we are seeking with the EU 27, with confidence deriving from the fact that—I hope—the Government enjoy a secure, enduring parliamentary majority for those measures for an entire five-year term.
Syria and North Korea

4.1 pm

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): With permission, Mr Speaker, I should like to begin by paying tribute to the Britons who were killed in tragic circumstances in Stockholm and Jerusalem. Chris Bevington was among four people who died in Sweden when a truck was driven into helpless pedestrians on 7 April. Hannah Bladon was stabbed to death in Jerusalem on Good Friday in a senseless attack. Our thoughts and prayers are with their families.

I wish to update the House on two of the most significant foreign policy events of the last fortnight, namely the situations in Syria and North Korea. These disparate challenges encompass one common theme. In each case, hereditary dictators presiding over cruel tyrannies have challenged the essential rules that underpin our world peace. The United States has responded with strength and resolve, and in accordance with its traditional role as the guarantor of the rules-based system. In both cases, the United States has acted with the full support of the British Government.

Turning first to Syria, at 6.39 am on 4 April there was a chemical weapons attack on the town of Khan Sheikhoun in rebel-held Idlib province. The House will recall the horrifying aftermath: men, women and children convulsed in agony, some foaming at the mouth, as their bodies were poisoned by nerve gas. Rescue workers tried desperately to decontaminate the casualties. We saw children with oxygen masks clamped to their faces. Even by the standards of a civil war that has claimed more than 400,000 lives, this was among the most shocking incidents.

I want to repeat for the benefit of the House exactly what we know about the attack on Khan Sheikhoun, because there has been a concerted attempt to obscure the facts. We know beyond doubt that two Sukhoi-22 aircraft took off from Shayrat airfield, where we know chemical weapons are stored. We know that they were overhead at 6.39 am when, according to all eyewitness accounts, the attack took place. We know from shell fragments in the crater that sarin had not only been used, but that it was sarin carrying the specific chemical signature of sarin used by the Assad regime. Given that samples from the victims show conclusively that they were exposed to sarin gas, there is only one conclusion to be reached: that the Assad regime almost certainly gassed its own people, in breach of international law. As many as 20 Syrian military aircraft are believed to have been destroyed, and, as the House will know, Assad's air force has been bombing civilians day after day for most of the past six years. The destruction of some of those strike aircraft will in itself save some lives, but still more important, I think, is President Trump's emphatic message that the era during which Assad's barbarism met with passivity and inaction has finally come to an end. America's determined response creates an opportunity to break the deadlock and pave the way for a political settlement of Syria's tragedy, but that will happen only if Russia is prepared to bring Assad to the negotiating table and begin a transition to a new Government who will represent the sole chance of peace in Syria. After the chemical attack and the American strike, the priority was for Secretary Tillerson to convey that message to Russia with the backing of as many countries as possible. The combined weight of the G7, and like-minded countries in the region, unanimously supported the US military action as a “carefully calibrated” response to a “war crime”, and mandated Tillerson to go to Russia and urge the Russians to "promote a real and genuine political process in Syria”.

I want to stress that we in the UK have no intention of dislodging Russian interests in Syria; on the contrary, we recognise Russia's long connection with that country and the national interests at stake. But Russia's position in Syria does not depend on Assad. The unmistakable lesson of six years of bloodshed is that Assad cannot deliver what his people—and the wider world—so desperately need, namely, a peaceful and united Syria. Therefore, I hope I have the support of everyone in this House when I call on the Russians to end their blind support for Assad, stop the gas attacks and the barrel bombs, allow the delivery of aid to those who need it, deliver a real ceasefire and begin the political process that will include a transition away from Assad.

That was the message that Secretary Tillerson conveyed to Putin and to Sergei Lavrov on 12 April. We will do our utmost in the UK to hold accountable anyone found responsible for that gas attack, and we will work...
with our American counterparts to create the conditions for Russia to work with us and to escape its entanglement with the toxic Assad regime, which poisons Russia’s international reputation just as surely as it poisons its own people.

I turn now to North Korea. Last weekend’s events provided further proof of the threat that that country poses to international peace and security. On Saturday, North Korea paraded an arsenal of ballistic missiles in front of carefully regimented crowds. Only 24 hours later, the regime tested another missile, although this time the launch failed. Last year alone, North Korea tested two nuclear bombs and 24 missiles. I remind Members that all those tests break a series of UN resolutions dating back to 2006, when resolution 1695 was passed unanimously by the Security Council, yet on Monday the Pyongyang regime threatened further missile tests on a “weekly, monthly and yearly basis”.

The regime is now developing intercontinental ballistic missiles, which would be capable of delivering a nuclear strike on the mainland United States. These weapons have not yet been fully tested, but no one can be complacent about the potential threat they pose.

Yesterday, I spoke to my Chinese counterpart, Wang Yi, and I urged him to use Beijing’s unique influence to restrain North Korea and to allow a peaceful resolution of this crisis. By suspending its coal imports from North Korea, China has given a welcome signal of its willingness to exert pressure on the regime. Later this month, I shall attend a special meeting of the Security Council, yet on Monday the Pyongyang regime threatened further missile tests on a “weekly, monthly and yearly basis”.

All hopes for progress rest on international co-operation—especially between China and the US—and the verifiable disarmament of North Korea’s nuclear weapons and ballistic missiles. The crises in Syria and North Korea represent a challenge to the law-based liberal international order in which this country believes. Britain’s role is to stand alongside the United States and our allies as we confront those threats. In that effort, we will not tire. I commend this statement to the House.

4.13 pm

Emily Thornberry (Islington South and Finsbury) (Lab): I thank the Foreign Secretary for advance sight of his statement and join him in sending my condolences to the families of Chris Bevington and Hannah Bladon.

Obviously, the Foreign Secretary’s statement is somewhat overshadowed by another announcement today, but the issues at hand here are far more important for the future of our world than the Prime Minister’s cynical short-term manoeuvres. She talked about the need for leadership and stability, yet is happy to plunge the country into six weeks of uncertainty exactly at the time Britain needs to provide stable global leadership on issues such as Syria and North Korea. However, we should not be surprised, because on those and other global crises the Conservative party is abdicating any effective leadership role for Britain.

I turn to Syria. We were all appalled by the dreadful attacks on civilians witnessed during the Easter recess. Two weeks ago, there was the horrifying chemical attack on Khan Sheikhoun, killing dozens of ordinary villagers and injuring many hundreds more. Just two days ago—I was rather surprised that the Foreign Secretary did not see fit to mention this—there was the suicide bombing of so-called pro-regime evacuees in Rashidin, with dozens of children among those who were killed. They were lured to their deaths by the promise of free crisps—a tragic reminder that in this conflict Bashar al-Assad does not hold a monopoly on committing to horrific atrocities against innocent civilians, including children.

We need a peaceful settlement in Syria now more than ever. Indeed, last week the Foreign Secretary said that his priority was to “build co-ordinated international support for a ceasefire...and an intensified political process”, and I agree with him. So why, rather than working for co-ordinated international action properly to investigate, punish and prevent the use of chemical weapons, is the Foreign Secretary instead threatening more unilateral airstrikes by the US against the Assad regime? Why, rather than engaging in that peace process, did he instead cancel his proposed talks in Moscow, and in the process so comprehensively alienate the Putin Government that they have refused to talk to Britain in future? And why, rather than ensuring that the G7 spoke with one strong voice on Syria last week, did he instead present it with a half-baked, quickly rebuffed proposal for sanctions, without doing any preparatory work to win the support that was needed?

The Foreign Secretary ended last week disowned by Downing Street, ignored by Russia, and humiliated by the G7. The only straw he can cling on to, we presume, is this: that the United States State Department is still telling him what to say and do, and which countries he is allowed to visit. To that end, may I ask a final question on Syria? Based on his close relationship with the Trump Administration, can he clarify exactly what their strategy now is?

Turning briefly to North Korea, the Foreign Secretary rightly condemns the ongoing nuclear missile programmes being pursued by Kim Jong-un’s regime. I hope he will agree that, like Syria, this a crisis that can be resolved only through co-ordinated international action, through the de-escalation of tensions and, ultimately, through negotiations. So can he assure us that Britain will argue against any unilateral military action taken by the United States, and instead urgently back China’s call for a cease-fire? Why, rather than engaging in that peace process, did he instead threaten more unilateral airstrikes by the US against the Assad regime? Why, rather than working for co-ordinated international action properly to investigate, punish and prevent the use of chemical weapons, is the Foreign Secretary instead threatening more unilateral airstrikes by the US against the Assad regime? Why, rather than engaging in that peace process, did he instead cancel his proposed talks in Moscow, and in the process so comprehensively alienate the Putin Government that they have refused to talk to Britain in future? And why, rather than ensuring that the G7 spoke with one strong voice on Syria, did he instead present it with a half-baked, quickly rebuffed proposal for sanctions, without doing any preparatory work to win the support that was needed?

To that end, my final question for the Foreign Secretary is this: will he commit to join me in a televised debate between all the parties on foreign policy—no ifs, no buts? I am ready to say yes now, so will he commit today to do likewise: announce the first election debate and put his party’s promise of stable leadership on the line?

Boris Johnson: I am obviously disappointed that the shadow Foreign Secretary should choose to intrude into this very important consideration relatively separate issues of domestic political policy: we are trying to explain the position of the UK, and indeed the west, towards the Assad regime. And, by the way, we are having a televised debate now in case she had not noticed, and we should continue in that way.
To answer the right hon. Lady's serious point, we are engaged in trying to use the opportunity provided by American action to drive forward the political process. It is not easy, and I think in all honesty that she should reflect on her approach, because what we are trying to do requires a great degree of cross-party support. We want the Russians to face up to the real option before them. If they continue to back Assad, they will be backing a regime that—I hope Members heard what I said about the use of chemical weapons—has been proved beyond a shadow of doubt to have used chemical weapons that are banned under international law. I would like the Russians to accept that there is a deal. That could be that they have an improvement in their relations with the Americans, and work together with the rest of us to tackle the scourge of Daesh. In return, the Russians need to understand that they need to make a serious commitment to a political process. At the moment, they are not doing that. They need to make a proper commitment to a ceasefire, and at the moment they are not making that commitment. They need to stop their client using chemical weapons. They said that they would do that in 2013. Rather than simply parroting the lines of the Kremlin, the right hon. Lady should support the collective action of the west, not just the G7 but the like-minded countries—

Emily Thornberry: What?

Boris Johnson: The right hon. Lady has said, for instance, that the west is divided in its attitude towards sanctions. Let us be absolutely clear that all we are trying to do is to follow where the evidential trail leads—[Interruption.] If the OPCW finds that members of the Syrian armed forces have been responsible for that attack, I hope she will agree that they should face sanctions. If she were to oppose that, I would find it absolutely extraordinary. The United States has moved to impose sanctions on a further 300 people, and there has been a large measure of support from all western countries for doing exactly that.

Furthermore, it seems unclear from the right hon. Lady's account whether she supports the American action at all. I wonder whether she could enlighten the House as to whether she is in favour of what the Americans did. For the first time in five years, the Trump White House has shown that the west is not prepared to sit by and watch while people are gassed with weapons that should have been banned—

Emily Thornberry: What?

Mr Speaker: Order. We appreciate the Foreign Secretary's inimitable rhetorical style, but I fear that the right hon. Lady, by moving as though to intervene, supposes that she is taking part in a debate. Let us await the televised debate, if it is to happen. At this point, the Foreign Secretary can content himself with responding to questions.

Boris Johnson: I am grateful, Mr Speaker.

It was far from clear to me, in listening to the right hon. Lady's response, whether she actually supports what the United States has done. I would like some elucidation on that. As I have said, for the first time in five years, that action has shown that the west is willing to stand up to the use of these vile weapons. This has given us a political opportunity that we have hitherto not had, and I think that her best bet would be to support this Government and the efforts of western countries in trying to drive that forward and get the Russians to deliver a genuine political solution—[Interruption.]

Mr Speaker: Order. I say to the right hon. Member for Islington South and Finsbury (Emily Thornberry) that all sorts of things might be judged by some people to be intolerable, but I am afraid that what is above all intolerable is to depart from the normal process. She is a person of very considerable intellect and ingenuity. Doubtless, through her colleagues—and possibly subsequent to the statement—she can find ways of giving expression to her concern, but at this point if she could assume a Zen-like calm, the House would be the beneficiary of that.

Sir Nicholas Soames (Mid Sussex) (Con): It is obviously right that a diplomatic joint approach in Syria is more important than unilateral action. Will the Foreign Secretary therefore commit to continuing to work closely with our American allies and other partners and friends to bring an end to this barbaric slaughter in Syria?

Boris Johnson: I am grateful to my right hon. Friend for his question. That is exactly what we are engaged in doing. I do not pretend to the House that it will be easy. We have been here before; we have seen the whole Kerry-Lavrov rigmarole that went on for months and months. However, this is an opportunity for Russia to recognise that it is supporting a regime that deserves the odium of the entire world. That is costing Russia friends and support around the world, but it now has a chance to go for a different approach, and that is what we are collectively urging it to do.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): I thank the Foreign Secretary for advance sight of his statement and I associate Scottish National party Members with his opening remarks, in which he paid tribute to those who lost their lives in Jerusalem and Stockholm. Our thoughts are with their families.

The international community must respond to what can only be described as the monstrous actions of the Assad regime. There should be an international investigation sponsored by the Security Council. If that is blocked, such an investigation should be ordered by the General Assembly of the United Nations. The mechanisms exist to enable that to happen, and the UK Government must lead the way. The findings should be taken to the International Criminal Court and those responsible should be arraigned and subjected to the force of international law.

The US air strikes on Shayrat airfield are a demonstration of the unpredictability of the Trump Administration, which many fear will only cause further escalation of the conflict. In their rush to congratulate that Administration on their recent strike, did the UK Government consider its repercussions? Until now, coalition aircraft have operated with relative freedom against Daesh in eastern Syria. Now, Russia has suspended the US-Russia air operations accord, and the Assad regime will likely activate its extensive air defences. The skies
above Syria will therefore be much more dangerous for UK pilots, while Syrian civilians on the ground will suffer even more.

We in the SNP have questioned the UK Government’s policy on airstrikes from the very beginning, but now we must have answers. What changes will have to be made to adapt to the changing situation, and how will that affect the coalition aerial campaign against Daesh? UK jets and bombs will not bring peace in Syria. We call on the UK Government to reconsider their tactics and urgently present a revised military strategy in Parliament. Although dialogue aimed at ending the conflict is welcome, above all we want hostilities to cease and civilians to receive the basic food, shelter and medical care that they so badly need.

Finally, on North Korea, we urge all parties to lower tensions and use diplomatic means to work through disagreements. This is yet more evidence of the need to implement multilateral disarmament and put an end to the existence of weapons of mass destruction in general, and nuclear weapons in particular.

Boris Johnson: The hon. Lady will know that the UK is already the second biggest donor of humanitarian aid to the region, so we have a record that we can be proud of. I return to what she had to say about the American strike. I am looking at faces that are familiar from previous statements on Syria; month after month I have come here to update the House on how that tragedy is unfolding, and I see people who have taken a passionate interest in this subject and have called repeatedly for us to do more. Finally, the United States has taken what we believe to be condign action—action that I think is entirely appropriate—but somehow it fails to find favour with the hon. Lady.

I think that what has happened is a good thing, but we should not overstate its importance from a military point of view. We have to recognise that this is a political opportunity, and it is an opportunity for the Russians to recognise the manner of regime that they are propping up. That is the message that we need to get over loud and clear, and unanimously.

As for North Korea, the hon. Lady makes a good point about the need to get rid of nuclear weapons. I think it would be foolish—I hope that she agrees—for the United States even to begin to think of getting rid of its nuclear weapons before we have a denuclearised North Korea.

Crispin Blunt (Reigate) (Con): I thank the Foreign Secretary for the detailed evidence he has presented to the House about the responsibility for the nerve agent attack in Syria. I commend him for giving the House that detail and, in doing so, I invite him to depersonalise his assessment of the Syrian regime simply around the personality of its President. We already have in place a mechanism by which that President will be held to account in future by the Syrian people if he wishes to seek their views under the International Syria Support Group conclusions of November 2015. That process has already been agreed on by 20 nations, and we should be relying on that and not using rhetoric that might make it more difficult to get into that process.

Finally, if I may ask my right hon. Friend about North Korea, I invite him to put pressure on the United States to try to dial down the public rhetoric. In some ways, North Korea is like an attention-seeking child who happens to belong to someone else—in this case, China. While the United States has proper responsibilities to the other nations in the area about their security, ratcheting up the rhetoric with North Korea is probably the wrong way of publicly dealing with it.

Boris Johnson: I entirely agree with my hon. Friend that we should be clear that our quarrel is not only with Bashar al-Assad, but with others in his regime. It will be possible to sketch out a route map to show how we can keep the institutions of Syrian government and yet get rid of the most murderous elements of the regime. We need to be getting that idea across clearly in the next weeks and months.

On North Korea, I am sure that my hon. Friend’s words on the need to avoid ratcheting up the rhetoric are wise—he speaks from experience—but I believe that the key lies mainly with China in this arena. It is very much in the interests of the Chinese and the Russians, who share a border with North Korea, to rein in Kim Jong-un and persuade him to abandon what I think is a path of self-destruction.

Hilary Benn (Leeds Central) (Lab): In the light of the American Vice-President’s current visit to the region to consult, one hopes, South Korea and Japan, among others, on the most effective way of containing North Korea’s nuclear ambitions, and reflecting on the Foreign Secretary’s own experience at the recent G7 summit, does he think that there is the potential for further economic sanctions directed at Pyongyang? Does he think that China would fully support such a step?

Boris Johnson: The crucial thing is for the Chinese and others to implement the current sanctions and to allow them to have a full economic impact. As the right hon. Gentleman may know, there has been some doubt in recent months about the full application of those sanctions. The people of North Korea are living in absolute misery, penury and servitude. The trouble is that they can probably continue to live in that state for a long time to come, unless their Government see sense. We must work with the Chinese to persuade them.

Sir Hugo Swire (East Devon) (Con): Given the fact that the Chinese, in a most welcome manner but rather surprisingly, did support sanctions at the UN in 2013, the chances are that they will come to the UN Security Council meeting at the end of this month in a positive frame of mind. The Foreign Secretary is right that Russia shares a small border with the Democratic People’s Republic of Korea. It is also a permanent member of the UN Security Council and is party to the six-party talks. In addition to having good discussions with his opposite number Wang Yi in China, will my right hon. Friend commit to talk to Sergey Lavrov and point out that this is another chance for Russia to rehabilitate its international reputation, which is extremely tarnished at the moment?

Boris Johnson: My right hon. Friend is absolutely right. He has great expertise in this matter. It is perfectly true that the economic relationship is overwhelmingly between China and North Korea, but, as he says, Russia certainly has a role. Russia should not be permitted to hide endlessly behind China’s skirts, a point that Rex Tillerson made in Moscow on 12 April.
Ann Clwyd (Cynon Valley) (Lab): In 1988, I took a cross-party group from this House to see some of the survivors of the Halabja attack. There was lot of discussion about who was responsible, and people such as Professor Alastair Hay went out to Halabja and brought back soil samples and evidence. I wonder whether experts in the UK are again being used to find out who perpetrated this terrible carnage and suffering on the Syrian people. Has the Foreign Secretary talked to such people, who could be of help again due to their experience in dealing with chemical weapons?

Boris Johnson: I well remember the right hon. Lady’s efforts in respect of Halabja, and she played a big part in hardening my heart against Saddam Hussein many years ago. She campaigned on the matter with great effect, and rightly so.

What we are doing today is supporting the OPCW’s expert fact-finding mission, and I have sketched out all we know about what happened on the morning of 4 April—the best evidence that we have so far—and I hope the House will believe that the evidence is very persuasive indeed. The fact-finding mission will now draw on a variety of sources, including samples from the victims, environmental samples, munition fragments, footage of the incident and its aftermath, and interviews with survivors, people who were first on the scene, medics and eye witnesses. The mission will be able to draw on signals intelligence, flight tracking, data analysis, meteorological information and other information that will be shared by us and other countries concerned.

Our experience is that such fact-finding missions are able to reach conclusions in very difficult circumstances and, going back to the point I made to the right hon. Member for Islington South and Finsbury (Emily Thornberry), we need such information to create the evidential trail to the individuals responsible. There is good evidence already, and we will use what we have, when and where possible, not only to impose sanctions but to pursue prosecutions for war crimes.

Sir Eric Pickles (Brentwood and Ongar) (Con): My right hon. Friend says that Russia’s position in Syria does not depend on Assad but that the Assad regime’s position in Syria is wholly dependent on Russia, and that Russia must accept its responsibility for the attack. If Russia’s reputation is to be rehabilitated, the first important step will be to help ease the Assad regime out of Syria.

Boris Johnson: I absolutely agree with my right hon. Friend. It is crucial to understand that the Russians, as they have freely admitted in the past, do not have any deep spiritual affinity with Bashar al-Assad. They do not love him but are wedded to him for the time being. I have a deep spiritual affinity with Bashar al-Assad. They do have freely admitted in the past, do not have any love him but are wedded to him for the time being. I do not regret any of my votes opposing military intervention in Syria, because at various times we were asked to oppose one side or the other, but if there had been no military retaliation in response to the chemical attack, is there not a case that it would have encouraged Assad to do it again?

Boris Johnson: The hon. Gentleman is absolutely right, and it is why we should acknowledge that the United States has changed the terms of trade in Syria. It is now up to us to make the most of this opportunity to get political change.

Alistair Burt (North East Bedfordshire) (Con): I thank my right hon. Friend for his statement and for the tone with which he made it. One of the purposes of the American action the other day was, as it would have been in 2013, to demonstrate to President Assad that he cannot militarily subjugate all his people and, therefore, to give force to negotiations in which he will actually have to concede something. The difficult question is this: had the US Secretary of State asked my right hon. Friend for some sort of support that evening, what would have been his answer? Do he and the Government consider themselves bound by the decision of the House in August 2013 and David Cameron’s statement afterwards? If so, does he intend to return to the House to discuss the matter further? If not, what might the United Kingdom be able to do to demonstrate its force and resolve against such actions as those we saw from President Assad the other week?

Boris Johnson: As my right hon. Friend knows and as I said, we were not asked for specific support, but it is my belief—I stress that no such decision has yet been taken—that were such a request to be made in future and were it to be a reasonable request in pursuit of similar objectives, it would be very difficult for the United Kingdom to say no.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Hannah Bladon was a student at Birmingham University, and our thoughts and prayers are with her, her family and her friends. As a result of her having been stabbed to death in Jerusalem, has the Foreign Office changed its travel advice?

Boris Johnson: I repeat my condolences to the family of Miss Bladon. All I can say is that although we are offering consular assistance to her family, at the moment we are not changing our general advice about travel to Israel.

Dr Sarah Wollaston (Totnes) (Con): Given the vile propaganda role of Asma al-Assad in propelling up a murderous and barbaric war criminal, will the Foreign Secretary update the House as to what discussions he has had with the Home Secretary so that we can send a very clear message that such a role is incompatible with British citizenship?

Boris Johnson: We do not discuss individual citizenship cases, as I am sure my hon. Friend knows, although I understand the feelings she is expressing. What I can tell her is that Asma al-Assad, in common with her husband, is certainly on the sanctions list.

Mike Gapes (Ilford South) (Lab/Co-op): The Foreign Secretary’s original statement was comprehensive and measured, but it had one significant omission—there
was no mention of Turkey. There are 3 million Syrian refugees in Turkey and, as he knows, the Turkish Government and President Erdogan have called for a no-fly zone. Others, including myself, have called for a no-fly zone over Idlib. What discussions are ongoing about how to protect civilians in Syria, not just from chemical weapons, but from barrel bombs?

Boris Johnson: The hon. Gentleman makes a very good point and he is right to draw attention to the cardinal role of Turkey in this whole crisis. As he knows, Turkey has borne the brunt of the huge tide of refugees, and I agree very much with what he is saying about no-fly zones, which are strongly supported by Rex Tillerson and the US. However, they cannot be delivered without a ceasefire, which is why I return to this challenge we are making to the Russians: it is up to them not just to stop the barrel bombs but to deliver a real ceasefire.

Sir Edward Leigh (Gainsborough) (Con): The Foreign Secretary rightly dealt at length with the chemical attack, but I was surprised he did not take the opportunity to condemn also the appalling attack on Shia civilians in which 126 were killed, including 68 children, when fleeing from Foah and Kefraya. This highlights the problem faced by Alawites, Shia and Christians in Syria: however much they detest Assad, as we all do, they rely on him to protect them. For too long in this House, we have tried to engage in regime change—in removing Saddam, Gaddafi and now Assad. We should concentrate on humanitarian work and on protecting minorities in the middle east.

Boris Johnson: I fully appreciate the point my hon. Friend makes and he is perfectly right when he says that our thoughts should equally be with the 126 victims of that appalling attack, many of whom were children, as the right hon. Member for Islington South and Finsbury said. There are many, many victims in this conflict, but the overwhelming majority of the 400,000 who have died in the past five or six years—I believe this war is now in its seventh year—have been victims of the Assad regime and its supporters. For that reason, I must say to my hon. Friend that I understand his hesitations, which are of course shared by many people, who think instinctively that perhaps it would be better to stay with the devil we know, but this is a very, very odious devil indeed, and as I look ahead I just cannot see how Bashar al-Assad can remain in power in Syria in the long term. We have to go back a long way in history to find somebody who has murdered quite so many of his population and retained his office.

Alison McGovern (Wirral South) (Lab): I thank the Foreign Secretary for his statement. Of course, it is not for any of us in this House to decide who runs Syria; that is a choice for the Syrian people.

We should judge recent events in Syria as being successful only if they form part of a comprehensive strategy to protect civilian life. What conversations has the Foreign Secretary had with the Secretary of State for International Development about getting the aid that we as a country have paid for to those who need it in Syria? Thanks to you, Mr Speaker, we were able to call for such action for Aleppo, but we failed. Now, people in Idlib are being targeted in a way that we have discussed in this House previously. What strategy do we have to save civilian lives, to get aid in, to get people out of Syria so that they can receive medical attention, and to help to save each and every life that we can?

Boris Johnson: I pay tribute to the hon. Lady’s consistent campaigning on this issue over the years. She is right to draw attention to the appalling humanitarian situation. Around 1.5 million people are still being besieged by Assad’s regime, which is using starvation as an instrument of warfare. On what we are trying to do, I go back to my earlier points: there must be a ceasefire and the Russians must make it possible for the humanitarian convoys to access the people who need help. That is what we are trying to promote, not only in Geneva but at the Astana talks. It is up to the Russians. We can build the exit for them, and I think it is an attractive exit: they have the chance to get long-term western support for the rebuilding of Syria; they would have their strategic interests in Syria—at Tartus and Latakia—protected in the long term; and they could have a political role in Syria’s future, but they have to ensure that there is a ceasefire, an end to the barrel bombs and a proper political process.

Dr Julian Lewis (New Forest East) (Con): Will the Foreign Secretary tell us what the outcome of that proper political process would be, given that even commentators who absurdly used to claim that there were 70,000 moderate fighters against Assad in Syria now accept that the overwhelming majority of the armed opposition is run by Islamists? While accepting that Assad is a monster in the tradition of Gaddafi and Saddam Hussein, does the Foreign Secretary also accept that there is a distinction between punishing him for using chemical weapons and removing him to replace him with a virulent Islamist regime?

Boris Johnson: I strongly agree with the wisdom of that remark. It will be essential to have a political process that preserves the institutions of the Syrian state while decapitating the monster.

Greg Mulholland (Leeds North West) (LD): The international community has failed in Syria for too long, so I echo the Foreign Secretary’s comments: some action was indeed needed, and may be needed in future. His statement was quite rightly firm on Russia, but it did not give a sense of how the peace talks will move forward, which, as well as Russia changing its position, is clearly essential.

Boris Johnson: As several hon. Members have said, in the end, the new constitution and arrangements for Syria will be a matter for the Syrian people, but there are certainly people in Syria on either side of the debate who could come together to form a new federal Government for the country and take it forward to a much brighter future.

David Rutley (Macclesfield) (Con): Russia has propped up the Assad regime for far too long. When I met the Russian ambassador a year ago, I urged him to request that his Government find a new home for Assad outside Syria to enable the political process to move forward and create peace in that country, but he declined. Does my right hon. Friend agree that it is time for Russia to change its mind on that matter?
Boris Johnson: To the best of my knowledge, the Russian President suggested that Bashar al-Assad should find refuge in some Gulf country, which I shall not upset by naming.

Mr Mark Hendrick (Preston) (Lab/Co-op): In his statement, the Foreign Secretary said, “I stress that we have no intention of dislodging Russia from Syria.” Well, we would be fools to think that we could. He then went on to say, “But Russia’s position in Syria does not depend on Assad.” For the past seven years, Putin has supported Assad through thick and thin. He will not suddenly develop a conscience, as we can see from his actions over the years in Chechnya and elsewhere. We are left in a position in which Russia, as a member of the UN Security Council, will constantly block any military attempts, which leaves us with a scenario where Trump could take unilateral action, as he did on the Syrian airfield. Although I supported that particular action, how far are we supposed to support Trump in those actions without the backing of the Security Council? Clearly, he could take such action against Assad and against President Kim in North Korea.

Boris Johnson: I disagree very strongly with the hon. Gentleman. Of course, it is difficult. Of course the Russians have been backing Assad for many years, but this is an opportunity for them to have a new bargain in which there is a ceasefire, an end to the barrel bombs and an end to the chemical weapons—a real political solution—and in exchange they get a genuine relationship with the United States, join the rest of the world in the war against Daesh.—[Interruption] Yes, and they have an acknowledgment that they have a way out of the quagmire of Syria and that the west will step in, once it is possible, to pay for the reconstruction of that country.

Seema Kennedy (South Ribble) (Con): Iran has committed hundreds of troops and billions of dollars to Syria. Furthermore, many Iranians in living memory have been victims of chemical attacks. Will my right hon. Friend reassure the House that his Department is taking advantage of the full diplomatic relations that we now have with Iran to put pressure on the Assad regime?

Boris Johnson: Yes, we certainly are. An important point to make to the Russians is that, in the end, it is the Iranians who are benefiting from any progress that the Assad regime makes. It is the Iranians who are the whips-holders in that relationship. In the end, the Russians need to detach themselves from the Iranians as well as from Assad.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): I hear what the Secretary of State is saying, but a new report from Human Rights Watch suggests that US forces last month failed to properly confirm targets before launching a missile strike in Aleppo, killing dozens of civilians, including lots of children. They even destroyed a building that it has been established was a mosque. As the UK Government cheerlead yet more US airstrikes in Syria, what steps will he take to avoid yet more civilian deaths in Syria?

Boris Johnson: Obviously, we deplore any civilian deaths in Syria, but I also deplore any false equivalence between American actions and the dropping by the Assad regime of barbaric weapons, which were banned in 1925.

Rebecca Pow (Taunton Deane) (Con): I welcome my right hon. Friend’s call for a peaceful and united Syria—who could disagree with that—and especially the need for the humanitarian protection of civilians, but does he agree that putting down shutters is never a productive way forward? In that light, will he confirm that he remains in regular contact with his Russian counterparts?

Boris Johnson: Of course.

Ian Paisley (North Antrim) (DUP): I appreciate the statement from the Foreign Secretary, and extend my sympathy and thoughts to the Bevington and Bladon families. He mentioned that his Government have to deal with odious devils. Of course some of those devils are home grown, and this Government have been able to deal with them in the past. It may seem attractive to remove one leader from power in terms of regime change, but does he accept that the real lynchpin in Syria is Russia? What is the true state of his relationship with Russian officials and of the relationship between Her Majesty’s Government and the Putin regime?

Boris Johnson: The hon. Gentleman is absolutely right. In the end, it was the Russian intervention that saved Bashar al-Assad’s regime. The Russians have it in their hands to change the outcome in Syria for the benefit of not just the Syrian people, but Russia as well.

James Cartlidge (South Suffolk) (Con): I thank my right hon. Friend for his statement, but, to echo the question of my hon. Friend the Member for Gainsborough (Sir Edward Leigh), there are Members who are concerned about this phrase “regime change” and any policy that moves in that direction. Will my right hon. Friend confirm that if the US moves towards a more explicit regime-change policy with regard to Assad, we would support it only after a vote in this House endorsing such a policy?

Boris Johnson: The policy of the Government is spelt out very clearly in resolution 2254, which calls for a political process leading to a transition away from the Assad regime. I think my hon. Friend will agree that that is the right way forward.

Antoinette Sandbach (Eddisbury) (Con): The Foreign Secretary confirmed that the regime had been responsible for three previous chemical attacks on civilians. Given that, can he confirm whether there is international support for targeted sanctions against military commanders, despite the way the negotiations went earlier?

Boris Johnson: I am grateful for that question because there was never a proposition for general sanctions against Russia, for instance. That was a piece of media ectoplasm, if you like, Mr Speaker. We have strong support for the idea of taking the evidence that the fact-finding mission will accumulate, using it to isolate the individuals who may have been responsible—by the way, there may be Russian military advisers who are complicit—and not only imposing sanctions on them, which I know my hon. Friend agrees would be the right thing to do, but arraigning them for war crimes.

Dr Matthew Offord (Hendon) (Con): What role does the Foreign Secretary see the United Kingdom playing in confronting the bellicose actions of the North Korean regime?
Boris Johnson: The most important and useful thing we can do is to intercede with our Chinese friends to stress to them the huge influence that they have in this matter and get them to use their economic weight to get Pyongyang to see sense.

Points of Order

4.56 pm

Emily Thornberry (Islington South and Finsbury) (Lab): On a point of order, Mr Speaker. Is it in order for the Secretary of State, while refusing to answer the challenge of a televised debate, to use the opportunity of a statement to make the most extraordinary claims? Perhaps the biggest was that he was unaware of Labour’s position on this matter. We have made it abundantly clear that the way we should have proceeded was for UN inspectors to establish beyond doubt who was responsible and challenge the international community, including the Russians, to take multilateral action against the perpetrator, who is presumably Mr Assad.

Mr Speaker: What I would say to the right hon. Lady off the top of my head is that unawareness, whether real or proclaimed, is not disorderly. Proceedings have been orderly. Some people may feel better informed, others may not, but the right hon. Lady, who has considerable experience, both of this place and of pleading her case in the courts, has made her own point with her own eloquence in her own way, and it is on the record.

Ian Paisley (North Antrim) (DUP): On a point of order, Mr Speaker. On Sunday 2 April and again on Sunday 9 April the former Deputy Prime Minister Lord Prescott claimed that my father, when Member of Parliament for North Antrim, had his phone tapped by the security services, contrary to the Wilson doctrine. This infringed the rights and liberties of all 650 Members of the House and, more importantly, the rights and liberties of our constituents. What steps can be taken to verify Lord Prescott’s claims and to hold to account those who failed to inform the Speaker at that time about the breaking of the Wilson doctrine? What course is now open to Parliament to uncover the truth in this affair?

Mr Speaker: I am grateful to the hon. Gentleman both for his point of order and for his characteristic courtesy in giving me notice of his intention to raise it. If he believes that the privileges of the House have been infringed, the proper course of action is for him to write to me, setting out the facts of the matter.

There is a specific reason for my exhortation to write in this particular circumstance. He is essentially raising a matter of privilege. Traditionally, in such circumstances the Chair always advises a Member to write to the Speaker. If the hon. Gentleman does so, I will make a decision on whether this should be pursued as a matter of privilege. We will leave it there for now. I am grateful to the hon. Gentleman.
Parish Council Governance
(Principles of Public Life)

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

4.59 pm

Mims Davies (Eastleigh) (Con): I beg to move,

That leave be given to bring in a Bill to make provision for the governance and operation of parish councils in England; and for connected purposes.

I am bringing in this Bill to make a fundamental point—that, as we devolve power down to local communities, we should ensure that the councils to which we are giving more power are run in a good way. Throughout all of public life, we should ensure that elected representatives adhere to the Nolan principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership. Those principles need to be at the heart of all governance and, indeed, of parish councils.

I declare my own involvement in local councils. I was a district councillor and twice a parish councillor before coming to this place. I have helped to produce a neighbourhood plan and sat on various parish council committees. As a councillor and now via feedback as a Member of Parliament I have seen how parishes should work. I am passionate about the principle that decisions should be made as locally and as properly as possible. Indeed, as Hamble-le-Rice Parish Council is showing—it is to agree the first stages of a neighbourhood plan—good parishes can make a real difference, with committed people coming together in the best interests of their area. I also fully support those calling for Eastleigh to have a town council to give it a separate voice in the face of hostile development through Eastleigh Borough Council's missing local plan. I completely support the Government's great devolution programme, which empowers communities.

I will speak today about the most local form of government: parish councils. There is a patchwork of 9,000 parish councils across England, each offering the closest form of representation in our democracy. Serving on these parishes are 80,000 councillors—some elected, some unopposed and some co-opted. However, a strong part of ensuring that localism and the devolution agenda really work for people is ensuring that councils and councillors are ready to receive these new powers.

We need to ensure that parish councils are truly representative. Representatives should come forward to offer a mix of talent and experience—they should have varied backgrounds. However, the party politicisation of parishes in many areas sadly and brutally undermines that situation. This Bill would seek to reverse that. Multi-hatting, whereby a councillor sits on a number of different councils, is not in itself a bad thing. Vertical multi-hatting, where a councillor is a parish and a district councillor, or a parish and a county councillor, helps to foster good communication between councils. However, I draw the attention of the House to the growing negative version of this, which I call horizontal multi-hatting. This is when an individual sits on multiple parish councils.

A borough councillor in my constituency sits on Bursledon Parish Council and West End Parish Council. The seat that this individual is taking up could have been filled by someone who genuinely wanted to contribute to their community, rather than purely to be a political placeholder—somebody who is not just seeking to qualify simply by being within three miles of one or two boundaries. In such instances, it really is a case of keeping seats cold, rather than keeping them warm. Or is it just a question of spying on the other camp? There should be a restriction on this kind of horizontal multi-hatting so that people can get involved with community representation and political parties cannot simply block others from taking part in the community.

The Bill also highlights the concerning weakness of safeguarding in parish councils. A parish council often has a single member of staff in the form of a part-time clerk. Parish councillors are often heavily involved in the local community and the many organisations they work within. They are the lifeblood of the parish council. Two problems can arise from that. First, a proper and effective safeguarding policy is difficult to maintain with limited staff time and an often rather informal approach to governance. Secondly, and very seriously, in instances brought to my attention in my constituency and elsewhere, parish councillors have used their position to bypass safeguarding policies. I have heard reports that parish councillors are using their position within their communities, and their status as a councillor, in order to get inappropriate access to community places such as local schools and community buildings.

When we discuss these matters it is important to balance the real need for good safeguarding with the right to stand in a local election. I believe that this balance can be rightly struck by requiring all council candidates to be DBS—Disclosure and Barring Service—checked as a first step to being nominated for an election. We also need to ensure that best practice for safeguarding is instilled right down to our parish councils and right across the country. That will include effective tracking and logging of potential interactions between councillors while performing their duties, such as surgeries, particularly where vulnerable members of society will be approaching them for assistance by virtue of their councillor status. This will of course mean more focus on training for parish councillors.

As we push power downwards to local communities, we must also provide those communities with access to outstanding training for their local representatives. During discussions with the area branch of the National Association of Local Councils it has given me wonderful examples of effective and comprehensive parish council training packages, which can and must be implemented. I was particularly pleased to see the example set by Hampshire NALC, under the brilliant Colin Mercer, a councillor in Botley, who is ensuring that exactly this kind of work is done for our new councillors. NALC has provided me with a copy of its handbook, which it says is the most requested publication that it writes. The handbook points the way towards a national training standard for our parish councillors. At a time when we are giving more power, more responsibility and more discretion to parish councils, we need to fully understand their new role in localism and the devolution agenda.

I am sure that colleagues will sympathise with the feeling of having been elected and then suddenly told to just get on with it. That is clearly not good enough. The people making the decisions on planning for finance, for project management, for procurement, for key contracts, and for the challenging and complex issues that keep a
vibrant community alive must be in the best possible position to decide on the outcomes. We need to look at a more effective system of oversight for our parish councils to give them confidence in good decision making.

I want to make it absolutely clear that in my experience as a parish councillor and as an MP, the vast majority of parishes are doing a fantastic job of representing their community and working hard within it. However, in the tiny minority of cases where things go wrong, we need to make sure that someone is there to properly scrutinise and learn lessons. Whether it is through expanding the remit of the ombudsman, bringing in a clear and stronger code of conduct review, or, again, standards boards, we need to be able to tackle this issue.

Fundamentally, my experience and my political outlook mean that I firmly believe in giving more power to local communities. While we debate here in this grand Chamber and even grander building, it is worth remembering that people across the country, this evening and throughout the week, will be putting on their coats and walking up to their local village hall, sitting regularly in their community spaces wanting to make their communities and local areas a little bit better. I believe that these measures will assist those councillors and make our parishes work better so that they can continue to serve their residents fully and even more confidently.

Question put and agreed to.

Ordered.

That Mims Davies, Scott Mann, William Wragg, Mrs Anne-Marie Trevelyan, John Howell, Amanda Solloway, Antoinette Sandbach and Lucy Allan present the Bill.

Mims Davies accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 12 May and to be printed (Bill 168).

Finance (No. 2) Bill

Second Reading

Madam Deputy Speaker (Natascha Engel): The amendment has been selected.

5.10 pm

The Financial Secretary to the Treasury (Jane Ellison): I beg to move, That the Bill be now read a Second time.

This Government have long demonstrated that they can deliver a stronger, more secure economy. The economy is demonstrating robust growth, the employment rate is at a record high and the deficit has been brought down by almost two thirds since its pre-financial crisis peak.

We are in a much stronger position now than we were in 2010, but there is no room for complacency. Indeed, as we begin the formal process of exiting the European Union, we have an even greater incentive to provide a strong and stable platform for the future. Both the debt and the deficit are still too high, so we remain focused on getting the public finances in order, not continuing to endlessly borrow and jeopardise future generations, as some would have us do.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Will the Financial Secretary give way?

Jane Ellison: I will make a little more progress and then I will happily give way.

Before setting out the Bill’s contents in more detail, I should of course refer to the fact that the Prime Minister has today announced her intention to lay before this House a motion calling for an early general election.

Peter Dowd (Bootle) (Lab): When?

Jane Ellison: Members should be paying more attention. Earlier today the Leader of the House updated right hon. and hon. Members on how that motion, if it is passed, will impact on the business of the House. We hope to hold constructive discussions with the Opposition, through the usual channels, on how this Bill will proceed.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): We are always here to help.

Jane Ellison: Members should be paying more attention. Early on today the Leader of the House updated right hon. and hon. Members on how that motion, if it is passed, will impact on the business of the House. We hope to hold constructive discussions with the Opposition, through the usual channels, on how this Bill will proceed.

Financial Secretary to the Treasury (Jane Ellison): It is good to hear that Opposition Front Benchers are here to help.

To return to the matter under discussion, I will lay out the themes of the Bill and then I will allow the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards) to intervene. We are very clear that our taxes and the system underpinning them need to be fair and competitive and, critically, they must be paid. This Bill will take the next steps in helping to deliver a fairer and more sustainable tax system, one that can support our critical public services and get the country back to living within its means.

The Bill implements changes that respond to the challenges that our tax system and, indeed, our society face. It delivers on intergenerational fairness by tackling inequality of health outcomes across and within age groups, and it delivers changes that better reflect the different ways in which individuals choose to work,
enabling people to earn money and create wealth, whatever their chosen business structure, but at the same time ensuring that those choices are not distorted. The Bill also delivers vital revenues to put our public finances on a sustainable footing, secure the future of public services that we all value and help to further bring down the deficit.

Jonathan Edwards: Will the Financial Secretary confirm that the Office for Budget Responsibility report that accompanied the most recent Budget downgrades growth forecasts for each year in the forecasting period, by comparison with that which accompanied last year's Budget?

Jane Ellison: I do not know whether the hon. Gentleman was in the House earlier, but the International Monetary Fund has today upgraded its growth forecast. All the economic indicators are pointing to robust growth, despite the acknowledged challenges of the negotiating period ahead.

George Kerevan (East Lothian) (SNP): In the interests of this potentially more consensual period in the run-up to Prorogation, as we try to work out what will remain in the Bill, could the Financial Secretary tell the House where the £2 billion per annum to replace the non-raising of the national insurance contribution is going to come from, if she is so wedded to balancing the books?

Jane Ellison: The Chancellor was clear at the time and in our statements about the Budget and subsequent decisions that we are looking to balance the budget across the period. Clearly, if we are going into a general election campaign, we will have more to say about that in the manifesto. We will lay that out there; this is not the place for that.

George Kerevan: This is the Finance Bill!

Jane Ellison: Well, there are measures in the Bill that are immediately and openly about revenue raising, and we will come to some of those. The Chancellor was very direct about that when he made his Budget statement and, indeed, at the time of the autumn statement.

Let me say a bit about what the Government have done to support fairness between the generations. An essential priority for this Government is that everyone should have access to our NHS when they need it, and that everyone should enjoy security and dignity in old age. That is why we announced in the spring Budget an additional £2 billion—that has just been referred to—in funding for adult social care. This means that councils in England will have access to, in total, £9.25 billion more dedicated funding for social care over the next three years as a result of changes introduced by this Government since 2015.

On top of that, in the last two fiscal events we have done much to help to build a better future for our younger generation by helping people to save more of the money they earn; by investing in education and skills, which was a key theme of the autumn statement and of the Budget; and by building more affordable homes. The Finance Bill will build on this work, particularly by helping to tackle childhood obesity and to deliver a healthier future for our children.

Kirsty Blackman (Aberdeen North) (SNP): Recent studies have shown that the youngest people in our society who are working, those aged 22 to 29, are earning less than previous 22 to 29-year-olds, and certainly less than they have earned in recent times. They are also less likely to own a home and are more likely to rent, and they are disadvantaged by comparison with previous generations. What is the Minister doing to ensure that that stops and is reversed now?

Jane Ellison: I have just talked about some of the things we are doing. Some of these long-term trends need to be addressed through things such as investing in people’s skill levels. Ultimately, if we want to have a low welfare, high wage, high skill economy, we need to invest in people right from the earliest days. The package on skills in particular, which was unveiled recently, is intended to make the generational step change to ensure that people can get high skill, well paid jobs. That is exactly what we are talking about in relation to things such as affordable housing: we acknowledge that there are challenges for younger people and, indeed, we are looking to address them.

Let me talk about the issue of childhood obesity—an issue close to my heart, as a former Minister for Public Health. The UK has one of the highest obesity rates among developed countries, with soft drinks still one of the biggest sources of sugar in children’s diets. That is a cost not only to the productivity of our economy but to the public purse; indeed, there is a great cost to individuals. The direct cost to the NHS of treating ill health due to people being overweight and to obesity totals over £6 billion a year.

The Bill will legislate for a new soft drinks industry levy to encourage producers to reduce added sugar in their drinks. The levy is working already: there have been reformulation announcements by Tesco, by the makers of Lucozade and Ribena, and of course by A. G. Barr relatively recently. I have had discussions with several companies during recent months, and I understand the effort and investment they are putting into changing their product and portfolio mix.

Even though revenues from the levy will be lower as a result of the earlier than expected reformulations—unusually, we in that sense welcome the fact that predicted revenues will be lower, because the policy is working early—we will maintain the full £1 billion funding for the Department for Education during this Parliament that we pledged to make. That is further evidence that the Government are committed to tackling childhood obesity. It is part of a programme of work being carried on across Departments to deliver fairer outcomes for future generations.

Joanna Cherry (Edinburgh South West) (SNP): Cancer Research UK ambassadors like my constituent Sue Spencer have helped to highlight the fact that obesity is the second highest risk factor for cancer after smoking, so I welcome what the Minister has said about the provisions in the Bill for a soft drinks levy. May I ask her to confirm that the provisions will be part of a package of measures to tackle childhood obesity, including help for parents to prevent their children from junk food advertising and steps to tackle high-sugar milk-based drinks, which are at present excluded from the Bill?
Jane Ellison: The hon. and learned Lady tempts me to talk about a subject from a previous portfolio that is very close to my heart, but it is clearly a matter on which, for the most part, the Department of Health leads. We are committed to tackling this right across the Government. To take one aspect—she mentioned products that are not within the scope of the levy—Public Health England, working very closely with manufacturers, is leading a very ambitious programme of work, which is well under way, to set ambitious targets. When we look at the progress the country has made in our world-leading salt reduction programme, we can see that it was all done through such close working, as well as by being ambitious and by pushing the industry. Alongside the levy, which has turbo-charged that work, that is a very substantial element of the plans. The Department of Health is doing other things, in particular working with schools, and with the money from the levy more can be done.

Let me turn to another theme of the Finance Bill, which we have talked about as a strategic challenge not just for this country but for many developed countries: the different ways in which people are now working. The Bill takes important steps within the tax system to adjust to and reflect the changing ways in which people are choosing to work. For example, individuals who work through a company currently pay significantly less tax than individuals who are self-employed or work as employees. This is true even in many cases where individuals are doing very similar work. Indeed, the Office for Budget Responsibility estimates that the faster growth of new incorporations compared with the growth of employment would reduce tax receipts by an additional £3.5 billion in 2021-22. The Government are committed to helping all businesses, large and small, in all parts of the UK to succeed, but we are clear that the tax system must ensure fair treatment between individuals working in different ways, and of course it must be sustainable.

The Bill will take some initial steps to help to address this issue and deliver a tax system that is fair and works for everyone. First, the off-payroll working rules will be amended for public sector engagements, with responsibility for administering the relevant tax rules moving to the body for whom the individual is working. This change will help to tackle widespread non-compliance with the current rules, which costs more than £700 million each year across the economy. Secondly, from April 2018 the Bill will reduce the dividend allowance from £5,000 to £2,000. This change will help to reduce the tax differential between individuals working for their own company and those working as employees or self-employed. Crucially, it will raise much needed revenue to invest in our public services, including adult social care, as the Chancellor explained at the Budget.

I want to assure right hon. and hon. Members that there will still be a healthy environment for investors. The allowances that the Government have introduced or raised mean that a general investor will still be able to invest about £50,000 without paying any tax on the resulting dividend income. For example, we have increased the amount that individuals can save or invest tax-free through an ISA by the largest ever amount: up to £20,000 this tax year. This and other allowances mean that 80% of all general investors will still pay no dividend tax on their investments. As I have set out, this change will help to address the rising cost to the public finances of the growth in incorporation. It is in that context that the change to the dividend allowance should be considered.

The Bill will further modernise the tax system by legislating for making tax digital. Just as taxation must adjust to the world around it, so must the administration of the tax system. With tens of millions of businesses already banking, paying bills and buying services online, making tax digital is a natural extension of this reality. The Government have brought large swathes of government services into the digital age, including within the tax system, and we need to go on to complete that journey. Businesses will feel the benefit too, being helped to get their tax right first time and cutting down on excessive administrative burdens over the long term. Simultaneously, making tax digital will help to tackle the tax gap, as error alone cost the Exchequer £8.7 billion in 2014-15.

Sammy Wilson (East Antrim) (DUP): Does the Minister not accept that all the studies conducted so far indicate that this will present an additional cost burden to small businesses, which will have to give returns four times a year? In many parts of the country, small businesses do not even have good access to the digital economy to make those returns.

Jane Ellison: On the latter point, I looked at this matter in detail recently. On what would be required of people in terms of the digital uploading of data, the vast majority of people in the country—in percentage terms, in the high 90s—have access to the right broadband speed.

As for what the change will mean for the smallest businesses, we do not recognise some of the figures that have been put in the public domain by some representative bodies. The Treasury has conducted its own analysis and published it, including the methodology behind it. We acknowledge that this will be a big change for the smallest businesses, particularly for those below the VAT threshold, which is why the Chancellor announced plans to defer for an additional year those businesses coming into the system. Given that the pilot has now started, that means that the system will be piloted for two years before some of the smaller businesses enter it.

However, we cannot sustain the current level of error and the size of the SME tax gap in the long term; we must begin to tackle those problems. A number of developed countries are increasingly digitising their tax systems, and that will have long-term benefits for business. I accept that the transition may involve challenges, but we shall try to provide support during that period.

Nigel Mills (Amber Valley) (Con): I fully accept the need to tackle the tax gap, but if the advantages for the very smallest businesses are as my hon. Friend has described them, would she be willing to consider allowing such businesses to opt into the system, rather than making it compulsory for those with very low levels of turnover? Might they be allowed to see how the system works over a period of, perhaps, five years?

Jane Ellison: My right hon. Friend the Chancellor has already announced that businesses with a turnover below the VAT registration threshold will have an additional year, until April 2019, before digital record-keeping quarterly updates are made mandatory. I am sure that we shall debate the issue in more detail later, so I will...
not be drawn into it too much now. Suffice it to say that some of the alternative proposals do not tackle the level of error and the tax gap. We need to address that, because it is part of the general challenge relating to the sustainability of the tax base.

We believe that this change will benefit more than 3 million small businesses in the United Kingdom, the vast majority of which are banking online. We are going with the flow and following the direction in which society is moving. As I have said, however, a package of support will be available to the smallest businesses. We may have a chance to explore that a little further, but it will depend on how much time we have to debate the Bill over the coming days. HMRC will ensure that the needs of businesses are best met by enabling them to learn from the ongoing pilot phase, which, as I said earlier, will now be longer for the smaller businesses. We want to make sure that these much needed reforms are implemented smoothly at the operational level.

I have talked about the way in which the Bill can support the health of the next generation and about how it can help us to adapt our tax system to the modern realities of working life, but I also want to talk about how we can create a fairer, more sustainable tax base and raise much-needed revenue in the process. As I have said, the Government remain committed to their fiscal mandate of reducing the deficit. That is why, for instance, they made the difficult decision to increase the standard rate of insurance premium tax from 10% to 12% in the autumn statement, thus raising vital revenues that were required to support public services. The Chancellor set out very directly the need to raise additional revenue.

As I have made clear, the Government recognise that taxes must be fair. They should also be competitive, which is particularly important as we enter the critical next phase of the negotiations on our exit from the European Union. We need to ensure that our economy retains its competitive edge, and remains an attractive place for both business start-ups and ongoing inward investment. Some excellent decisions in that regard have been made in recent months. However, taxes need to be paid. That should go without saying, but, although ours is one of the narrowest tax gaps in the developed world, and although we are, in my view, one of the most transparent countries when it comes to the way in which we measure and report on it, we need to tackle tax avoidance at all levels to ensure that everyone—big business, small business and individuals—pays the right amount at the right time.

The Bill provides for further action to ensure that we receive the tax revenues that are due by continuing our work to tackle tax avoidance and evasion. We already have a strong track record. Since 2010, HMRC has secured about £140 billion in additional tax revenue as a result of tackling avoidance, evasion and non-compliance. The UK has also shown international leadership: it is at the forefront of many of the international discussions about tackling those issues. Indeed, some of the thorniest avoidance and evasion issues that we face, particularly where they involve complex multinational structures and businesses, can be tackled only in international forums. We have worked closely through the OECD and other international bodies and we will continue to do so and to lead the discussions to tackle those issues. This Bill will build on that work by introducing more than 10 policies that are forecast to raise over £5.5 billion by 2021-22.

First, the Government will update the rules on how companies claim tax deductions for interest expenses and losses. From this month, large businesses will no longer be able to reduce their UK taxable profits by deducting a disproportionate amount of interest expense in the UK. Nor will they be able to offset all their tax liability with past losses in years when they make substantial profits. Taken together, those measures will raise nearly £7 billion from large companies over the next five years.

Secondly, the Bill will continue the Government’s crackdown on the use of artificial disguised remuneration schemes by putting beyond doubt the existing rules and by introducing a new charge on outstanding loans from 5 April 2019. Those changes will ensure that scheme users pay their fair share of tax and will bring in £2.5 billion by 2020-21.

Thirdly, to deter those who gain financially from enabling tax avoiders, the Government will introduce a new penalty for those who enable the use of tax avoidance schemes that are later defeated by HMRC. That is an area on which we have worked closely and where policy development has benefited from a focus on quality tax policy making. We have worked closely with representative bodies to ensure that all people working within the spirit of their professional guidelines have nothing to fear from the new rules. However, it is important that we tackle the enablers.

I think we have all as constituency Members of Parliament heard from people who feel that they were given advice that was later revealed to have been poor advice. However, we have not had a system whereby we were able to pursue in the way we wanted those people who enabled the tax avoidance. That cannot be right. Therefore, the Bill will mean that enablers of abusive arrangements can be held accountable for their activities, while ensuring, as I say, that the vast majority of professionals who provide advice on genuine commercial arrangements will not be impacted. The Bill will also bring an end to a long-standing imbalance in the tax system by abolishing permanent non-dom status. That will raise £400 million each year by the end of this Parliament.

As a package, those measures will ensure that our tax system remains fundamentally fair and that people and businesses pay the taxes they owe. We have introduced them not only because it is important to sustain the tax base—that is important for the revenue we need for vital public services—but because it is important that people feel that everyone is contributing as they should be and that we are asking everyone to work within the rules. The quid pro quo for having a competitive and fair tax system is that taxes should be paid.

The Bill will help to deliver a fairer and more sustainable tax system, one fit for the digital age and responsive to the different ways in which people choose to work. It will continue our work to tackle tax avoidance and evasion. It will help to deliver improvements to the nation’s finances, to pay for critical public services and, by taking a significant step to address the issue of child obesity, to deliver a better future for our younger generation. The Bill delivers on the Government’s plan for Britain, a stronger economy and a fairer society. I commend it to the House.
5.33 pm

**Peter Dowd** (Bootle) (Lab): Plausibility ran through every sentence in the Minister’s speech. Plausibility ran riot, but plausibility I do not accept.

Who would have thought that a general election would be called on the day we were in this Chamber, which is packed-out, for this scintillating debate? I do not think anyone would have thought that. Only a few weeks have passed since the Chancellor’s shambolic Budget U-turn, yet today the Prime Minister has announced a U-turn in relation to the general election. We all thought the lady was not for turning, as she has led us to believe on at least seven occasions, and of course we were wrong. *[Interrupt.*] Apparently the Prime Minister did not want an election, and clearly in the last few days she has had some sort of damascene conversion—a damascene conversion to democracy, apparently. We had the Brexit referendum last year which gave authority to push on with Brexit, but we now find that the Prime Minister says she wants even more authority. I thought we had been getting the Brexit vote pushed on us time after time, but clearly that has not been enough. The Prime Minister might possibly be feeling slightly insecure; I really do not know, but we are where we are.

As the Finance Bill is a product of the Budget, it is only right that we start this debate by offering a reminder of its contents. Notwithstanding what the Minister has just said, the Budget continued the Government’s programme of tax cuts for multinational corporations and the super rich: by the end of 2021 they would have received £70 billion-worth of tax breaks, paid for by those on middle and low incomes and of course the self-employed. *[Interrupt.*] That is a fact; it is clear from the Office for Budget Responsibility’s figures and the Government figures.

The Budget failed, however, to address adequately the social care crisis, and we are now seeing 900 adult social workers in England leaving the profession every day—and goodness knows how many GPs getting their pension statements are ready for moving on as well. It also did little to support small and medium-sized business owners, who are the lifeblood of the economy and increasingly feeling the pressure as the economy slows and inflation rises.

More importantly, the Budget demonstrates that this Government are willing to break their manifesto commitments at the drop of a hat. Despite the Chancellor’s bravado, the Government’s economic iniquity after seven years is clear for all to see. His Government have presided over the slowest recovery since the 1920s, with growth and average earnings downgraded yet again. The Chief Secretary said in his Budget speech that the Government do not believe in “spending and promising” what they “cannot deliver” and agreed that that is an important barometer by which to judge the Government’s record. Let us look, therefore, at what the Government have promised over the past seven years and what they have actually delivered.

On coming to power, the Conservatives committed to balancing the books by 2015—a Conservative broken promise. They said that would be pushed back to 2015–20, another Conservative broken promise. Instead, by 2020 they plan to be borrowing an eye-watering £21.4 billion. Some 10 of the Government’s 14 Budget and autumn statements since 2010 have seen an increase in forecasted borrowing. This Government’s record on borrowing has been missed target after missed target, with constant upward revision. The Government pledged that debt as a percentage of GDP would start to fall in 2015; instead it continues to grow—another Conservative broken promise.

The Government’s record on growth has been one of epic failure. The OBR has now revised down economic growth for 2018 and for every remaining year of the Parliament, notwithstanding the comments made before about the OECD. The British people want to see any benefits of growth, but the only growth they can expect to see is in the size of the Government’s Finance Bills; this one is a whopper, coming in at 762 pages, longer than any previous Finance Bill and one of the largest pieces of proposed legislation ever presented to this House. Those 762 pages are hardly riveting reading, I have to say. *[Interrupt.*] I have read every single syllable of it, several times.

We would need to search long and hard through those hundreds of pages for anything that helps ordinary taxpayers. Instead it is replete with ever-more complex giveaways to corporations and the super-rich. But even those hundreds of pages are not enough to contain the Government’s giveaways to the rich. This mammoth Bill will be supplemented by an unprecedented number of statutory instruments, on the back of the Treasury’s already unheard of use of SIs. There were 90 in the last Session, and there have already been 85 in this one. We have heard about Henry VIII edicts, but this makes the Chancellor look like a committed parliamentarian.

The growth in the size of the legislation is matched only by the growth in the number of broken Conservative promises. Are this Government doing anything to deliver growth that benefits the average household? The Chancellor has consistently pledged action to tackle the UK’s productivity gap, but under this Government, this country’s productivity gap with the G7 has grown by a fifth, and we now have the largest gap since 1991. The Conservatives were in government at that time as well.

This Government have done little to tackle the scandal of chronic low pay and insecure work. Despite falling unemployment, workers are currently suffering their worst decade for pay in 70 years. Rising inflation is now outstripping wage growth and, according to the Resolution Foundation, real-terms pay is now falling for around 40% of the UK workforce. The Government’s promise of a £9 national living wage has been consistently revised downwards—first to £8.80 and now to £8.75—while rising inflation results in the cost of living going up for everyone. It is clear that when it comes to introducing a wage that working people can live on, only a Labour Government will deliver. This Finance Bill does little to address the crisis in living standards that many of our constituents are currently feeling. Nor does it offer support for small and medium-sized businesses, which are facing rising costs and a lack of investment due to the Government’s hard Brexit strategy—if you can call it a strategy.

**Tom Tugendhat** (Tonbridge and Malling) (Con): The hon. Gentleman is making some interesting points, but I hope he will forgive me for saying that they seem to run contrary to the facts as I see them. I see businesses coming to Britain, I see investment moving to Britain, and I see opportunity starting in Britain. This all seems
to run contrary to his argument, and I wonder whether he can explain why businesses see Britain as a land of opportunity and growth when he clearly does not do so.

Peter Dowd: If that is what the hon. Gentleman sees, I suggest that he needs to take off his rose-tinted spectacles.

We are all aware that the only Conservative idea for the shape of a post-Brexit economy is to turn our once pride-worthy economy into a bargain basement tax haven. That is what the Conservatives want. We have had seven years of slogans from this Government, but we still have no evidence that their negotiations on Europe amount to anything more than something written on the back of a fag packet. They are non-existent, and they have been non-existent for the two or three years since the announcement of the referendum, other than their preparation to sell us down the river to tax avoiders and dodgy dealers across the globe.

The Government make great claims on tackling tax avoidance in the Bill—we heard the Minister talk about this earlier—but it is a charter for tax avoiders, and no amount of smokescreens and bluffing can hide that fact. The Chancellor wants us to believe that measures to bring some non-doms into tax will really tackle the problem, but throughout the Bill we see measures to preserve the special status of non-doms and to privilege that group over domiciled taxpayers. Even the Government's headline "deeming" measure is undermined because they have chosen to preserve the non-dom status of offshore trusts. How on earth is this going to get more taxes paid if non-doms are being forewarned that they can simply hide their money away in a trust and still keep it beyond the Revenue's grasp? When is closing a loophole not closing a loophole? When it is hidden in a magic spreadsheet.

The Bill fails to introduce any meaningful measures to tackle tax avoidance and evasion, which even this Government admit are costing at least £36 billion a year. In short, this Finance Bill continues to push our country towards a low-tax and low-pay economy in which a small minority of the rich can get wealthier at the expense of everybody else.

Mr Jacob Rees-Mogg (North East Somerset) (Con): I would love this to be a low-tax economy, but is the hon. Gentleman aware that tax as a percentage of GDP is going to be at its highest level since Harold Wilson was Prime Minister?

Peter Dowd: I am grateful to the hon. Gentleman for bringing that to my attention. Let me put it like this: if we had a Labour Government, the percentage would be even higher.

The Finance Bill does nothing to fund the NHS, which is facing its worst ever crisis. As the former Secretary of State for Health, Lord Lansley, has said, the Government planned for five years of austerity, but having 10 years of it was neither planned for nor expected. That came from a man who wasted £3 billion on a top-down reorganisation of the NHS. By underfunding and overstretching the NHS, the Tories have pushed health services to the brink; that must be in everybody's postbag.

Tom Tugendhat: It is very kind of the hon. Gentleman to give way again. As he has brought up the NHS, I feel that it is only right for us to ask how Labour is doing on the NHS. We have to look to Wales to see how Labour is doing—not well, is the answer. The statistics from the NHS in Wales indicate that treatment is poorer, waiting lists are longer and people are less satisfied than they are in England or, indeed, in Scotland, where the SNP has, sadly, also delivered worse results.

Steve McCabe (Birmingham, Selly Oak) (Lab): Does my hon. Friend think it is remotely credible for a Tory MP on the eve of a general election to boast about the NHS? If one thing is certain as we go into this election, it is that people know who they can trust on the NHS.

Peter Dowd: My hon. Friend is completely right about that. If Conservative Members want to send me their manifestos on the NHS, I will be happy to look them through. As a matter fact, I might get even more votes if I put those manifestos through the doors in my constituency.

The Finance Bill does nothing to help to fund the NHS. It is as simple as that. By underfunding and overstretching the NHS, the Tories have pushed health services to the brink. The number of NHS beds has been cut by 10% since the Tories came into government; that issue has been raised. GP recruitment is at an all-time low, and more GPs are moving out of practice. Community pharmacy funding has been savagely cut back, in some instances by as much as 20%. As a result, as many as 3,000 pharmacies, in rural and urban communities alike, face closure. That is not the best record on the NHS; it is as simple as that.

Sammy Wilson: I accept what the hon. Gentleman has said about the difficulties that the NHS is facing. However, earlier in his speech he described borrowing as eye-wateringly high, so how does he propose to fill the gap in funding to increase standards in the NHS?

Peter Dowd: I referred earlier to the money—£70 billion, I believe—that the Government have given away to corporations. That would be a start, and I would welcome the hon. Gentleman's support for my proposal in the next Parliament.

We have seen £4.6 billion cut from the budget for social care, which is linked to, and on a continuum with, the NHS. The Chancellor has pledged to return only £2 billion over the next three years—£1 billion for the year 2017-18 and £500 million a year for the two following years—which is half what the King's Fund has estimated that the social care sector needs not for next year, but today. That is another Conservative broken promise. Missed targets are pushing the NHS and social care into further crisis. The Government are behaving like an ostrich in that regard, and the situation is coming back to bite them.

I turn to small and medium-sized businesses, which contribute more to the British economy than they have ever done. SMEs are forecast to contribute £217 billion
to the UK economy by 2020, but the Finance Bill does little to address the concerns of many business owners. The business rate system continues to be rigged in favour of giveaways for big corporations at the expense of SMEs. How can it be right for the business rates bills of a leading supermarket’s biggest stores to fall by £105 million, while independent shopkeepers struggle with a cliff-edge hike in their rates? That is a fact today. The system needs to be fairer and weighted more in favour of SMEs, which is why a Labour Government would bring in a package of reforms to ease the burden of business rates. Rising business rates and rising inflation are creating a perfect storm for SMEs. Small business inflation has risen to its highest point in eight years, with basic costs soaring by 3.2% last year. SMEs’ costs are predicted to go up by £6.8 billion by the end of this year. All that is happening while the Conservatives continue to look the other way in complete denial.

Victoria Atkins (Louth and Horncastle) (Con): In that spirit, does the hon. Gentleman welcome the additional £20 million to £25 million a year to support some businesses that will no longer receive small business rate relief after the revaluation?

Peter Dowd: Of course I welcome that figure, but the hon. Lady has to ask herself whether businesses should have been put in that position in the first place. That is the fact of the matter. It is too little, too late. I accept the £20 million figure, which is fine. Small businesses need all the support that they can get, because we are talking about people’s jobs and about businesses that people have worked hard to grow and nurture, and there is a danger that they will go out of business as a result of Government policies.

Sammy Wilson: Given that larger stores weathered the recession much better than many small businesses, would the hon. Gentleman consider the policy that has been introduced in Northern Ireland whereby larger stores pay a 15% premium on their rates to finance some relief for smaller businesses in town centres?

Peter Dowd: If that suggestion came from the Government side, I would say that I would listen to the representations, and we would listen to any representations, so to speak, that would help small businesses.

Moving on to alcohol duty, the Finance Bill will only further undermine our local pubs, which are already under threat, with 29 pubs closing every week. While we welcome plans to make tax digital, the Government’s plan will shift huge administrative burdens on to small businesses and the self-employed, who are just trying to pay the taxes they owe—so much for the Conservatives being the party of small business. There is no reason businesses should have to submit quarterly digital tax returns, particularly when they lack the time, resources and capacity to convert records into digital standards on a frequent basis. All that comes when they are under stress from business rates. That is why we support the view of the Treasury Committee and of small business owners and the self-employed that it is better to exempt the smallest taxpayers from quarterly reporting and to phase in making tax digital to ensure that implementation is right for all, rather than the Conservative party wasting taxpayers’ money and time by correcting mistakes further down the line.

Making tax digital will also place new burdens on HMRC, which is already teetering on the edge after the constant slashing of its resources over the past few years. Thousands of hard-working staff have already been dismissed, and taxpayers are waiting on the phone for hours, which costs far more than the cuts have saved. The closure of dozens of tax offices across the country is still to come, putting thousands of jobs at risk in my constituency alone. How will HMRC cope with the ever-increasing complexity of its responsibilities with just a skeleton staff? How will any of the “reduction in errors” expected from making tax digital actually come about? How will we ever close the tax gap when there are no tax inspectors left to help taxpayers get their returns right and when HMRC has been fished of the resources it needs to run a service? It is a total false economy.

Jane Ellison: I am sorry, but I rise to defend HMRC. The shadow Minister just said is the most outrageous attack on the hard-working men and women of HMRC. Far from people hanging on the phone for hours and the various other exaggerations that we just heard, I suggest that he look at the publicly available figures for HMRC performance in a range of areas, where he will see that what he said is far from the truth. HMRC’s performance has been excellent in recent years in many areas, as shown not least by the £140 billion extra raised since 2010 from avoidance and evasion.

Peter Dowd: That attempt at plausibility has gone amiss yet again. The reality is that we are constantly contacted by people about HMRC. Those on the frontline, such as the thousands in my constituency, are doing a damn fine job. The idea that I would attack thousands of people from my constituency is complete nonsense. They are struggling against the odds, which have been stacked against them by this Government. That is the reality. The Finance Bill was a failure before it was even started. It is a busted flush.

The Minister referred earlier to helping homeowners. If the Government are setting aside resources to help homeowners, such as through lifetime ISAs, they should also tackle the threat to the stability of the housing market from organisations such as Bellway, which is tying people to their homes through its leaseholds. That is a scandal and an outrage. The housing market is in danger if such scams are allowed to continue. The Government are quite rightly putting in resources to fund the housing market, so if we are to deal with the issues in it, they should be calling those organisations in, getting a grip on them and telling them to stop ripping off the people who bought homes from them.

The Bill is making income tax payers, small and medium-sized businesses, and the self-employed pay the bill for the endless stream of tax cuts for corporations and the super-rich. It takes no serious action to tackle tax avoidance, putting in place get-outs and workarounds that mean it is just another smokescreen.

Lucy Frazer (South East Cambridgeshire) (Con): Does the hon. Gentleman accept that the Bill comes from a Government who have significantly increased the number of people in employment? Earlier this year, only 370 people were unemployed in my constituency.

Peter Dowd: A million people in employment are on zero-hours contracts. Millions of people are in insecure work. Of course I welcome employment, but it has to be
secure, well-paid, reasonable, sensible employment that allows people to sustain their families. Under this Government, millions of people are unable to sustain an ordinary life with the wages they receive. That is the reality.

**Tom Tugendhat:** The hon. Gentleman is being generous in giving way. Does he understand that his pledge further to increase taxes runs directly contrary to his hope for better employment? Increasing taxes and increasing the burden of the state on companies around our country would lead to employment falling, not rising. Welfare cases would rise, not fall. It would be generally bad for our entire economy.

**Peter Dowd:** I do not know which speech the hon. Gentleman has been listening to, but I did not refer to raising taxes.

**Tom Tugendhat:** You did!

**Peter Dowd:** No, I did not. I was asked earlier how I would pay for the changes, and I indicated that I would start with corporations. In effect, corporations receive £70 billion in relief over a five-year to six-year period through banking levy reductions and so on. That is the starting point for us. As far as I am concerned, the Bill takes us no closer to knowing when the Conservatives will finally meet their target of closing the deficit. A series of failures has led them to borrow more than any other Government in history, and far more than every Labour Government combined. That is the fact of the matter.

**Lucy Frazer:** Can the hon. Gentleman tell us how much Labour would borrow under his plan?

**Peter Dowd:** Certainly less than you. In short, this Bill is another Conservative broken promise, and I urge the House to refuse it a Second Reading.

5.59 pm

**Nigel Mills** (Amber Valley) (Con): It is a pleasure to speak on this nice, brief and moderate Bill. I suspect the Bill that finally clears the House in the next couple of weeks will be a little thinner. I am not sure that I welcome the change to printing the Finance Bill in one block, rather than two; it feels worse.

My speech will focus on the content of the Bill rather than on trying to start the general election campaign, which does not technically begin until tomorrow, but I am sure I heard the hon. Member for Bootle (Peter Dowd) say that Labour wants tax to be a higher proportion of GDP than the Government currently have it. If that is a Labour manifesto pledge, I suspect it will appear on more leaflets for Conservative candidates than for Labour candidates. The only real way of achieving it is to raise income tax, national insurance or VAT, none of which will be popular with the electorate.

For coherence, I will address the Bill’s measures in order. First, there is a moderate measure that will allow employers to offer their employees up to £500 of pensions advice, and associated advice such as the impact on tax bills, tax-free. Where there are problems with people’s understanding of how the pensions system works, of how much they will have in their retirement and of how much they need to save and how they should save it, any effort we can make to encourage them to take more advice, and get good advice—the earlier, the better—has to be right. I welcome increasing the tax relief from £150 to £500.

Clause 31 addresses interest restrictions for corporates, which will be allowed to claim tax relief on interest only up to 30% of their earnings before interest, taxes, depreciation and amortisation. Before coming to this place, I spent many years advising large corporates on their corporation tax bills. I wrestled with the many efforts that have been taken to get the allowed interest deduction down to a sensible level. There are well over half a dozen different anti-avoidance measures, such as allowable purposes, thin capitalisation rules and the worldwide debt cap. We have had all manner of attempts to get to the right answer, but successive Governments—Conservative, Labour and coalition—saw it as a competitive advantage for the UK to try to attract inward investment from holding companies by having a generous interest deduction.

It is right to recognise that, in an era when large multinational corporations have been gaming the global tax system to a ridiculous degree, we cannot allow our system to be exploited by excessive interest deductions, especially where they are not real commercial interest costs to the worldwide group. It makes sense for us to get in line with the global consensus that the interest limit should be 30% of EBITDA. The House should approve the measure to provide some scrutiny of the downside impact of how we attract international investment.

How many businesses that employ large numbers of high-skilled people are here for the interest deduction that we effectively allow on profits earned across the world? What impact will that have on where those businesses choose to locate in future? I hope the impact is zero and that, because we are such a great place to do business and employ people, businesses do not come here to chase generous tax deductions, but it will be interesting to see the impact of this policy change.

The rules are complicated, and there are some sensible exemptions for infrastructure investment. We need to encourage private companies to invest in UK infrastructure, and our regime is not all that generous—we do not give tax relief for large amounts of industrial building, which can have a large infrastructure cost. We should reform those rules, too, to make sure that we have a competitive regime so that, if a multinational company is looking to invest in infrastructure, the UK is the place to do it, not somewhere else for tax purposes.

I welcome the deemed domicile rules that the Minister outlined. People out there who try to understand tax cannot understand why rich people can avoid tax because of where their father was born. We have had that strange historical system since the colonial days. It should be absolutely clear that people who are born here should pay all their taxes here, and people who have lived here for a long time should be paying the same taxes. The idea that a person can move and live here for 40 years, or even be born here, and avoid certain taxes, is a ridiculous way of exploiting our tax regime, and I welcome the steps to change that.

Clause 71 introduces the soft drinks levy, about which I have raised concerns in previous debates. I welcome taxes on unhealthy activities, and we have lots of taxes on alcohol and tobacco for sensible reasons. We have an
obesity crisis, and it is perfectly right to consider taxes on unhealthy foods and drinks. A sugar tax makes sense, but when a consumer sees a product they want to buy in a supermarket they should be able to see something that says, “This product is so unhealthy for you that it is taxed, so you will pay more for it.” That is how to get behavioural change. Someone walking down the aisles of a major supermarket should think, “A can of full-sugar cola is 10p dearer than Diet Coke because it is unhealthy, so I will buy the Diet Coke.” That should also apply to ridiculously sized portions of cake, to sweets that are very bad for you and to all those other unhealthy things that we eat. We should try to structure a sales tax on unhealthy products to get the behavioural change we want.

There are many reasons why the Government have chosen to go down the route of targeting a particular product, but there is a real danger that the market for cola is so complicated that the consumer might not know that the charge even exists. I happened to be in a supermarket over the weekend looking at the varying prices of cola. I am quoting Tesco because it is my nearest supermarket—I should declare an interest because my wife works there—and I can buy a 2-litre bottle of Tesco own-brand cola for 55p, a 2-litre bottle of Pepsi for £1.25 or a 2-litre bottle of Coke for £1.66, or two for £2.50. We are adding 18p a litre, so how a consumer will know from the varying prices, never mind all the promotions, which of those colas is the bad one and which one they should be avoiding is not entirely clear. Looking at the prices for smaller quantities, a 600-millilitre bottle of Pepsi is 99p, which is about the same as a 2-litre bottle.

Michael Tomlinson (Mid Dorset and North Poole) (Con): My hon. Friend is making a cogent argument, but does he not welcome the targeted nature of the fund? The levy will go to the Department for Education to help all our children in all our constituencies to have healthier lifestyles. Does he welcome that, even if he has concerns about other aspects?

Nigel Mills: I welcome more funding to help children to be healthy and more funding for sports. I especially welcome the fact that the largest employer in my constituency, Thornton’s, as part of the Ferrero group, gives big funding to school sports. More funding for healthy activities for children has to be a good thing. I am a little nervous about hypothecating taxes for individual spending, because there is a real risk that it would lead to a complicated tax system. It is a little like giving with one hand and taking away with the other. I welcome the fact that we are raising such spending, although I would not want to link it directly to a tax.

Jane Ellison: Just to clarify, one reason why the levy is on producers is that we want to drive the reformulation of products. Drawing on my previous role as public health Minister, every study that has ever been done across the world has shown that reformulating products at source is probably the most effective way of helping people to tackle obesity. I have spoken to supermarkets and producers for many months and, in their own research, they are getting the message back from consumers that tackling the problem at source through reformulation is what people want to see.

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Lucy Frazer: Does my hon. Friend accept that the provisions will give rise to a public debate, and therefore to public awareness of sugar in drinks? Some people may not have been aware of that before, but they will know about it now.

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Nigel Mills: I agree that changing what people consume without their knowing it, and without their having to change their own behaviour, will get the calorie reductions that we want. If that is the argument, I am intrigued about why we are going for the soft drinks industry, which has produced diet brands that use no sugar and contain no calories, and has innovated with things such as Coca-Cola Life that have reduced calories and reduced sugar content by using different sugars. There is a risk that industries that have spent lots of money developing popular products and marketing them will think, “We do all that investment and are still getting clobbered by a levy, whereas other industries that do not do that investment do not have a levy. Perhaps we should not invest and run the risk.”

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We can debate this at length, but what we are trying to do is right. The childhood obesity crisis is such that we have to take some measures. I accept that this measure targets something that contributes to that crisis, but as we develop this policy I would like us to have a clearer thing that consumers can see in the shop which says, “This is unhealthy, so it will cost you more.” That would be a better way of getting the behavioural change and the change in diets we need, and it is likely to be more effective in the long run.

Kirsty Blackman: I appreciate the point the hon. Gentleman is making and I have a lot of sympathy with his wider point about reducing the consumption of sugary food. His point about making it obvious to people what they are consuming is interesting, and that could be done more widely, in relation not just to soft drinks, but to things such as pasta sauces, which contain a huge amount of sugar but where there is a lack of awareness. One of the biggest things we can do to change behaviour is increase awareness, rather than increasing the cost on all these things.

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Clause 108 seeks to tighten up the rules on VAT collection from fulfilment businesses. Globalisation has changed how businesses are structured so that people buy from them online. People then avoid paying VAT due in the UK, which is a big weakness. We have a generous turnover threshold. Most countries in Europe do not let people have their first £80,000 of turnover VAT-free—I believe the figure is now £83,000. It is right that we have that exemption, but we need to find ways of stopping people selling things on internet marketplaces and exploiting it, because there is a big revenue leak. This also makes it very hard for UK businesses resident here that are trying to comply with the rules to compete with those internet-based sales where people are not charging VAT on products on which they ought to be charging it. All the measures we can take to ensure that anyone trading here who turns over more than £80,000 has to charge VAT on the things they sell have to be right, and I look forward to seeing how those measures work and what more the Government can do on them.

Clause 120 deals with making tax digital, on which the Minister and I had an exchange earlier. I accept that we have to make tax more digital than it is and we have to get everybody filing returns online. I can see why the Government would want the information much earlier than they are getting it and would seek to remove the errors. Individuals and businesses do not want to make errors and they want to get their tax right. I am not sure how much we help them when we add 762 pages of Finance Bill every year and they have to try to work out how to comply with them. Making tax digital is the right thing to try to do, but I worry that if we rush the smallest businesses into it we will end up with the wrong outcome. I accept that businesses turning over more than £80,000 are probably already filing their VAT quarterly, doing monthly PAYE activities, presumably on a computer, and reporting those, and doing the same thing for auto-enrolment. Those businesses are probably already gathering, just about in the right format, all the information they need, and making these returns should not be unduly onerous for them. In that area, the advantages outweigh the downsides. However, I do worry about ending up with a perverse outcome.

Mr Rees-Mogg: My hon. Friend is slightly glossing over the problems for businesses. Many of them will be paying accountants to make the filings that they are already making and this will be a further cost to them, which will bear down particularly heavily on smaller businesses.

Nigel Mills: Yes, and I was coming to that point about the smaller businesses. I suspect that businesses that are submitting VAT returns have already gathered all their sales data and invoice data, and will have to gather all their payroll data for their PAYE reports, and so most of the stuff they need to do this reporting has already been gathered and looked at coherently. Small businesses may do that only once a year and employ an accountant to do it, so we run the real risk of going from having an annual return prepared by a qualified person who has looked through the information and made it coherent and accurate to having a quarterly statement that the individual tries to do themselves, ending up with much less accurate information being prepared than before. We need to be careful to avoid going from a relatively reliable annual return to an unreliable four-times-a-year situation and unintentionally increasing the errors that HMRC has to look at. Instead of doing this once a year and making sure they have got it right, the risk is that people may choose not to pay an accountant or be unable to afford an accountant to do this four times a year. So there is some merit in thinking about how we phase in this measure for the smallest businesses. We could make the compulsory date a few years further away and encourage people to choose to opt in if they feel they can comply. In that way they would gain advantages from knowing that their tax bill is right and will not be shocked when they get the statement back from HMRC. There are some advantages here, so if we sell this right, businesses will choose to sign up to it and the final compulsion after a few extra years will perhaps not be as big a shock.

Sammy Wilson: Does the hon. Gentleman acknowledge that this may be meant to do away with errors and give businesses an idea of what their tax payments are going to be, but there are end-of-year adjustments—those relating to stock, work in progress, depreciation and so on—which will have an impact on a firm’s tax business? If these things have to be done once a quarter, it adds significantly to the work businesses have to do and therefore to their costs.

Nigel Mills: I agree with the hon. Gentleman that we have to think about how to do the annual adjustments—their business. And I think it would make financial sense. A lot of very small businesses are already on simplified accounting methods anyway, so perhaps those issues will not apply to that extent. The Minister reminded me that the Government have been trying to expand on those simplified accounting measures to make things easier for small businesses, and so I hope that some of those issues would not arise.

During the debate on my first Finance Bill as a Member of this House, one of my amendments sought to suggest that we move the corporation tax system much closer to the annual accounts that people submit, rather than having lots of different tax adjustments. Such an approach would be much clearer for business and would create big cost savings. With more of these things, perhaps I will eventually get to that dream I had nearly seven years ago, although I am not entirely optimistic about that. To be fair, we should welcome the fact that the Government have relaxed the timetable for businesses whose turnover is less than the VAT threshold. I welcome that and it has been largely welcomed by most small businesses in my constituency, which did have concerns about this.

As we are dealing with corporation tax and as I was talking about amendments I tabled to the first Finance Bill on which I served, let me say that one of my other amendments sought to allow groups to file one corporation tax return for their whole group, rather than having to file one for every individual entity and then making loads of complicated claims about how losses are moved around the group. This Bill contains restrictions on how many of the losses brought forward from previous years can be used, but we are allowing those losses now to be used right across the group, rather than just in the entity that originally made the loss. That is a welcome change.
As we leave the EU and can finally lay to bed all the worries we had about whether we would have to include all EU companies in a group tax return, if we had one, because it would be discriminatory under EU law to include only UK companies, perhaps now is the time to look, as many other countries have, into allowing groups of companies to file one tax return that shows the profit for the whole group and does not have to track every individual transaction between all the companies. That would help us to tackle some tax avoidance schemes that have played on the different treatments of transactions between companies. It would make it easier to comply and help to tackle avoidance so, as we move through the Brexit process, I hope we can look at those issues that we have previously found difficult.

Suella Fernandes (Fareham) (Con): Does my hon. Friend agree that the cut in corporation tax from 19% to 17% in 2020 is only going to be good for the economy—the previous cut produced an increase in revenue from corporation tax—and will set Britain out as a favourable place for business and investment as we enter the next phase of our history through Brexit?

Nigel Mills: I absolutely agree: it is important that we continue to send the signal that Britain is a great place to do business and to invest. We want as much international investment here as we can get, so it is absolutely right to have a headline corporation tax rate that is as low as we can have it. I welcome the fact that we are going to get it down to 17%. The previous Chancellor hinted that he might have used 15% to give a sense of direction; perhaps the Government will look into using that in the manifesto we are about to produce.

George Kerevan: Can the hon. Gentleman explain why Germany, which has a much higher headline rate of corporation tax, does so much better industrially?

Nigel Mills: I think I would have had to attend several of the hon. Gentleman’s lectures to understand better how the German economy works, but that is not something I have ever studied. We could probably talk about euro rates and the history of investment in skills and so on, but I suspect it is not all down to corporation tax.

Kevin Foster (Torbay) (Con): In his consideration, will my hon. Friend, like me, bear in mind the fact that the closest and most comparable jurisdiction in the European Union is Ireland, where the headline rate is around 12.5%?

Nigel Mills: Yes, and Ireland has found that that corporation tax rate has been successful in helping to attract investment. I noticed that throughout all Ireland’s financial crises and its desperate need for tax revenue, that rate was one thing on which it was not prepared to move, which is a sign of how successful it thinks it has been.

Mr Alan Mak (Havant) (Con): I hope my hon. Friend will join me in sharing the sentiments of our hon. Friend the Member for Fareham (Suella Fernandes) and celebrate the fact that Britain will have the lowest rate of corporation tax in the G20. To come back to the point made by the hon. Member for East Lothian (George Kerevan) comparing Britain to the German economy, does my hon. Friend agree that although the British and German Governments spend a similar amount on research and development—around 28%—the big deficit is actually in private sector investment? If we are going to lead the fourth industrial revolution, which will be important to ensuring that our economy is strong, we need to get the private sector to invest. That is what the Bill will do.

Nigel Mills: I agree with those sentiments. If we are going to get into a debate about the German economic model, though, I should probably step out of the middle of it because it is not an area I have ever looked at.

There is a clause in the Bill on the Northern Ireland corporation tax and how we will make the lower rate there work. This is probably my chance to sneak in a remark, Mr Deputy Speaker: I hope we can get an Executive formed in Northern Ireland so that they can take the decision to have a lower rate of corporation tax. I suspect we probably do not need to rush that clause through the wrap-up, given the current situation, although I guess it is not controversial in Northern Ireland.

Sammy Wilson: Does the hon. Gentleman accept that there will be great disappointment in Northern Ireland that because of Sinn Fein’s insistence on unrealistic demands, there will not be an Executive in the near future, meaning that Northern Ireland’s ability to reduce corporation tax, which was a key part of the economic strategy, will be removed from the Executive?

Nigel Mills: I do agree: it is regrettable that the inability to form an Executive means that it looks like a power that was long campaigned for will not be used on the timetable it should be. We have seen how important it is for the Northern Ireland economy to have a rate that matches that of the Republic of Ireland so that it can compete on attracting investment. Many issues will get lost in the upcoming general election, but I hope that the need for Northern Ireland to find a way forward is not one that we take our attention off for the next six or seven weeks.

I think it was last year’s Finance Bill that the Government accepted an amendment to introduce territory-by-territory reporting for all large corporates as part of their annual tax strategy. When the Minister sums up, will she update the House on the timetable? When might that power be turned on so that we can start to see those reports?

I welcome the measures in the Bill to encourage social investment by increasing tax relief but making sure that it is focused on the right things and is not subject to avoidance. I recently heard that a group of residents in Holbrook had managed to raise the funds to buy a local pub that faced being knocked down and turned into housing, by getting 250 or so people to buy shares in the new business. That is a real example of what a community can do to save a valued asset and I pay tribute to their success.

I wish to touch briefly on air passenger duty. I do not want to reprise the whole debate—I accept that we need it to raise revenue—but I just wonder whether, as we leave the European Union and some of the restrictions on how we can regulate taxes drop away, the Government will be prepared to look at measures to encourage new routes into regional airports. That would help to tackle the congestion and air quality in London, and it would
help the economy outside London by providing direct routes to the high-growth parts of the world. I wonder whether it is possible to produce a scheme in which we have either lower rates of APD on routes into regional airports, including East Midlands airport near my constituency, or lower APD for a new route for a certain time period—perhaps three or five years—to enable such a route to become viable. Such measures would not have the big revenue hit that they would have on all the London airports, and would target the money that we can spend on getting the vital regional growth that would help the regions of England outside London. As APD is a devolved tax, if Scotland chooses to have a lower APD rate in future, we may see some interesting tax competition if airports in the north of England feel the need to respond.

Overall, I welcome the Bill. It contains many important measures that will help to protect our tax base and tackle avoidance—which we all want—and help the economy to grow. It is an important Bill and I hope its provisions will survive the discussions over the next few days.

Sammy Wilson: The hon. Gentleman quite rightly mentions tax avoidance. Does he accept that although there are measures in the Bill on tax avoidance, given that the tax gap is nearly £40 billion but the Government’s target is to collect £5 billion more between now and 2020, the issue is not being taken seriously? There will be frustration that rich companies will still be able to walk away with very low tax bills.

Nigel Mills: I was nearly finished, but the hon. Gentleman invites me into a debate on the tax gap. I do not have the numbers to hand, but it is important to understand what makes up the tax gap. Tax avoidance by large corporates is actually a relatively small part of it. From memory, the largest part is due to people who operate in the black market and do not pay VAT or declare their tax. Another large part is down to errors or mistakes by small businesses or individuals. It is right that the Government should bear down on all those aspects, but I do not think it is possible to get the tax gap down to zero—it would involve some kind of ridiculously heavy compliance burden. We could probably get there only by having zero tax rates or zero economic activity, so there will always be some level of tax that we cannot collect, but the measures that the Government have taken progressively over the past seven years to tackle aggressive tax avoidance have been the right ones. We have the general anti-abuse rule, which we are trying to tighten up in the Bill. When that gets to its five-year anniversary, I look forward to seeing whether we can change our strategy on targeted abuse rules, whether we might not need to have quite so many individual anti-avoidance rules, and whether we can rely on the general one.

Although we have discussed Making Tax Digital, a key part of reducing the tax gap is making businesses report and be more compliant on a more regular basis. We must press on with that and make it work, but we do not want to risk going too far. There are more measures that we could try to take to encourage people not to pay cash in hand to avoid paying VAT. It is very hard for an individual to know whether the person cutting their hedge or driving their taxi is tax registered. Perhaps we should have some kind of registration process so that a person can say, “I want to engage people who are fully tax compliant. If you can show me that you are, I will happily hire you. If you can’t, perhaps I will hire someone else.”

Mr Mak: My hon. Friend is making a very good speech about the changing nature of the economy, particularly in relation to the rise of the gig economy. Will he join me in welcoming the review by Matthew Taylor about how we can tax both the individuals and the companies operating in the gig economy to make sure that we strike that fair balance between taxation and innovation in our economy and our employment market?

Nigel Mills: Yes, I happily welcome that review. That has become an emerging issue that we need to tackle. It will probably blow up in the national insurance debate. I welcome the measures in this Bill, which propose that where the public sector engages with individuals who try to incorporate themselves, those individuals will not get the tax advantages. That has to be right. We need to find a way of doing that for very high paid individuals outside the public sector who try to do that. We need to ensure that they are taxed on that income in a way that the tax system intends, and not allow them to get an advantage through the corporation tax system. I accept that the reduction in the dividend relief that was announced in the Budget was the right thing to do. As we see our employment market changing, we need to ensure that the tax system is not encouraging unscrupulous employers to try to pretend that their employees are self-employed in order to get a tax advantage for themselves, leaving those individuals in a far worse situation without the security of being employed and without the rights to welfare, holiday, sick and maternity pay to which they are entitled. That review will be very important in enabling us to strike the right balance and to encourage people who are genuinely self-employed and taking risks. I accept that we should have a lower tax rate for people who do that. How we get our tax rules to match the changing way that people work will be extremely important, and that review will have an essential role to play.

I will wrap up my contribution by saying that I welcome this Bill and that, whatever passage it has, I wish it well.

6.32 pm

Stewart Hosie (Dundee East) (SNP): I beg to move an amendment, to leave out from “That” to the end of the Question and add:

“this House declines to give the Finance (No. 2) Bill a Second Reading because it derives from the 2017 Budget which confirmed the continuation of austerity, it fails to provide the necessary stimulus to compensate for the economic impact of Brexit, it fails to address the inequity of VAT being charged on the Scottish Police Authority and the Scottish Fire and Rescue Service, it fails to provide concrete measures to support the oil and gas industry, it increases Insurance Premium Tax above the level of inflation, it increases duty on Scotch whisky, and it is a wholly inadequate response to the economic challenges being faced by Scotland and the UK.”

We oppose this Finance Bill—well, someone has to—not so much because of what it does but because of what it does not do. Let me take as an example the inequity of Scotland’s police and fire and rescue authorities...
paying VAT. It is a long-standing problem, and this Government could and should have taken the opportunity of this Finance Bill to rectify it, but they did not. In the Budget, there was at least a recognition of the problems faced by Scotland’s oil and gas sector, but no specific measures were announced—just another options paper, which was effectively announced last year. This Finance Bill should have been the opportunity to make concrete proposals for UK content and for oil exploration and decommissioning allowances to ensure that the sector continues to thrive, to flourish and to provide substantial tax yields for decades, but of course it does not. It does, however, put up the duty on Scotch whisky, and increase insurance premium tax again by 20%, which is way above the rate of inflation. Effectively, the Bill treats the Scotch whisky industry and the insurance sector as cash cows for the Treasury.

Having said that, we do welcome some of the measures in the Bill, particularly those that are intended to clamp down on tax avoidance and evasion. I welcome what the Minister said about restricting the use of past losses, disguised remuneration, the initial penalties for tax avoidance enablers, and the removal of the permanent non-dom status. However, it is hard to see how this Bill will assist in any substantial way to address the long-term UK challenge of improving productivity or even helping to make society a little less unequal, which is vital to unlocking our growth potential. That is particularly the case when one considers that alongside this Finance Bill are a set of welfare proposals that do not support inclusive growth but, rather, drive a coach and horses through it. They include the cut of £30 a week to employment and support allowance for claimants placed in the work-related activity group; a 55% cut in the rate of ESA for disabled people under the age of 25; the freezing of the lower disabled child element of universal credit; and the changes for full-time students who receive disability living allowance or personal independence payments who are now not treated as having limited capability for work and are therefore not entitled to universal credit until they have been assessed, which means that they face long delays without support.

I do not want to digress too far from the Bill, but delivering those cuts when disabled people and those on low to middle incomes are already facing a barrage of cuts from this Government is a disgrace. Moreover, those cuts not only fly in the face of the Tory party’s last manifesto commitment to help more disabled people into the workplace—something that is vital—but undermine the essential drive for real inclusive growth, which is vital if we are to grow the economy and maximise our potential.

Rebecca Pow (Taunton Deane) (Con): I just want to point out that, under the Scotland Act 2016, we are devolving benefits worth £2.8 billion to the Scottish Parliament. That is almost a fifth of Scottish spending. It would be really interesting to hear what the hon. Gentleman thinks about that. Indeed, he could even welcome the fact that this Government have created such a strong economy that Scotland is able to have that much money gifted to it.

Stewart Hosie: I am sure that the Scottish people will be delighted to hear that the hon. Lady thinks that somehow they do not pay taxes and that they are dependent on the largesse of ladies like her to fund our welfare system. We have had a very small amount of welfare devolved. If she wants to make such a contribution, she can read out the rest of the Whips’ briefing note when she catches your eye later, Mr Deputy Speaker. [Interruption.] The Tories can groan all they like, but they have called a snap election, and on the same day we are debating the Finance Bill.

In this Bill, the Minister wishes to reduce the dividend nil rate from 2018-19 from £5,000 to £2,000. I will listen carefully in the next 10 days or so to what the Government say about that. Perhaps they can prove that only very wealthy people benefit from that allowance and that it may be a reasonable change. Equally, it may be the case that many small and start-up business owners depend on that money to tide them over and that the measure will be nothing more than a tax on enterprise—a disincentive to start a business, to create jobs and to power local economies.

I did find it slightly jarring when the Minister explained that wealthy people could put lots more money in individual savings accounts. That is fantastic news for people who are already wealthy: they can save tax free. Let us juxtapose that with a change to the dividend nil rate from a modest £5,000 down to £2,000, which might act as a disincentive to people who genuinely want to start a business, while allowing already wealthy people to save tax free. That might be the kind of error we would have seen under the old fiscal charter and its requirement to run a permanent surplus quickly, almost irrespective of the economic conditions. However, the new fiscal charter is more flexible than the last one, which should make such a measure unnecessary. The Government are still targeting a surplus early in the next Parliament. Let us see how early it is in the next, next Parliament.

Again, without digressing too far, the numbers and the timescale for even a modest surplus within four or five years look precarious. The forecasts for a current account surplus are tiny, not even reaching 1.5% of GDP. If there is any external shock or capital flight if sterling suffers further devaluation, which is quite likely if the Brexit negotiations go wrong—again, highly possible—the figures could fall apart very quickly indeed.

At its heart, this is a Finance Bill delivered with the pretence that the hard Tory Brexit is not happening. It sits in splendid isolation from reality. We cannot assess whether it will assist with the challenges that lie ahead. We cannot even assess properly what the consequences of the limited measures in it will be, because the Office for Budget Responsibility told us about Brexit at the Budget:

“There is no meaningful basis for predicting the precise end-point of the negotiations as the basis for our forecast.”

In short, this Finance Bill, like the 2017 Budget, is effectively based on a central assumption that pretends that Brexit does not exist. That is a ridiculous thing to do, given that article 50 has already been triggered.

Mr Rees-Mogg: The hon. Gentleman quotes the OBR, which was one of the few forecasters that was responsible enough a year ago not to make wild assumptions about what Brexit would mean. Most of the other forecasters thought they knew what would happen and got it comprehensively wrong. It shows prudence, caution and common sense not to try to forecast that which is essentially unknowable.
Stewart Hosie: I think the hon. Gentleman has been on record attacking the OBR for its forecasts. If he has not, I apologise, but I am sure that many of his colleagues have. No one seriously suggested that on day one or in week one, month one or even year one, even before the negotiations were complete, Brexit would result in any kind of catastrophe, reduction in GDP or other such thing. The real danger is for the medium and long term. As the hon. Gentleman brings it up, let us remember what some of the forecasts said. The Treasury itself said that we could lose up to £66 billion from a hard Brexit, and that GDP could fall by about 10% if the UK reverted to World Trade Organisation rules, which echoed the Chair of the Treasury Committee and other assessments. The London School of Economics said: “In the long run, reduced trade lowers productivity”—a huge problem for the UK—which “increases the cost of Brexit to a loss of between 6.5% and 9.5% of GDP.”

It put a range of figures on those costs of between £4,500 and £6,500 per household.

There are other assessments from the Fraser of Allander Institute, from the FTSE 500 senior executives and from the British Chambers of Commerce. The hon. Member for North East Somerset (Mr Rees-Mogg) may not believe those assessments. Some of them may not come to pass, but given that the warnings are very real and credible, one would have imagined that they would instruct a bolder Finance Bill. That is the point that I was trying to make.

Mr Rees-Mogg: The point I was trying to make was that we have had incredibly wrong forecasts from all these illustrious bodies. The hon. Gentleman was only wrong on the OBR. I criticised lots and lots of bodies; the OBR was the one I singled out for not being so foolish as to make erroneous forecasts. The Treasury, the International Monetary Fund and the Bank of England all said that the day we left there would be Armageddon and we would have a punishment Budget. This turned out to be nonsense, and it is much wiser of the current Chancellor to avoid foolish speculation.

Stewart Hosie: I do not want foolish speculation; nor do I want rose-tinted spectacles or ostrich heads in sand. There are very credible warnings of what Brexit might deliver. If the Government fail to mitigate the risks, they fail the people, and that is incredibly important.

To be fair to the Chancellor, in terms of what mitigation measures he could take and has taken, last autumn he announced additional support for capital investment and research and development; and he has since reiterated some of his R and D statements and put some more flesh on the bones of investment. However, the figures from the last autumn statement show that public sector net investment falls in 2017-18, and presumably 2018-19, depending on what happens after the 8 June election. The figures announced only a few months ago for public sector gross investment show them falling again this year, compared with the forecast made last winter, and not increasing again until 2020 or beyond. We would argue that money should have been allocated, and the Finance Bill should have reflected this, to mitigate the damage that we and many others believe is likely as a result of a hard Tory Brexit.

Of course it is not all about Brexit. Nor is it about reminding the House—I will not do it today—of the failures and broken promises on debt, deficit and borrowing. It is not even about repeating the mistakes of the past on investment. We are now in such uncertain times that in order to protect jobs, to protect yield and to protect the current account, trade should be front and centre, but little was said about that today and there was nothing in the Finance Bill that would assist in that regard.

The Budget Red Book tells us already that the current account is in negative territory for the entire forecast period. The impact of net trade will be zero or a drag on GDP growth, without the impact of Brexit, for almost every year of the forecast period in the Budget. That is after a near 15% devaluation in sterling since the referendum. More should have been done, and it should have been done in this Finance Bill.

My hon. Friend the Member for East Lothian (George Kerevan) intervened earlier on how growth will be generated. It is forecast to be based on heroic levels of business investment after the uncertainty of Brexit ends, which we do not believe will be any time soon. It will be propped up by household consumption with a commensurate rise in household indebtedness; by central Government investment, which I welcome; and by fixed investment in private dwellings, but house price rises are forecast to be two or three times the rate of already rising inflation. That is not a balanced recovery, and there is nothing in the Finance Bill that would assist in balancing it.

However, the issue of trade is most worrying. The figures are clear, notwithstanding one quarter’s blip in either direction. The last full years for which we have figures saw the current account £80 billion in the red, and a deficit in the trade in goods of over £120 billion. Nothing in the Finance Bill today would assist businesses to trade in a way that would even begin to shrink or erode those deficits.

This is a thin debate today because of other announcements, so I will conclude by saying what I said at the start. We will oppose this Bill—not so much for what it contains as for what is missing. We will do so because, like the Budget that drives this Bill, it is wilfully blind to the damage that Brexit will do, and in our view it is a completely inadequate response to the challenges that the economy will face.

6.48 pm

Dr James Davies (Vale of Clwyd) (Con): It is a pleasure to be called to speak in support of this Finance Bill. As a whole, it is a Bill that prioritises economic stability, and there is much to welcome in it. My constituents will be pleased at the further increase in income tax thresholds.

I want to talk about the soft drinks industry levy, which appears in part 3, clauses 71 to 107. This was announced in the Budget a year ago, and it was reconfirmed in the childhood obesity plan last summer. At this point, I should declare an interest in that I devoured a very large Easter egg in recent days, but leaving that aside, I will get back on track to welcome the levy wholeheartedly as one lever in tackling obesity.

There is no single silver bullet to tackle the obesity crisis in the UK and in the west in general, but the levy is a necessary part of a package of measures to begin to
tackle it. I have reached that clear conclusion through membership of the Select Committee on Health. I admit that if I had been asked about a sugar tax a year or so ago, I might have been somewhat uncertain, and it is clear that there is some uncertainty among hon. Members here today. I hope to convince some of those with lingering doubts to ensure that the provisions pass without further amendment.

Obesity affects about a quarter of adults in the UK, and it is estimated that it may affect up to 70% of us by 2050. One startling fact is that obese children are five times more likely to become obese adults, so there is a clear need to tackle childhood obesity.

Alison Thewliss (Glasgow Central) (SNP): I am glad to hear that the hon. Gentleman supports the sugar tax. Does he agree, though, that the obesity strategy really does not go far enough because it does not start until children are older than two? Bad habits could already have been formed by that stage. Does he support an increase in the scope of the policy?

Dr Davies: It is true that the Health Committee—myself included—has called for additional measures, but the plan as it stands is certainly a step in the right direction. I will come to further points in due course.

One in five children starting primary school is overweight. By the end of primary school, it is one in three—quite a striking figure. The inequality between communities is also striking. Some 60% of five to 11-year-olds in the poorest neighbourhoods are obese; the figure reduces to just 16% in the most affluent areas. That translates into regional variation.

Kevin Foster: My hon. Friend is making an important point about the fact that there is a higher growth in obesity rates among those from the most deprived backgrounds. People who live on one side of a particular hill in Torquay live for 13 years longer on average than those who live on the other side. Does he share my concern that those sorts of stats could get worse?

Dr Davies: Indeed. I strongly believe that the measures outlined in the Bill go some way to tackling that situation.

Perhaps the main health effect of obesity among children is tooth decay. It is the main source of hospital admissions for five to nine-year-olds, with some 26,000 admissions, probably in England alone, and 179,000 teeth—if not more—extracted among the age group each year. Some 25% of children in the age group have tooth decay, and 90% of those cases are estimated to be preventable. Of course, sugar is a key cause of the problem. As for older children, 46% of 15-year-olds have tooth decay, and £129 million was spent on the extraction of teeth in under-18s between 2012 and 2016.

The impact of obesity on adults is even more concerning with tooth decay and, in no particular order, type 2 diabetes mellitus, cardiovascular disease, gastro-oesophageal reflux disease, gallstones, osteoarthritis, sleep apnoea, infertility, pregnancy problems, mental health problems, liver and kidney disease, and—last but certainly not least—cancer. At least 13 types of cancer have been implicated with obesity. In fact, obesity is thought to be the biggest cause of preventable cancer after smoking. More than 18,100 cases of cancer in the UK per year are estimated to be thanks to obesity. Those types of cancer include some well-known ones such as breast, bowel, endometrial, oesophageal and pancreatic. There is an impact on the NHS of an estimated £5.1 billion per annum, and a cost to the economy in general—£27 billion a year down to lost productivity, unemployment, early retirement and welfare benefits.

It is vital that we recognise the extent of the problem posed to the health and wellbeing of ever-rising numbers of people by the obesity crisis. How should we target this? Well, it is believed that there is a genetic susceptibility to obesity. That is not to say that all obesity is down to genetics, but it is thought that the inheritance of several genes—polygenic susceptibility—leads some to an increased drive to eat. Much has been said over the past decades about personal responsibility, education and exercise. Education and exercise do have an important place, but the reality is that they have not succeeded as the main way to target the problem.

We have an issue with more sedentary lifestyles and an obesogenic environment, whereby unhealthy, high-calorie foods are so easily available around us. Calorie intake sadly overwhelms most people’s efforts to exercise those calories off. Personal responsibility certainly drives many—perhaps those with the intellectual and financial resources to follow the path to deal with the problems they face—but it is not easy. In any case, children cannot be expected to exercise personal responsibility, because they do not have their own freedom of choice. Various measures are important in tackling the crisis, including reformulation targets by Public Health England and others, which will reduce sugar, fat, calories and so on in the foods that children eat.

Advertising is also important. Advertising restrictions have recently been expanded from television to other media such as social media and advergames, but more could be done if necessary. Labelling is important, and Brexit offers an opportunity in more flexibility in labelling our products. Promotions and discounts in supermarkets and elsewhere are critical. The issue of local authorities’ planning powers for takeaways and so on has been mentioned on a number of occasions.

Rishi Sunak (Richmond (Yorks)) (Con): My hon. Friend makes an excellent point about the freedom for better labelling after we leave the European Union. Does he agree that one sector that could benefit from that is the dairy sector and dairy farming? Those products could have better country of origin labelling, which would help British shoppers to choose British dairy products and support British farmers.

Dr Davies: That is a very good point. A point has also been made about the flexibility to include information on labels such as the number of teaspoons of sugar in a product, which we are currently unable to do. A wide range of benefits could arise, which is interesting.

The soft drinks industry levy has a key role. Soft drinks are the biggest source of dietary sugar for children, but they contain little, if any, dietary benefit. Five-year-olds are believed to consume their own weight in sugar per year, and four to 10-year-olds each consume half a bathtub of sugary drinks per year. That is food for thought. The Scientific Advisory Committee on Nutrition and the World Health Organisation advise that free sugars should comprise less than 5% of daily energy intake; yet the estimated intake among our children is two to three times that figure.
The proposed mechanisms of the levy relate to producers and importers of packaged soft drinks with added sugar. The levy is designed primarily to encourage reformulation, as has been mentioned. The implementation date of April next year gives manufacturers time to pursue reformulation, and many have been doing an excellent job in achieving that. The levy drives manufacturers to reduce portion sizes and to market their low-sugar alternatives. It will be tiered, whereby 18p per litre is levied when the total sugar content of the drink exceeds 5 grams per 100 ml, and 24p per litre is levied when the total sugar content exceeds 8 grams per 100 ml. According to my mathematics, that is about 6p to 8p per can of drink. The levy will apply to drinks as ready-prepared or diluted as directed on the packaging.

The hope is that the levy will be passed on to consumers in the same proportion as applied. In other words, there will be no cross-subsidy. One concern raised by the Health Committee was that low or zero-sugar drinks might end up picking up some of the extra costs levied on manufacturers by their sugary alternatives. If that were to take place, it would be a missed opportunity to maximise the positive impact of the levy.

Mr Mak: My hon. Friend is making an excellent speech based on his personal knowledge and work as a medical doctor. Will he join me in encouraging children’s charities, such as Magic Breakfast, that play an important role in educating children about health eating and the avoidance of too many sugary drinks to redouble their efforts, and to use the sugar levy as a catalyst to do more work in the area?

Dr Davies: I will indeed. I will come on to the positive impact that the potential introduction of the levy has had on the general debate on sugar and obesity.

Coming back to the idea of cross-subsidy in terms of the cost of drinks, we, as a Government, should keep an open mind as to whether that needs to be regulated. The levy excludes fruit, vegetables and milk as a form of added sugar. It also excludes baby formulas, drinks for medicinal and dietary purposes, drinks comprising 75% or more milk, and small producers of under 1 million litres of beverage per year. The revenue raised is due to reduce portion sizes and to market their low-sugar alternatives. It will be tiered, whereby 18p per litre is levied when the total sugar content of the drink exceeds 5 grams per 100 ml, and 24p per litre is levied when the total sugar content exceeds 8 grams per 100 ml. According to my mathematics, that is about 6p to 8p per can of drink. The levy will apply to drinks as ready-prepared or diluted as directed on the packaging.

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The important thing to note is that, with successful reformulation, companies will pay no additional tax. It has been a mark of the success of the progress made with this policy that reformulation is already taking place, and it is therefore expected that in fact £1 billion will not be raised. I praise the Chancellor of the Exchequer for confirming that he will nevertheless pass on the full £1 billion in this Parliament for the purposes identified. Reformulation is possible—companies are already showing that. There has been success in the past with reformulation of products as to the amount of salt they contain. I mention that before that this whole debate is causing a discussion throughout our nation about obesity and sugar, and that has to be a good thing. I hope that even this debate will help to further that.

Will such a policy work? There is no direct comparison, but in Mexico when a tax of roughly 10% was levied, it led to a 12% reduction in sugar intake, and in Hungary a 40% tax led to manufacturers reducing sugar content. A 2016 modelling study suggested that thanks to the levy 144,000 adults and children would be saved from obesity each year; that 19,000 would be saved from diabetes mellitus; and that the number of decayed teeth—270,000—would be reduced. We have certainly seen some tentative support among the public. I truly believe that in view of the scale and consequences of the obesity crisis, we do not have the luxury of time to make excuses. We can lead the world in this area and create evidence that other countries can then use and follow.

Matt Warman (Boston and Skegness) (Con): Does my hon. Friend agree that this is an example of measuring success in terms not of the revenue raised but the behaviour that we change, and that by evidence that he talks about will not only change behaviour but genuinely change people’s lives in all our constituencies?

Dr Davies: My hon. Friend makes a good point. This is about how people live their lives in the foods and drinks they choose to consume and the way they look at their diet in general.

I would like to address a couple of criticisms raised by some. First, is this policy an example of the nanny state? I would argue that we use the tax system to influence behaviour and always have done. The Government have a duty of care to address important public health issues, as we do with tobacco and alcohol. As I said, freedom of choice is limited with regard to children, because they are not in a position to exercise freedom of choice. We live in a world that is skewed against our health interests; choice over healthy options can be difficult to come by as we are continually surrounded by unhealthy products. I would go so far as to suggest that some reduction of choice in sugary drinks on our shelves is a price worth paying to deal with the crisis that we face. I support the use of the tax system to support public health endeavours such as this one.

The second criticism is, “Is this just an extra tax, is it an attack on jobs, and is it regressive?” The tax can be avoided if products are reformulated or if existing sugar-free options are promoted. I would therefore argue that jobs in our food and drink sector should be safe. In fact, our food and drink sector can thrive if it can show the world how to tackle this agenda successfully. It is not a regressive measure either. The health gains are the biggest for those on low incomes, and sugar-free options are available which, we hope, will cost no more than they currently cost.

I support the soft drinks industry levy as a small but necessary part of the fight against childhood obesity.

Dr Caroline Johnson (Sleaford and North Hykeham) (Con): As a consultant paediatrician I have seen and treated a number of children with obesity and seen the health consequences of this growing problem. Does my hon. Friend agree that this tax is a useful part of the Government’s programme but only part of a much wider programme to tackle obesity, and that education will ultimately be the major part?

Dr Davies: Yes. The levy is a bold and brave move, but it is only a small part of the efforts we need to make to tackle this problem. Unless we tackle it from
a multitude of directions with a number of different strategies, we will not make progress. There is no one silver bullet.

We need to monitor and evaluate the impact of a levy over the coming year and beyond. I understand that secondary legislation had been due this spring. I am not sure whether that has been slightly delayed following today’s announcement, but it will no doubt follow in time for the levy to be applied from April next year. As a GP, a member of the Health Committee and a father of two young children, I will be following this topic with great interest.

7.6 pm

Steve McCabe (Birmingham, Selly Oak) (Lab): I want to follow the hon. Member for Vale of Clwyd (Dr Davies) in addressing my remarks to part 3 of the Bill and the chargeable soft drinks levy. I was struck by the Minister’s comments about the Government’s remarkable record on borrowing. I wonder whether she has had an opportunity to look at the work of Professor Richard Murphy of the University of London, who has done a rather extensive comparative study of Labour and Conservative Governments over a 70-year period, which shows quite clearly that Labour in office always, on average, borrows less than the Conservatives, and always pays back more while in office. That is not quite the impression that the Minister may have tried to convey.

Mr Rees-Mogg: That is because Labour always inherits a wonderful financial situation from the Conservatives and we always inherit a mess from it.

Steve McCabe: Yes, of course that is the hon. Gentleman’s belief. However, if we go back in history, I seem to recall Tory Chancellors singing in the bath as the pound collapsed and we were jettisoned from the ERM. I seem to recall crisis after crisis, including one Tory Chancellor who left a note saying, “I’m sorry I’ve made such a mess of it, old chap.” I do not think it is quite as the hon. Gentleman remembers. I would say that the Minister’s claims on borrowing are about as reliable as the Chancellor’s. I would say that the Minister’s reputation for competence proved after the shambles of his Budget.

Like many others, I would like to know what bad news is coming down the line. Why is it, after five public refusals to call a general election—after assurance after assurance that there would be no election before 2020—that refusals to call a general election—after assurance after assurance after news is coming down the line. Why is it, after five public claims on borrowing are about as reliable as the Chancellor’s? I would say that the Minister’s comments about the Government’s remarkable record on borrowing. I wonder whether she has had an opportunity to look at the work of Professor Richard Murphy of the University of London, who has done a rather extensive comparative study of Labour and Conservative Governments over a 70-year period, which shows quite clearly that Labour in office always, on average, borrows less than the Conservatives, and always pays back more while in office. That is not quite the impression that the Minister may have tried to convey.

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Steve McCabe: The hon. Gentleman may be reading from one of those notes that the Whips have been passing around, but I have not got around to mentioning the NHS yet. I will come to it.

I want to comment on the points made by the hon. Member for Vale of Clwyd. I agree that high-sugar diets are associated with a large number of serious conditions, including tooth decay, cardiovascular disease and type 2 diabetes. I will not repeat the figures, but I am grateful to him for giving the stats for five to nine-year-olds and for saying that such diets are the leading cause of hospital admissions for that age group. Of course, that imposes a considerable cost on our already overstretched NHS. He also rightly said that sugar is a leading cause of tooth decay for 15-year-olds, whose permanent teeth are being damaged. That is all preventable, as he said.

I think we are agreed that excessive sugar consumption is the main cause of tooth decay, so in principle I am in favour of a soft drinks levy. However, I am worried that it is an isolated policy and that it will fail to bring about the lasting change we hope for in the consumption habits of the public.

The hon. Gentleman gave the example of Mexico. If he looks carefully at what actually happened, however, he will see that, after an initial dip in sales of soft drinks, they subsequently rose and are now slightly higher than their pre-tax levels. The risk of such an isolated policy is that it may not have the long-lasting effect we seek. Indeed, it is debatable whether there is any robust evidence that an isolated levy on soft drinks will actually reduce the prevalence of any of the health conditions associated with high-sugar diets.

Jane Ellison: I am happy to comment on a couple of things. First, the provision is designed slightly differently from the Mexican initiative and others around the world. It is deliberately a producer levy, to drive reformulation of product. Secondly, to recap what I said in my opening speech, it is not happening in isolation. I entirely agree that it would not be enough in isolation, but it sits alongside a very ambitious body of work, not least in relation to reformulation across a range of different food groups, particularly those focused on children’s diets, on which Public Health England will lead over the next few years, working closely with manufacturers.

Steve McCabe: I am grateful to the Minister. Obviously, we cannot cite Mexico as evidence in favour of the policy and then dismiss it when there is contrary evidence. That was the point I was making. I do not disagree with some of the stuff for which she is arguing, but I and a lot of other people want a broader public health approach. We need to do a bit more to promote healthy eating and improve awareness of the risks associated with unhealthy diets.

I ask the Minister to think again about an industry comprehensive code, because that might be much better and enforceable. If that was to work in conjunction with a soft drinks levy, it might make a much more significant difference. The obesity strategy has been mentioned, but the truth is that most people were pretty disappointed with it when it came out. I remember her in her previous incarnation being much more optimistic about it than appears to be the case now.

With the NHS—this is for the benefit of the hon. Member for Peterborough—significantly extending waiting times for those needing operations for hip and knee conditions associated with high-sugar diets.

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replacements, and in the absence of any announcement of additional funding for the NHS, and with the Government continuing, as we have just heard, not to recognise that a funding crisis is engulfing the NHS, the need for a comprehensive set of preventive health measures to complement any soft drinks levy has become all the more pressing. I simply make the point that a tax to plug a hole in yet another failed Tory Budget simply will not be enough. We all know how we arrived at this tax, but it will not be enough by itself.

I do not know how much of this Bill will ever see the light of day, but I do know that it does not address the funding crisis in our schools and our NHS; the impact of cuts in policing, which are now resulting in predicted rises in crime; or the sense in my constituency of Selly Oak that, when it comes to fairness and those who are just about managing, this Government’s economic plans and other policies do not help them. With unemployment in Selly Oak at 4.5%, against 2.4% nationally, this Government simply are not working for Selly Oak.

7.15 pm

Mr Jacob Rees-Mogg (North East Somerset) (Con): It is a great pleasure to follow the hon. Member for Birmingham, Selly Oak (Steve McCabe) and to join in this discussion on the great subject of sugar. While listening to my hon. Friend, the Member for Vale of Clwyd (Dr Davies), who told us the extraordinary fact that an average five-year-old eats his own body weight in sugar during the course of a year, I considered my own children. I do not have a five-year-old—I have a six-year-old, a four-year-old and lots of others—but the six-year-old weighs 3 stone, which seems to me to be similar to the weight likely to apply to five-year-olds. That is 42 lb, or 672 oz, so if a five-year-old is eating his own body weight in sugar in a year, he is eating 1.84 oz of sugar a day, which is equivalent to 11 teaspoons of sugar. One thinks of the lines of Mary Poppins:

“In a spoonful of sugar helps the medicine go down”,

and one wonders whether the medicine goes down even better after 11 spoonfuls of sugar.

In spite of thinking that 11 teaspoons of sugar is quite a lot, I am not in favour of sugar taxes, because I do not think it is the job of the Government to tell me how much sugar to give to my children. I think that is a matter for parents to decide for themselves, and the tax system should be there to raise the revenue the country needs to pay its way. The tax system is not there to tell us how to live our lives. There may be an exception with tobacco, but that is not really the case with alcohol, which is a matter of raising revenue. Our rates on alcohol work very well in raising revenue, as, incidentally, do those on tobacco, which is a serious generator of funds for the Treasury to pay its way.

I am sceptical about the proposed approach. I was struck by my hon. Friend’s comments that a lot of obesity is in fact genetic. If that is the case, we are penalising people who have a genetic propensity to obesity while it is fine for people like me.

George Kerevan: Indeed, I had a fine East Lothian Easter egg. Does the hon. Gentleman accept that the difficulty with the hands-off approach he suggests, leaving it entirely to the individual, is that there is a vast advertising industry that also influences consumer behaviour and that using a sin tax is a way of evening out that process?

Mr Rees-Mogg: There is indeed an advertising industry, but we live in a free country and people ought to be able to advertise products. We have a lot of misinformation, have we not? We now learn that fat is not as bad for people as it was said to be, and that people have put sugar into products from which they have removed the fat in order to make them taste nicer because fat-free products without sugar taste disgusting. Advice that turned out to be wrong has led to manufacturers doing things that then turn out to be unhealthy. I am suspicious of the advice that comes from Government and their ability to get it right. If they end up getting it wrong, force us to change our behaviour and tax us, we get the worst of all possible worlds.

A little bit of sugar does nobody any harm at all—only taking it to excess does so—and the only justification, which has indeed been made, is for children. However, I think that ignores the responsibility of parents, most of whom are responsible, and puts up the cost for responsible parents of giving their children what may, in many households, be an occasional treat rather than a regular habit. It is a tax that falls hardest on the poorest in society, who may occasionally be giving their children something that they like, because of the excesses of others. I do not really think that is the job of the Government.

That leads me to the issue of hypothecated taxation. Ministers should write out 100 times a day, “Hypothecation is a bad idea.” That has been the Treasury orthodoxy for as long as there has been a Treasury. Hypothecated tax does not work because it produces the wrong amount of money for what it is seeking. We see that with the prospect of putting money from the sugar tax into schools. We now discover that not enough money is likely to come from the sugar tax to meet the obligations given to schools, and that money will therefore have to come out of general taxation.

If it were a good idea to put the money into schools in the first place, it ought to have come out of general taxation in the normal way. If it was not a good idea, but just a clever way of spending the money, taxpayers’ money should not have been used. If we get into the position that something is now being done that did not need to be done because it was promised as money from a tax that has not arisen, that is not a good way of carrying out Government policy. All hypothecation of taxation should be struck off: it simply leads to the wrong amounts.

That leads me to the broader point I want to make about this Finance Bill and the Budget that preceded it. It is very good news that an election has been called, because the Budget has become so hemmed in by the number of promises on taxation and revenue expenditure that have quite rightly been kept. Governments ought to keep their promises, and this Government have been absolutely rigorous in doing so, even ones that I do not like. For instance, I am not in favour of the 0.7% going on overseas aid, which I think has been a wasteful and
extravagant promise when money is needed elsewhere. However, the justification was that it was in our manifesto, and in manifestos parties make a pact with the electorate that they ought to continue with except under the most extraordinary circumstances that have not arisen.

Such an approach has led to very many areas of expenditure being fixed, while taxation has been limited at the same time. The deficit has been brought down to a third of what it was when this Government came in—a very substantial achievement, of which this Government and their predecessor ought to be proud—but it has become very hard to take that any further because of the encapsulating commitments that are limiting the Chancellor’s freedom of action. That is why the Finance Bill, for all that it has 700 pages, will not lead to a great deal of fundamental reform. It is tweaking things at the edges—looking at little bits of money here and little bits there—rather than taking a fundamental or basic approach to our tax system.

Our tax system has become overly complex and, from the pressure of having to find little bits of money, it is becoming even more complex, which makes it difficult for taxpayers to pay the right amount of tax. We can see that more anti-avoidance legislation has come in to stop avoidance, because we have overcomplicated the tax system in the first place and a corrective measure has therefore had to be taken to try to prevent revenue from seeping away. A good example is the discussions we are having about perceived employment as opposed to self-employment. The Government were extremely proud of their achievement in making self-employment easier, but a constituent who came to see me explained that the £3,000 national insurance contributions exemption for small businesses had led to all the people working for him having to become individual companies, whereby it cost £3,000 a year less to pay them than if they were directly employed or were employed through one subsidiary company.

Very good ideas come into individual Budgets—particular tax breaks to encourage particular forms of behaviour to lead to certain outcomes that the Government wish to see—but they then have to be corrected by anti-avoidance measures because they get taken and used in a way that was not intended under the initial legislation. That is why the election will be a great opportunity to stand on a platform of tax simplification, and I hope we will achieve the sort of majority that will help to push that through. To achieve tax simplification, it will be necessary to ensure that avoidance is removed at source, rather than by anti-avoidance measures. That means taking away some of the existing exemptions and incentives that encourage people to set up more complex systems than they need to minimise the amount of tax they pay.

I am a defender of people taking such an approach. If Parliament legislates for tax to be collected in a certain way, with certain exemptions and thresholds, the individual taxpayer is completely and legitimately entitled to use them to their fullest extent. The approach is the fault not of the taxpayer, but of Parliament for putting exemptions into or leaving them in legislation. We should always be very careful to distinguish avoidance from evasion. Evasion is straightforwardly criminal—not paying the amount of tax that is, by law, due. Avoidance is looking at the tax system and saying, “I do not owe that tax, and I do not have to pay it because Parliament has not legislated for me to pay it.” As individual taxpayers, we are all entitled, as are all our constituents, to pay the tax Parliament requires, not a penny less or a penny more. If we had a system that was simpler overall, that would be hugely beneficial.

There is a lot about anti-avoidance in the Finance Bill, including the new rules for non-doms, about which I would be very careful. We live in a world where some very rich people want to come to the United Kingdom, and when they are here they employ people, spend money and pay taxes. We have a system that has barely changed since the days of Pitt the Younger—I cannot say I remember them, but I wish I did—and that broadly unchanged system was actually very beneficial for our economy because it brought into this country wealthy individuals who then provided economic activity. It is absolutely right to ensure that people who are obviously domiciled here in all normal senses of the word should be seen as being domiciled here, but we do not want such a difficult regime that people who might come here and contribute to our economy feel that they cannot do so.

Jane Ellison: I want to give my hon. Friend a degree of reassurance. A new measure in the regime advanced as part of the non-doms reforms will make it easier for anyone to invest in the real economy—business investment—which I hope he will welcome. I entirely take his point that we want to make sure that people can come to this country from anywhere and invest in the real economy.

Mr Rees-Mogg: Absolutely. That is an important part of the reforms, but there has perhaps been a tone—more from the previous Chancellor than from the current Chancellor—that the non-doms were using the system. A lot of them could actually go anywhere in the world, but they come here because of the great virtues of investing in the UK: we have clear rights of property; we have an effective rule of law; and we have had simple regulations that have allowed them to be here. However, we have now increased the charges on them and increased their eligibility for certain taxes, and I think we should be very cautious about that because one never knows, with these sorts of things, where the tipping point will come. It may be that the annual charges applied to non-doms seem quite small compared with their wealth, but when we consider that they have families—the charges have to be multiplied for the wife, the number of children and grandparents, or whoever—we may find that the charges become quite high. The people bringing such wealth into the country have enormous mobility: they can go elsewhere. I know that standing up for non-doms six weeks before an election is not necessarily going to be a great rallying call for North East Somerset, but ultimately I think good economics leads to good politics rather than the other way around. A lot of what was done with regard to non-doms was much more about politics and perception than the contribution non-doms make to this country. In the context of Brexit, we want to show that we are genuinely open to the rest of the world. We want people to come here to invest and to spend their money, because that is so important to our long-term economic prosperity.

There is a broad challenge with this Finance Bill, as there will be with its successor which will no doubt come. I have a feeling that this will be one of those happy years where we get more than one Finance Bill.
[Mr Rees-Mogg]

Finance Bill debates are particularly enjoyable parliamentary occasions because they have no time limit. The hon. Member for Aberdeen North (Kirsty Blackman) said that we might go right through the night and not be able to have our debate tomorrow. I look forward to that happening at some point in the future, but I have a feeling it is not going to happen today. Finance Bill debates are the best debates because of their fluidity and flexibility.

When we get to the second Finance Bill, a fundamental choice will still have to be made. This relates to the answer we had from the hon. Member for Bootle (Peter Dowd) on the Opposition Front Bench. There is an absolutely key point at the heart of this Finance Bill, as there will be at the heart of any new Finance Bill. When I intervened on him and said that the tax rate as a percentage of GDP was at its highest since the days of Harold Wilson, his answer to me was that under Labour it would be even higher.

Peter Dowd: May we just have clarity on this? I did not say that. The hon. Gentleman brought it to my attention that it was high under Harold Wilson and I made the point that yes it was.

Mr Rees-Mogg: I look forward to reading the characteristically accurate transcript Hansard will have for us tomorrow. The great thing about Hansard is that it allows us to correct our grammar—indeed, it often corrects it for us—but it does not allow us to correct the sense, so we will see what was said precisely.

That is the choice. If the hon. Gentleman now wishes to move away from that choice I think that is telling: with an election approaching Labour Members are nervous about it, but the Labour party—the socialists—remains the party of high taxation. The Conservative Government have had to increase taxation because of the enormous deficit left by the spendthrifts of the last Labour Government who almost bankrupted the country.

We would probably have gone to the International Monetary Fund at the time if it had had any money left, but it was bailing out Greece and everywhere else so it did not have much for us by the time the Conservatives came in. Through hard work, control of expenditure and, I am sorry to say, some tax rises, the deficit has been brought under control. That is the fundamental achievement of this Government.

As we go into an election, it is the really big picture that matters. It will give such a clear and forthright choice to the British people. Do they want to continue to be governed by people who recognise that it is their money—the money of the individual taxpayer—of which the Government must take as little as possible to finance that which they are required to do? Or are we going to go back to the days of socialist tax and spend, with a huge increase in the deficit to finance spending programmes and tax increases that are even higher than those in the days of Harold Wilson? It was, of course, Denis Healey who said that he would squeeze the rich until the pips squeaked. That was his approach to taxation. Do we, by necessity, sensible and prudent management of the economy, get things back under control where, with proper reforms, we can lower the tax burden?

Dr Paul Monaghan (Caithness, Sutherland and Easter Ross) (SNP): In that context, how does the hon. Gentleman explain a national debt of close to £2 trillion?

Mr Rees-Mogg: I would explain the national debt of approaching £2 trillion because of the place where we started. It is very interesting that when the previous Chancellor, my right hon. Friend the Member for Tatton (Mr Osborne), started reducing the deficit he was told by Opposition Members, “Too far, too fast!” They chanted it like a mantra as he stood at the Dispatch Box nobly defending his policies. In fact, he went at the right pace to ensure that the Budget deficit came under control, while at the same time the economy was not unduly affected by the reductions in expenditure and increases in taxes that had to be made. It was a first-class balancing act by my right hon. Friend and that is why the deficit is at £2 trillion.

Jonathan Reynolds: I am loth to give the hon. Gentleman further exposure, but if that strategy was as successful as he believes, why did it not meet its own objectives and we are still discussing the deficit and the very large amount of national debt today?

Mr Rees-Mogg: It has succeeded. We have the fastest growing economy in the G7. For all the stuff we heard a year ago, the economy has carried on motoring ahead. The economy has done pretty well every year now since 2010. That is the success of the economic strategy that the Government followed. The deficit is about a third of what it was in nominal terms, but as a percentage of GDP it is now within the normal bounds of deficits.

Jonathan Reynolds: I may be falling into my own trap, but I remember listening to the hon. Gentleman’s speeches in the previous Parliament when he said that if the deficit was at this level, going on from 2010, that would be a disaster. Now he is saying it is a huge achievement. Can he not understand why the lack of humility makes one cynical about the content of his speeches?

Mr Rees-Mogg: I do apologise for a lack of humility. I shall try to do better in that regard. I am, however, flattered that the hon. Gentleman remembers my speeches from years ago. I admire his attention to the debates in this House. The point I was making then was that a deficit of £150 billion a year, or 10% or 11% of GDP, was completely unsustainable. It is now down to about £50 billion and about 3.5% or 4% of GDP. It is at a manageable level. That is the achievement of the previous Chancellor and the current Chancellor.

Rebecca Pow: Is not one of the fundamental reasons why the economy is in safe hands with those of us on the Conservative Benches that Conservatives have an understanding of the importance of business? My hon. Friend is still in business. Unless one understands how business works and what makes it tick, we cannot raise the revenues necessary to pay for what we need in this country.

Mr Rees-Mogg: My hon. Friend comes from Somerset and her parents are constituents of mine. For both those reasons, she is invariably right and on this occasion particularly so. There is no money tree. It has to come from the success of businesses. It is a matter of balance. The hon. Member for Stalybridge and Hyde (Jonathan Reynolds) wishes to get away from that balance, but it had to be done at the right rate to ensure the least economic problems as taxes were raised and expenditure cut. That has been achieved.
Peter Dowd: If the long-term economic plan was such a wonderful strategy, why did the former Chancellor and the current Chancellor keep missing their targets?

Mr Rees-Mogg: Targets are based on forecasts and forecasts have variables within them that even the wonderful, or not always wonderful, boffins cannot get absolutely right. What matters is not the precision of the forecast, but the broad trend of the economy. We have had consistent economic growth. We have the highest employment on record. This is an enormous achievement. As I said a moment ago, we have the fastest growing G7 economy.

George Kerevan: I cannot let the hon. Gentleman continue with his analysis of the previous Chancellor’s single plan for the economy. In the first two years of the previous Chancellor’s reign, from 2010 to 2012, there was a very rapid move to austerity—tax rises and cuts in spending. Growth slowed precipitously and by 2012 the Chancellor reversed his policy. In fact, he got the Treasury and the Bank of England to print money and pump it into the housing market, so there was a change in policy. The original austerity did not work.

Mr Rees-Mogg: I do not agree with that analysis. My analysis is that the austerity allowed for a looser monetary policy which had beneficial consequences, that between 2010 and 2012 it was essential to operate a very tight fiscal policy to permit exactly the type of monetary policy to which the hon. Gentleman has referred, and that it would not have been possible to maintain the confidence of the markets if we had operated a loose fiscal policy and a loose monetary policy during those two years. The lack of economic growth during that period ties in with the considerable problems—the severe crisis—experienced by the eurozone and other economies.

On this occasion, I do not agree with the hon. Gentleman’s analysis of what went wrong, although I often do agree with him. I see a continuity in the policy of my right hon. Friend the Member for Tatton. However, although no time limit has been imposed this evening, I do not feel that I should go on forever. Many Members wish to speak, and others want to have their dinner. Let me end by reiterating that we face a great choice: between the higher taxes proposed by the hon. Member for Bootle and the opportunity for lower taxes, sound economic growth and prosperity. I know you are independent, Madam Deputy Speaker, but vote Conservative.

7.41 pm

George Kerevan (East Lothian) (SNP): I shall support the amendment, although that does not prevent me from believing that there are many interesting and good things in this draft Finance Bill. However, I find myself agreeing with my colleague on the Treasury Committee, the hon. Member for North East Somerset (Mr Rees-Mogg), in one respect. We will have two Finance Bills, because the current process has been truncated, and a much smaller Bill will be passed before the dissolution of Parliament. When a second Bill arrives later in the year, we shall have a chance to be more strategic and reforming, rather than continuing to add bits and pieces and ending up with the monstrosity—in terms of length—that we have at present. That said, I think that in the final few days, as we move towards a slimmed-down Finance Bill, there may be some room for an agreement between Government and Opposition on what can be achieved. In that context, I ask the Minister to deal with a couple of points when she responds to the debate.

Inevitably, in dealing with the financial period between 2015 and 2020—the year that would normally have marked the end of the current Parliament—the autumn statement and the March Budget made certain predictions about Government expenditure and taxation, along with certain promises about what would be achieved by 2020. One Parliament cannot bind another, and this Parliament, as it reaches its end, cannot bind the one that will arrive in the summer; nor can we predict who will govern following the general election. However, I think it would be helpful to Opposition Members if the Minister provided certain clarifications about the Government’s intentions, should they be returned in June, in respect of meeting the obligations that they set themselves for the period between now and 2020.

Let me give an example. The Government have guaranteed that they will meet their obligation to spend £1 billion derived from the sugar levy—the tax on the sugar industry—over the period ending in 2020. Normally that would fall, so I should like some indication of whether, should the Government be returned, that would continue to be their intention between now and the next Parliament. It would be helpful for Opposition Members to know that. Although I think that the tax on the soft drinks industry is inadequate, and a bit quixotic in terms of what is and is not taxed, I also think that it is a step in the right direction. There are hypothecation issues, but, given that this is where we are, it would be useful if the Government guaranteed that, if re-elected, they would continue in the same direction.

City deals are another issue for Opposition Members. We were reaching an agreement with the Treasury on a number of city deals in, for instance, Edinburgh and East Lothian—some in the east of Scotland and some in the west—and I understand that the Treasury had intended to sign them off following the local government elections. Again, one Parliament cannot bind another, but I think it would be possible for the Treasury to provide some comfort on the subject of city deals before dissolution.

Mrs Anne Main (St Albans) (Con): The hon. Gentleman is presenting a marvellous argument for people to vote Conservative. He is presenting the positive argument that if the Minister assures him that the wonderful things that he expects us to do will indeed be done, they will definitely be delivered if the electorate vote Conservative. I look forward to the Minister’s assurances, given that the hon. Gentleman has basically asked everyone to vote Conservative.

George Kerevan: I was very careful to say that I was not anticipating who would actually be in government. I was giving the present incumbents in the Treasury a chance to say what they might do should they be re-elected.

Let me move on now, because I think it important to analyse the contents of the Bill. I think that it contains sets of structural weaknesses. The first reflects what I consider to be a change in the pulse of the economy, which has occurred since the end of 2016 and is embedded in all the latest data that we have—data that have
emerged in the last month, since the start of the Easter break. I fully accept that the Government have presided over a period of economic growth since 2010. I do not want to dismiss the figures—in a number of years, our growth rate has been higher than those in other large industrialised countries—but what has underpinned that growth? All the figures suggest that it has been underpinned by consumer spending, largely funded by the rise in consumer debt.

I do not gainsay the growth, but, in her opening remarks, the Minister placed a great deal of emphasis on the Government’s success in that regard. If economic growth is founded merely on consumer spending, and that consumer spending is based on borrowing, it is not sustainable, and I think it entirely legitimate to question how long the Government can go on relying on consumer debt to fund growth. In fact, we are now approaching the end of that period. What worries me is that the fiscal plan embedded in the autumn statement and the March Budget assumes the continuation of growth that is beginning to falter.

Let me make a point that I raised after the autumn statement, and also during the Budget debate. It seems to me that the Chancellor gave himself plenty of fiscal fire power in the autumn statement through increased borrowing—or, at least, the removal of some of the more over-optimistic projections of the previous Chancellor, and some of his more egregious games with time limits in relation to when income would arrive. The current Chancellor, in the autumn statement, clearly borrowed sufficient money in order to give himself some fire power should the economy slow. The trouble is that in the autumn statement all that spending power was delayed until post-2019, which is when we will see what the Brexit deal actually is. If the economy slows between now and 2019, it will be too late to use the fiscal fire power. That was the criticism of the autumn statement that was made by me, and by other Opposition Members.

The March Budget was fiscally neutral, by and large, but it has run into some headwinds. If the incoming Government, whoever they are, post-8 June, do not make up the projected shortfall from the proposed rise in national insurance contributions by the self-employed, there is a hole of a couple of billion pounds to fill. That aside, as I have said, the March Budget was fiscally neutral. If we put together the autumn statement and the March Budget, the Chancellor has a nest egg that he is pencilled in for 2019. For the next two years, he is relying on economic growth funded by consumer debt. However, all the latest numbers show that that is no longer happening.

Jane Ellison: The hon. Gentleman is making an interesting speech and I welcome the consensual tone that he has struck on a number of measures. I have to push back on the charge that fiscal firepower will be delayed beyond 2019. The Chancellor was explicit in the autumn statement that we borrowed to invest in greater productivity and some of that is happening now. Some of the national productivity investment fund is for short-term investment. In addition, as the Minister knows, Barnett consequentials of £800 million for the Scottish capital budget are there for the Scottish Government to spend as they see fit.

George Kerevan: I accept what the Minister says, but the extra investment from the productivity fund that is going into the economy at the moment totals hundreds of millions, not billions, of pounds. The bulk of the spend, when it comes in 2019, will be in long lead items. A lot of it will be for housing, which is one aspect of the productivity investment fund. I have never quite understood, as I do not see how investing in housing will raise industrial productivity.

Let me come back to the key point on which I want the Minister to respond. The latest data on the economy show that consumer spending is starting to slow. The first quarter retail figures, out just this month, are the worst for six years. It is clear that the reserves of spending in consumer hands are disappearing.

The previous Chancellor was very lucky in that in 2010 to 2013 windfall gains came into consumers’ hands, particularly from insurance on mis-selling. In 2015, even though wage rises were limited, there was a precipitous fall in the inflation rate. That raised real incomes. It is clear that, in 2016, because of that boost to real incomes, people started borrowing again and consumer debt started to rise. By the end of 2016, the savings ratio in the UK had fallen to historically low levels. One can sustain that amount of consumer borrowing and spending only for so long. By the end of 2016, it was beginning to fall.

Like the hon. Member for North East Somerset, I was never moved by the visions of economic Armageddon from the Bank of England and the Treasury during the Brexit discussion. However, I do think that, in the next two years, investment will be impacted upon by Brexit fears. That is not happening at the moment. Therefore, I think that there is reasonable evidence that the tapering off of consumer expenditure is not to do with the Brexit debate; that is still to come down the highway. It is to do with the fact that consumers no longer have the reserves to go on increasing their spending, in which case we are looking at an economic downturn in 2017. That is precisely the time the Chancellor should be using his economic firepower, rather than, as in the March Budget, having a fiscally neutral stance.

When questioned on the matter, the Chancellor has said that the slack would be taken up by business investment. There is no sign of that. In real terms, business fixed investment has been falling since 2015. It started to fall well before the Brexit debate. It dipped a little in the middle of 2016, but it has gone on falling. There are no organic signs anywhere that business fixed investment is increasing. Business spending is going on all sorts of things—for example, moving corporate activities to Europe to protect against Brexit—and a lot of money is being spent on buying British companies. However, we are not getting fixed investment in machinery and plant, and even if we did, it would take several years for that to feed through into productivity gains.

The latest quarterly market purchasing managers’ report suggests that growth projections from purchasing managers, who are pretty hard-headed, have halved since the last quarter of 2016. My general conclusion is that the Government are being far too optimistic about where growth is going in the UK. It is going down.

Conservative Members like to quote international comparisons. The latest OECD projections for growth in 2017—the OECD never quite got to the more insane evaluations of a collapse in growth that some other agencies
did in 2016—suggest that growth in the G20 countries, in the United States, in Germany and in Canada will on average outstrip UK growth, so the situation is no longer as rosy as the Minister would have us believe. Some of the fiscal proposals in the Bill are based on a previous analysis of where the economy is. They have been overtaken by events. If we go through a general election and come to an autumn Budget and a second Finance Bill, all bets are off and we will be back to square one. That is not the way to run an economy.

Earlier, we discussed corporation tax, which is a key element. There is a long-term plan to cut it, and that hinges on what happens in the Brexit discussion. Clearly, the Government want to try, in a post-Brexit world, to make Britain a very low-tax economy, in the sense of attracting inward investment by having low levels of corporation tax. The danger of that strategy is that other countries will follow us, particularly the US; the Trump Administration have already threatened that. However, there is a stark contrast between countries such as Germany, where the headline rate of corporation tax is still 30% to 33%, and the UK, which is cutting corporation tax. Germany has much better productivity and higher industrial investment. Why is it that it can do that, and outstrip the UK economy, when we, with corporation tax that is low at the moment and going lower, cannot seem to generate the industrial investment and higher productivity?

It comes back to the issue of consumption and relying on debt-fuelled consumption to power growth. If we power our economy through consumer debt, it becomes dangerous to raise taxes on consumers, because we would immediately see a drop in consumer spending. Germany has focused on driving its economy through industrial investment and exports. Once you have that, you take the pressure off taxation on the consumer. That is the solution to the riddle and it is why the Germans seem to tax their industries more but, by running the economy at a higher level and generating more sales from exports, take the pressure off. They recycle a lot of the tax money back into industrial and infrastructure investment. They equate the basis for the industrial wealth that they tax—

Kevin Foster: I am listening with interest to some of the hon. Gentleman’s points. Does he agree that one of the issues that the German economy has, particularly in its industrial sector, is that many of its markets are locked into exchange rates by the euro? In more free-flowing economies and in previous exchange rates, it would have been able to devalue and so increase its competitive advantage.

George Kerevan: I am happy to agree with that point. The weakness of the euro is that across Europe it has locked the German supply chain into an artificially low exchange rate. On the back of that, Germany has generated a massive trade surplus, which it is not redistributing. That is undermining the whole European economy. I perfectly accept that point; rather, I am suggesting that it is too simplistic to link the headline level of corporation tax with the performance of the economy, because we can find all sorts of examples that go the other way.

My real criticism, which I still direct to the Minister, is that the growth that the Conservative Government have trumpeted as their success is based on the shifting sands of consumer debt, which has now reached a level that cannot be sustained, so we need something else. We definitely do need to increase the level of industrial investment, and that requires a different set of fiscal tools in order to encourage consumer saving and recycle that consumer saving into industrial investment. That is the whole weakness that underlies the Finance Bill: it is a set of small measures based on the assumption that the economy will go on growing because consumers will go on spending. If they do not, the whole rationale of the Finance Bill falls apart.

I will now briefly move on to the second pillar, and the second strategic weakness, of the Finance Bill. In order to maintain the level of consumer spending, this Government have had to pass a series of pieces of legislation to bind their own hands when it came to raising taxes on consumers. If we do that, we then have to find money from somewhere else. Therefore, although this Bill contains a series of small tax rises here and there, in the aggregate what is happening is that this Government are being forced to start distorting the entire tax system because they have no other way to go but to invent new stealth taxes to maintain the level of income to Government.

The Clerks to the Treasury Committee came up with a rather interesting example on probate—the tax, if tax it be, on the probating of wills. The proposal for the levy on probating added to the cut in inheritance tax results in an anomaly. Where a father and mother leave a house to their children that is worth, let us say, £1 million and one penny, the inheritance tax is tiny—it works out at 40p—but the probate that has to be paid is £8,000. So in effect, cutting inheritance tax and replacing it with a probate levy gets us back to where we started. We can see that once we start down that road, we will go on increasing the levy on probate simply as a revenue earner.

That is not just happening with the tax on probate; it is happening in a whole series of small tax changes. By legislating to put a lock on income tax and other taxes, we end up having to raise revenue in a series of anomalous and distorting ways, and that makes the Finance Bill even more complicated.

Mr Rees-Mogg: Does the hon. Gentleman share my concern that the difficulty with doing this through charges is that they come through in a statutory instrument, whereas new taxes go through a much fuller parliamentary procedure? We should all be concerned about taxes that do not see the full rigour of parliamentary scrutiny.

George Kerevan: I could not agree more, and I look forward to the hon. Gentleman taking that up in the 1922 Committee—as I am sure he has.

If we run through a whole series of the provisions in the Bill for raising taxation, we see this creeping distortion of the tax system, such as the tax-free allowance on dividend incomes being cut from £5,000 to £2,000 to raise £800 million, which is a substantial, chunky sum. We can see where the tax-free allowance on dividend income is going to go. As for VAT on mobile phones used outside the EU, I can pretty well guarantee that if this Government are returned, the moment we are out of the EU that roaming tax will go on to our phone bill when we are taking our holiday in the 27 member states.
The insurance premium tax is one of the worst means that this Government have tried simply to increase revenue. They keep raising it year by year, so the increase of 20% proposed in the November autumn statement is simply a revenue-raising tax—there is no rationale other than simply to raise money. In terms of the insurance premium tax, there is a whole series of insurance forms not yet covered by the tax, so one can quickly see a future Chancellor saying, “Well, let’s put the insurance premium tax on reinsurance, or on buying shipping and aircraft. Why shouldn’t an airline pay insurance premium tax on buying an aircraft?” Rather than using the core taxes like income tax, we will end up with a series of distorting taxes, including the rise in spirit duty and the tax on whisky in the March Budget. I presume the Chancellor said to himself, “Well, with the significant cut in the value of the pound, there will be a gain in terms of export prices, so we can afford to claw some of that back as a tax,” but it is not strategic to the needs of the industry; it is simply a revenue-raising power.

What is wrong with the Bill as it stands? It misunderstands the nature of where the economy is and makes no allowance for the fact that consumer spending is about to decelerate, and it introduces a whole raft of new taxes, or increases in stealth taxes, which are fundamentally a change in direction and a distortion of economic processes.

I hope that when we come back after 8 June for a second bite of the cherry with a second Finance Bill, the Government might, should this Government be returned, be willing to look at some of these matters.

8.7 pm

Kit Malthouse (North West Hampshire) (Con): It is a joy to follow my Treasury Committee colleague, the hon. Member for East Lothian (George Kerevan). That should imply not an endorsement of his views, but rather an appreciation of his passion and erudition. I rise to welcome the Finance Bill—if it goes through unmolested, and even if it does not—and to concentrate my remarks, brief as they may be, on a couple of areas.

As an aficionado of my speeches and interventions, Madam Deputy Speaker, you will be aware that I have developed something of an obsession about the future of the British economy being based on a combination of science and private capital. We are fortunate in this country in being a science superpower. In the south-east of England we have five of the world’s top 20 science universities: in King’s, UCL, Oxford, Cambridge and Imperial, we have possibly the largest agglomeration of scientific research on the planet, not just in life sciences, but in physical sciences, synthetic biology and all sorts of new exciting and interesting areas.

We are incredibly good at science. Our history of scientific endeavour points to that. There is one Cambridge college that has more Nobel prizes for science than the whole of Japan, for example. So we are good at science; what we are not so good at is turning those scientific discoveries into companies. We used to be good at that of course, back in the 19th century; much of the wealth of this country was built on the discovery and innovation of the Victorian era, put together with what was then much more adventurous private capital to create some of the monoliths—the huge companies we built over the following century and have sadly too often since sold to the rest of the world.

During that period, and particularly after the war, we were, however, lax in planting the acorns that would be required to produce the forest of oaks that we could chop down and sell to the highest bidder in the future, so our stock of these large companies has diminished. In fact, this is a European problem. Of the top 500 companies in the world, only two have been created in the past 40 years. Fortunately, those two are both British—Vodafone and Virgin—but that is not enough. If we are to continue our proud history of industrial innovation and of creating these large multinationals, we need to start planting those acorns. The operation of private capital and its dynamism in finding the ideas, the discoveries, the molecules, the therapies and the inventions are absolutely critical.

I have raised this issue again and again with the Chancellor in questions and during debates. I have asked about the complexities that are put in the way of individuals who wish to invest in innovations. The primary vehicles for investment that the Government allow private individuals to use are the enterprise investment scheme and the small enterprise investment scheme. They are welcome schemes that provide incentives for investors and some tax relief on disposal, but they are complex. Over the past eight to 10 years that the EIS has been in place—the SEIS has been in place for slightly less time—a body of case law has built up around their operation, as always happens with these things. Investors have tried to be innovative with the schemes, and investments have often been disallowed on technical bases. As a result, people are to a certain extent becoming shy of using them. Looking at the SEIS in particular, we see that the number of companies availing themselves of the scheme has levelled off. It has been broadly the same for the past three or four years.

I therefore welcome the measures in the Bill to introduce flexibility into the EIS and SEIS. If the Government really want to see a cascade of private capital into small, innovative businesses and into scientific endeavour, they need to make those schemes as flexible and easy to operate as possible. At the moment, if I want to invest a relatively small amount of money—£10,000 or £15,000—in a company, I need an accountant and a lawyer, and I need to get pre-approval from the Inland Revenue to ensure that I get my tax relief. I have to do all that in order to invest a relatively modest amount, in investment terms. So is it any wonder that the level of investment in these schemes is not enormous?

In this country at the moment, the Government are making 60% of the investments below £2 million through various schemes and funds and through the British Business Bank. That is all very welcome, but for a capitalist country, this is not right. The majority of investment should be from private capital, and it should be individuals who are making those investments. Accessing retail capital and putting it next to science to allow the two to create a powerful cocktail of wealth creation is key to the future of the British economy. I hope that, if we have another Finance Bill this year, the Government will seek to liberalise the investment regime for private investors in private businesses, particularly those that are innovative or science based.
The same applies to venture capital trusts. These were an enormously beneficial invention when they came in about a decade ago. They attracted huge amounts of capital. There was a time when people saw them as the last 100% tax shelter, but they, too, have fallen out of fashion. Their complexity and the poor returns that they produced compared with the tax relief available for them have meant that the number of VCTs has shrunk and the capital under management by VCTs has been broadly static over the past few years. These two things together—private capital investment through the EIS and SEIS and private capital coming in through VCTs—must be the twin planks underpinning the future of the British economy. We know that we cannot rely on foreign investment and that we cannot rely entirely on institutional investment. They are far too cautious for some of the innovations that need investment. So re-energising private capital and providing easy, flexible ways for individuals to invest quite small amounts of money into innovative companies will be absolutely key. I welcome some of the flexibilities in the Bill and I hope that the Government will be more ambitious over the next 12 months.

Mr Steve Baker (Wycombe) (Con): My hon. Friend’s speech is an absolute treat because it is a much better version of the speech that I made on science and markets in the Vehicle Technology and Aviation Bill Committee on which we served together. Does he agree that one of the key spirits that we need to recapture from the 19th century, when we took science and invention and turned them into big companies, is getting people who know how to do things, such as engineers, to become entrepreneurs—perhaps in the spirit of I. K. Brunel? In that way, those who know how to produce will also know how to invest and how to serve people in a commercial way.

Kit Malthouse: My hon. Friend makes a powerful point. This is a chicken and egg situation. If people with ideas and inventions who are thinking about starting their own business know that capital is more easily available, they will be much more likely to go out and take the risk of starting that business. It is often the paucity of capital and the difficulty of raising it that lead such people not to proceed.

Let me give the House a small anecdote. When I was deputy mayor for business and enterprise in London, I went to a life sciences fair where companies were making presentations about their inventions. I came across a group of young biochemists from Cambridge who had invented what they called an espresso machine for DNA. I thought that was incredible. It was an amazing British invention. The group had won a prize at Cambridge and received a small grant. I thought that they would need £5 million or £10 million, and if I had had it, I would have given it to them. When I went up to them afterwards, I discovered that they were trying to raise only £250,000, but they were having difficulty in doing so, even though, as far as I could see, their incredible invention was going to revolutionise research. Time and again while I was doing that job, I met young, ambitious and exciting scientists who had a molecule, a therapy or an invention but who were unable to access the necessary capital and would therefore go off and become chartered accountants, like me, instead. We lose a huge amount of talent that way. My hon. Friend has made a strong point.

I lament the passing of the employee shareholder scheme, which was introduced by the previous Chancellor, under which employees could enter into an agreement to vary their employment rights in exchange for which shares in the company. Sadly, the scheme was abused. It was often not taken up for the purpose for which it had been intended. It was abused by some as a form of disguised remuneration. The Government are quite right to close the scheme down, but that nevertheless leaves us with a problem. Not enough people in the United Kingdom participate in the balance sheet of this country. The Prime Minister has often talked about having an economy that works for everyone, but such an economy surely has to be one that is largely owned by everyone. I do not mean owned in a statist or communist way; I am talking about an economy in which everyone has some kind of financial interest from a balance sheet point of view.

We spend a lot of time in this House obsessing about people’s profit/loss account. Is my income bigger than the next chap’s income? Am I earning more than the lady round the corner? We obsess about income inequality, but we rarely obsess about wealth inequality; yet intergenerational wealth is built on the balance sheet of the family. It is built on the investments, albeit small ones, made by one generation. That wealth is expanded by the next generation and built on by the third one. That was certainly the story in my family. We came from fairly lowly beginnings, yet here I am now. This has been built on the fact that my grandparents made investments and my parents started a business. Hopefully, in turn, they will pass some of that wealth to me, although not, I hope, for a long time yet. We have a collective family balance sheet. We are able to buy stocks and shares, for example, but that is denied to lots of people in this country.

The one place in which individuals should have a share of wealth is in the companies that they work for. If we are really to have an economy that works for everyone, we need an economy that is largely owned by everyone. The Government have schemes available, particularly for employee share ownership, in which companies can set up pools of capital for their shareholders. I have been looking into this for my own business, but the scheme is incredibly complicated. In dealing with relatively small amounts of money, I need lawyers and accountants and pre-approval from the Revenue. There is an incredible frictional cost involved in getting such a scheme under way.

My plea to the Government, having got rid of the employee shareholder scheme, is to think about how to facilitate that idea—how to make sure that it is in the interests of employers and business owners to involve their employees in the business in a capital sense. That will enable employees to create for themselves a balance sheet on which to begin the intergenerational wealth
creation that the country needs. If we can do that, we will start to build an economy that works for everyone.

I want to talk about two other small things. I welcome the change to the allowance for investment in grassroots sport. Members may not have noticed, but the Finance Bill will make investment in grassroots sport deductible for businesses, and that will be extremely welcome to football, cricket, hockey and many other clubs. I am proud to say that my business has sponsored local children's football clubs at schools and so on. The more we involve business with school and grassroots sport for young people, the more both parties will see each other on the same level and the more interested they will be in each other. That is a good thing.

Finally, I want to say something about the overall tenor of the Bill. It has become clear to me over the last three or four Finance Bills that we in this House will increasingly struggle to tax a changing economy. We have seen in the discussions about national insurance and business rates that because of the changing nature of business, the standard Whitehall way of taxing the world will not last that much longer. We are moving into a world of cloud computing, the gig economy, non-domiciled businesses and cashless businesses that operate from third or fourth countries. All those things will be difficult for us to tax, and one of our challenges over the next Parliament will be to think more radically about how to deal with the changing nature of our economy and how to tax it to pay for the things we need.

My personal view is that given the changing nature of our economy and the removal of a lot of cash from the business cycle, it may be time to start to look at things other than direct taxation. Corporation tax is difficult, complex and hard to collect. There is a big tax gap compared with VAT, which is relatively easy to collect and where compliance is high. If I were Chancellor, I would probably prefer to have VAT.

With international businesses transacting in the UK and extracting money, we may need to start to look at the notion of a universal sales tax. Such a sales or turnover tax would be more easily collected and might well allow us to have a lower tax rate, spread across a wider tax base, because we would catch international businesses that transacted from, say, Luxembourg or Ireland. Fundamentally, the rule should be that if the sale takes place in the UK, the tax on the sale is collected here, no matter where the company is domiciled.

We will have to think quite carefully over the next five years, after we get through the general election in the next few weeks, about the changing nature of the economy and the radical measures we need to take to keep up with it. Beyond that, we are making good progress.

8.23 pm

Kirsty Blackman (Aberdeen North) (SNP): I want to talk about quite a few things. I might have given a somewhat different speech had there not been a general election looming. I might have kept my speech brief, because I would have known that we would get the chance to discuss things in Committee of the whole House and Public Bill Committee. But just now, everything seems to be up for grabs and there is no clarity about what we will get to discuss. It is really important to lay out the SNP’s position on several matters so that the Government are absolutely clear about where we stand as they make decisions before prorogation. We are in quite uncharted territory.

I want to start by talking about the budgetary process and the issues around it. Earlier this year, the “Better Budgets” report was published by the Chartered Institute of Taxation, the Institute for Fiscal Studies and the Institute for Government. They made several recommendations for making the budgetary process better and ensuring that better decisions are made. I have written to ask the Select Committee on Procedure to look at the procedural matters that could be changed to meet the recommendations. The Government have already done one thing; the report suggested that we should have only one fiscal event a year, and the Government have agreed to that. I am pleased that they have done so, and I think it makes much more sense for the planning process, consultation and scrutiny if everything happens in a single event rather than being split over two different events.

I would also like the Government to consider taking evidence in the Finance Bill Committee. It is a slightly bizarre quirk of the Finance Bill that we do not take evidence in the Committee, and I think it would be really sensible to do so. I know that the Treasury Committee takes evidence, but it is different from the Finance Bill Committee, so the members of the Bill Committee do not necessarily hear the things that are said. I would appreciate it if the Government considered that.

Generally, I have been fairly critical of the budgetary process, the lack of scrutiny around it and the lack of consultation about some of the measures. Things have been slightly better in the last couple of years and fewer rabbits have been brought out of hats, but that still happens and it still inspires U-turns, as we have seen. This Government and future Governments have a huge amount of work to do to secure better scrutiny of the budgetary process and enable better decisions to be made. Decisions are more likely to stick and to be adhered to if they are good decisions in the first place.

I want to talk about a few things, including a few things that are actually in the Finance Bill. The elephant in the room, which was not talked about enough at the Budget, is Brexit and its impacts. My hon. Friend the Member for East Lothian (George Kerevan) covered a lot of that.

One thing that must not be underestimated is the impact of inflation on households, particularly those that have less than £100 in savings. The statistics show us that nearly 50% of households are in that position. For a lot of people here, who have been relatively comfortably off for most of their lives, it is quite hard to understand that. But it is quite easy to end up without that much in savings. It is quite easy to be a broken-down washing machine and a new car battery away from financial disaster, or to be a couple of months without pay away from real financial problems. As my hon. Friend also mentioned, people in that position do not have the access to debt and credit that they used to have. That is a problem that we are storing up for the future, and things such as general ISAs do not help a huge amount. People can save into ISAs only if they have money to save. Changes to wages and the living wage have been positive—
Victoria Atkins: Does the hon. Lady accept, in the spirit of this part of her speech, that the introduction of the national living wage and its increase this very month to £7.50 help exactly the people she is talking about, and that raising the threshold at which we start to pay income tax must help as well?

Kirsty Blackman: I absolutely agree that things such as the national living wage—it is not a living wage, however; it is an increase in the minimum wage, and no calculation is done as to whether people can live on it—and the increase in the personal allowance have been positive for people at the bottom of the pile, in particular. However, the reduction in tax credits more than balances things out in many cases. People are losing more as a result of the changes to tax credits, for example, than they are gaining from the changes to the personal allowance and the minimum wage. I absolutely agree that those things are positive, but people are still feeling that their household budgets are squeezed by the cost of food going up in recent weeks, for example, which is set to increase, particularly for imported food.

A few people have mentioned intergenerational fairness, which is a real issue for me that I have spoken about a lot, and there has been a lot of stuff in the news this week about millennials. I am one of the 39 millennial MPs—I am 31 this year and was born in 1986—and many of my peers are worse off than their parents’ generation was in terms of the wages that they can expect to receive at a younger age and their access to property, whether through property ownership or through rents as a proportion of their income. This is purely anecdotal, but many people at my age are thinking about putting off having children because they cannot afford a secure home. For a Government looking forward to a future tax take, that is a real issue for a few years down the line. Many people have spoken about that, although we do not yet have the statistics for how the numbers will look.

The hon. Member for North West Hampshire (Kit Malthouse) talked about the gig economy, and I get that the Government need to find a different way to tax it due to the avoidance of normal tax routes. However, we need to find a different way to ensure that young people who find themselves working in the gig economy have a measure of stability in their lives and can continue to be able to pay money that they owe, such as rent, in order to finance what is a reasonable lifestyle, rather than a particularly comfortable one.

On austerity, I have mentioned the changes that the Government have made for those at the very bottom of the pile who need to claim benefits—not just out-of-work benefits, but tax credits and so on, which encourage people into work. According to what we hear from those who come into our constituency offices, the Government’s changes to the Motability cars scheme have made it more difficult for people to access work, because their vehicle has been taken away, which has an impact on the Government’s tax take and will increase the amount of benefits that will need to be paid to some people.

Moving from the general context to some of the specific issues in the Finance Bill and the things on which we want the Government to be aware of our views, I will start off with the police and fire services. My hon. Friend the Member for Dundee East (Stewart Hosie) mentioned the VAT on police and fire services in Scotland. We have raised this matter on many occasions and will not stop raising it, because the Government do not have a principled position. They cannot say that they are treating Scotland fairly when they have allowed VAT exemptions for Highways England and the London Legacy Development Corporation, which is a UK-wide organisation. The Government cannot stand on the moral high ground, because they have allowed those exemptions. We ask again that the UK Government change the VAT treatment of the Scottish police and fire services. I imagine that they will say no, but we are asking again and will not stop asking until a UK Government of whatever colour change the VAT treatment.

We also want to raise the issue of Scotch whisky, as people may imagine. The above-inflation increase in Scotch whisky taxation is a real issue for our whisky producers. International trading is slightly more uncertain than it has previously been due to Brexit, so whisky trading with European markets could be less easy than in the past, and the same could be said for countries that the EU has free trade arrangements with. Whisky is a high-value product. It creates a huge number of jobs in Scotland. It generates taxation for the UK Government at levels that are not pennies. The UK Government need to think seriously about how they are treating Scotch whisky, and if this Bill goes its full course, we will table an amendment stating that we do not want this above-inflation increase in taxation.

My hon. Friends the Members for East Lothian and for Dundee East both mentioned insurance premium tax, so I will not rehash the arguments too much, but it is being levied largely on people who purchase insurance who are just trying to do the right thing by getting insurance. They are trying to create a safety net for themselves, and the Government should be applauding that, not taxing it. The problem is that the tax has increased dramatically even over the two years that I have been an MP. The Government need to think carefully about whether insurance is a sensible place to tax people when it forms part of a behaviour that we want to encourage.

Colleagues on both sides of the House have talked about their support for the soft drinks levy and positive changes relating to childhood obesity, mentioning the studies that have been done on whether it will make a difference. The Health Committee suggested that it is important for milk-based drinks to be included and, having looked at the Government’s rationale, their statements on milk-based drinks and the Health Committee’s report, I do not see a good reason for them to be excluded—some milk-based drinks have the same proportion of sugar as their non-milk-based counterparts. If the Bill were to run its full course, we would table amendments suggesting that the loophole should be closed. We generally support the measure, but the loophole should not be left open. If we are creating such a tax in primary legislation, we should do it properly. There is no good reason for milk-based drinks to be excluded at the moment.

There has been a lack of consultation on Making Tax Digital and the changes to self-employment, and the UK Government have had to change their position on a number of things. The consultation on roll-out of Making Tax Digital and change their position on national insurance for the self-employed. Partly because the consultation done in advance is not good enough,
they do not properly understand the implications of what they are doing before they do it and, therefore, have to row back on it. Real change is needed.

Some Conservative Members have mentioned the proposed changes to things such as the taxation of self-employment. I get that the UK Government are trying to equalise self-employment and employment, but those in employment get the benefits of holiday pay, maternity leave, sick pay and all those things. If there is to be a massive change to the treatment of self-employment, it must be looked at in its entirety. The changes must be made within that context, rather than the tinkering around the edges that we get in Budgets with a general movement towards a general idea.

The Government should make no changes to this for the next few years while they do a comprehensive survey and work out what self-employment looks like now, in 2017-18. The kind of people who are self-employed certainly did not look the same 10 or 15 years ago—the number of women in self-employment is much higher than in previous years—and we need to make sure that the goalposts are not moved for them. The tinkering needs to stop. If the Government are to make changes, they should make them in one go after a proper consultation. They should make a reasonable change in one move.

Talking about a lack of consultation moves me on nicely to oil and gas. I was frustrated with the UK Government’s spring Budget because they announced exactly the same thing as they announced last year on the transfer of late-life assets. The Minister is shaking her head, but the transfer of late-life assets was announced in last year’s spring Budget. This year the Government have announced exactly the same thing about making it easier to transfer late-life assets, but now they will have a group of experts look at it. Why did they not do that last year? I am frustrated that this has not happened quickly enough. I would have liked it to happen more quickly, but I am pleased that the UK Government are doing it. We have been asking for it for a long time and it is a positive move, but they need to move a bit quicker.

We are seeing platforms move towards decommissioning as fields move towards the end of their useful life. Getting oil out of those fields will not be a priority for the big players, but if a new entrant were to come in and take on an asset, it would get as much oil or gas out of it as possible. We need to encourage such behaviour. If the UK Government do not do that, they will have less tax income in future, so it is key for everyone that it happens.

Let me move on to other matters relating to oil and gas—the UK Government will not be surprised to hear me say that. Getting oil out of those fields is not a priority for the big players, but if a new entrant were to come in and take on an asset, it would get as much oil or gas out of it as possible. We need to encourage such behaviour. If the UK Government do not do that, they will have less tax income in future, so it is key for everyone that it happens.

So there are a few things the UK Government can do. Exploration is really important, as are small pools. I have lost my notes on this, but I believe there is the equivalent of 3.4 billion barrels of oil in small pools in the North sea. There are more than 360 pools with less than 50 million barrels of oil where extraction is not yet taking place. Those pools are treated in the same way for tax purposes as all the other pools, but we could do some fairly simple things to make them much more economically viable. We could remove the supplementary charge on small pools, which would reduce the taxation level from 40% to 30%. That would make it much more likely that we get anything at all from some of those pools.

We could change the taxation level for those small pools so that it is equivalent to the level for onshore oil and gas extraction. The Government obviously think that that level is reasonable for onshore extraction, so it should also be reasonable for these areas where the technology is new. Extracting from a small pool is different from extracting from the bigger areas—those we have previously extracted from—and people are going to have to innovate to do this. The tax system needs to recognise that this is more difficult to do and that we are not talking about the bigger pumping that we saw previously. This is a different situation and the UK Government will not get any tax take from these pools if they do not do something about it.

I have two more things to say about oil and gas—Members would expect an Aberdeen MP to talk about oil and gas! Some Conservative Members were talking about private capital, and companies and businesses not having enough access to capital investment. We have been calling on the UK Government to be more positive about oil and gas supply chain companies so that they can get increased investment. There is a huge, positive future for oil and gas companies, particularly in the supply chain. The North sea is the gold standard for things related to supply chain extraction and the services that we provide; I am told that you cannot go to Houston without hearing an Aberdeenian accent, because of the number people, as well as the skills and expertise, that we have exported. Even in these times of reduced revenues coming from the oil and gas that they are extracting, those companies still need to be innovating, in order to get the more difficult oil and gas out. They need capital financing to do that, and the UK Government need to do what they can to make sure that those companies are linked with the right people and that, for example, banks are not cancelling overdrafts at a moment’s notice. Those changes need to be made.

My hon. Friend the Member for Aberdeen South (Callum McCaig) and I recently had a meeting with the London Stock Exchange Group, when we invited it to Aberdeen to talk to companies about its ELITE programme, which trains companies in accessing capital financing. Although it was a hugely positive meeting, not enough of these companies knew about such schemes or where they could go to get finance. There is a real issue to address and the UK Government need to do what they can to be positive, particularly in relation to the oil and gas supply chain, so that we can secure that future in Aberdeen and the UK more widely.

On that note, the other thing the SNP were going to table an amendment on—we still will if we have the opportunity—was UK content. Decommissioning is
coming through in a bigger way. It is not by any means the end of exploration and other things in the North sea, but we are going to see more decommissioning in the coming weeks. Many of these, of course, suggests that not enough of the decommissioning tenders are going to UK companies. Currently, not enough of the tenders for other things relating to oil and gas are going to UK companies, either. We would like the UK Government to take action to see what they can do to ensure that, wherever they can be, companies are incentivised to use UK suppliers and UK content. That would be hugely positive for jobs, including high-value jobs, in the UK.

It is important that the UK Government think about oil and gas and keep it front and centre, because it certainly was not enough of a priority in the industrial strategy and the leaked documents on Brexit priorities. Given the amount of revenue the UK Treasury has received from the oil and gas industry and the amount of future revenue, we need to ensure that the industry is listened to and that as much as possible is done to make sure that the UK Government can take the maximum amount of taxation.

On tax collection and avoidance, a 2014 Credit Suisse report on the success of small countries mentioned the fact that for large countries corporate tax collection as a percentage of GDP is significantly smaller than for small countries. That is partly an issue of size, but this is a real problem that will continue to come through for the UK Government. Over the past couple of days we have seen news reports about Border Force officials being stretched as it is and not being able to take action on immigration. Well, Border Force staff also deal with some of the customs issues. If we do not have an appropriate customs service in place, we will not be able to ensure that we collect the right amount from whatever tariffs we have in place. That will be another tax loss for the UK Government, so wherever they need to upskill, they should upskill. Frontline staff will have to ensure that tax is collected in the new scenarios where currently we are not having to do nearly as much tax collection.

I appreciate the opportunity to speak in this debate. As I have said several times, we do not know what is going to happen with the rest of the Bill, but I think I have made as clear as I can the SNP’s position on the things that we consider to be most important.

8.47 pm

Victoria Atkins (Louth and Horncastle) (Con): So much has already been said in this debate that I am going to attempt to be short and, I hope, concise in my remarks. I am aided by the fact that a little time ago I got an A-level in economics, and I hope I will be able to explain my views on the Bill in language of which my economics teacher would be proud.

It is particularly appropriate that we are discussing the Finance Bill because, of course, the Prime Minister today made a momentous statement announcing the next general election. It is only right that we are talking about the economy and finances of this great country, because a strong economy is vital to achieve all that we care about. In my constituency, Louth and Horncastle, a strong economy means jobs and successful firms creating prosperity, and from that, taxes flow. Of course, taxes pay for everything that we care about, from the national health service to defence, in which I have a particular interest because RAF Coningsby is in my constituency. They also pay for schools, and I am sure that we all in this House are united in our wish to ensure that the young generation are educated properly and fully so that we can make a success of not only Brexit but the future. I was particularly pleased today to see the Prime Minister emphasising not only her plans for Europe but the future beyond Brexit.

But—there is always a but—we must still continue to get public spending under control. There is no magic money tree, no matter how often Opposition Members would like to pretend there is. We have, sadly, a debt of nearly £1.7 trillion, which equates to almost £62,000 for every household in the country. We are spending more money on debt interest than on defence and policing combined, which is why we must learn to live within our means.

I have to say that, having spent several hours in the Chamber listening to erudite colleagues, I was a little concerned when, in answer to how much money Labour planned to borrow after the next election, the shadow Chief Secretary to the Treasury said something along the lines of—I hope I am not misquoting him—“We will borrow less than the Conservatives.” I did not hear any detailed financial planning. I will look forward to that in the coming weeks.

One of the best ways to ensure that this country succeeds and is prosperous is to make it the best place in the world in which to do business. That is precisely why we are cutting corporation tax, which was 28% under Labour; to 20% today, falling to 17% in a couple of years’ time.

Jonathan Reynolds: There is no magic money tree.

Victoria Atkins: Indeed. I hesitate to rely on my A-level economics, but companies employ people who pay taxes, and companies themselves pay taxes—not just corporation tax, but VAT, payroll tax and business rates. This is all about giving businesses the best chance of succeeding.

Jonathan Reynolds indicated assent.

Victoria Atkins: I am glad to see that the hon. Gentleman agrees with me.

One of the most important things about any tax system is not just that it should help to pay for the things that we care about, but that it should be fair. In my previous career, I prosecuted tax fraudsters for a living. I am delighted to say that the main offence that we used to prosecute such people was cheating the public revenue, because if they commit tax fraud, they are a cheat. I look forward to helping the Government not just in the Finance Bill, but in the Criminal Finances Bill, to ensure that tax fraudsters feel the full force of the law.

Looking beyond Brexit, the reason I welcome this Finance Bill is that it places a very great emphasis on helping working families with the cost of living. I intervened on the hon. Member for Aberdeen North (Kirsty Blackman) to say that we have raised the national living wage in April to £7.50, which means an income boost of more than £500 for a full-time worker this year. The personal allowance will rise for the seventh year in a row, benefiting 29 million people, which means that a basic rate taxpayer will pay a full £1,000 less in income tax than they did in 2010 under Labour.
I also welcome this Bill for the help that it gives local authorities for adult social services—I am talking about an additional £2 billion of funding over the next three years—and the extra £100 million it provides in 2017-18 for capital investment for accident and emergency departments in England. I also welcome the £320 million to extend the free schools programme. The fact that the Prime Minister has called an election today shows that the Conservatives are the true Government of the United Kingdom. I know that the Scottish National party will welcome the fact that, under this Bill, Scotland will get more money, as will the Welsh Government and the Northern Ireland Executive. I welcome this Bill and I look forward to the campaign on the principles therein.

Suella Fernandes: I could not agree more. That is the point that I want to make. It is a principle of basic economics. My hon. Friend the Member for Louth and Horncastle (Victoria Atkins) referred to her A-level economics. She will be familiar with the Laffer curve and basic economics, which say that higher taxes do not necessarily lead to higher tax revenues because they reduce the tax base.

George Kerevan: Does this Bill not raise taxes on insurance, and on this, that and the other thing? Is the hon. Lady in favour of the Bill or not?

Suella Fernandes: I completely agree. I am not saying no tax rises at all. I am saying that tax rises have to be prudently applied, and this Conservative Government definitely apply that principle, as we are seeing when it comes to income tax. Let us look at why people work. They go to work because they want to preserve the amount of money that is not taxed. It is the post-tax amount, not the pre-tax amount, that we all work for.

So why are these lower taxes important? This is a basic principle of economics that the left simply fails to grasp. They just do not seem to get that raising taxes stifles innovation, reduces the incentive to work and kills the desire to get out there and earn a salary.

Mrs Main: My hon. Friend is making an excellent speech. Of course it is the Conservative party that has increased the thresholds so that people keep more of their own money. The Labour party got rid of the 10% tax rate and brought more people into paying tax than ever before.

Rishi Sunak (Richmond (Yorks)) (Con): From the discovery of Australia to the invention of the cat’s eye, the history of Yorkshire’s people is nothing if not entrepreneurial. That spirit is alive and well in my constituency in particular. From Heck sausages to Tennants auction house and the Wensleydale Creamery, ambitious SMEs are at the heart of our community and economy. Before I arrived in this place, I spent my career investing, backing businesses like those with the capital they needed to grow. I am delighted that this Finance Bill recognises what my years in the investment industry taught me—that ready access to finance is the fuel of success for ambitious SMEs, just as successful SMEs are the fuel of a prosperous economy. Yet, as I have said in the House before, the UK funding landscape for growth businesses presents challenges.
Just 3% of British companies manage to expand beyond 10 employees—half the success rate of businesses in America. The UK has a relatively shallow bond market for early stage businesses, and a venture capital sector that is just a seventh the size of America’s. British entrepreneurs often face an uphill struggle to attract equity risk capital. That is why the Government have enhanced the enterprise investment scheme and created the seed enterprise investment scheme. Since their inception, these programmes have together helped more than 3,000 companies to raise more than £15 billion in early stage finance. The Finance Bill builds on that success to ensure that these schemes help even more small businesses to access investment, grow and create jobs.

Under the current regulations, shares with a right to future conversion are unfortunately regarded as a pre-arranged exit, making them ineligible for EIS and SEIS. But that goes against the reality of conversion arrangements. Far from opening the door to tax avoidance, conversions are often a crucial mechanism for facilitating an initial public offering. If an SME has the ambition to accelerate its growth through accessing the public markets, the Government should not stand in the way. I am pleased to say that the Bill addresses that anomaly. However, there is more we can do.

Many lawyers, accountants, investors and entrepreneurs say that the EIS process is often too complicated and takes too long. The Government’s recent consultation on the advance assurance service, which lets HMRC assess a firm’s EIS eligibility before it seeks funding was welcome, and provoked ideas about what we can do to speed things up. First, I can see the logic for introducing some form of fee for advance assurance. This would help to raise the resources necessary for HMRC to provide a smoother service with greater transparency around processing times and specific dates for document review. Secondly, we could look at the use of standardised documentation, which would save time and money for all participants, enabling HMRC to speed up its approvals.

Thirdly, we must look at how to simplify the EIS rules and their interpretation. Of course, provisions must be made to stop tax avoidance, but the widespread view of practitioners is that the pendulum has swung too far the other way. In the words of one leading venture capital lawyer, there are now “too many gotchas” in the current set of rules. In general, it is the view of the EIS Association, admirably chaired by Lord Flight, that a large part of the reason for this complexity is the need for our laws to comply with EU state aid rules. I hope that when we leave the European Union, the Government will have the opportunity to look at simplifying the EIS rules and ensure that our SMEs get the capital they need to flourish.

I will briefly touch on two other points in the Bill: tax reliefs for sports clubs and companies donating to them; and museums and touring exhibitions. The internet enables us to be so much closer, but we cannot replicate the presence of being close to a Barbara Hepworth sculpture or looking at Shakespeare’s first folio. The Government’s incentives to take exhibitions around the country will enable us all to share in our cultural history and heritage.

When it comes to backing small businesses, this Finance Bill—like the others that came before it—shows wholeheartedly why this Government’s record is unmatched. As the British voters decide in the next few weeks who can best steward Britain’s economy, I commend this Bill to the House.

9.4 pm

Rebecca Pow (Taunton Deane) (Con): There is much to welcome in this Finance Bill and I am very pleased to be taking part in this fascinating debate.

Contrary to the ill-informed comments of the hon. Member for Aberdeen North (Kirsty Blackman), this Bill provides the framework for making the UK one of the most competitive fiscal regimes for oil and gas in the world. I was going to intervene to make that point but decided to save it for my speech.

This Bill brings with it the specific tools we need to keep the economy soundly on track. It demonstrates that this Government have a clear understanding of what is needed to run the country, keeping it on a firm financial footing while enabling businesses to grow and thrive, as my hon. Friend the Member for North East Somerset (Mr Rees-Mogg) said. It enables hard-working individuals and families to live within their means. It enables funds to be raised through our fair tax system to provide the necessary public services we all need. It enables us to have the vital funds to treat and to help those who are not so able to help themselves. That is always something essential that we, the Conservatives, should not and never will forget.

All this has been made possible in challenging times. I welcome the Chancellor’s announcement that we have just been able to allocate another £2 billion of additional funding for adult services, another £100 million to the NHS, and an additional £300 million to fund 16 to 19-year-olds in the new technical education system of T-levels. I applaud that because we absolutely have to skill up our young people to keep our economy strong and growing, but also, in this Brexit world, we need to be on top of our game to maintain and grow our global position.

I applaud the increase in the personal tax threshold to £11,500. This is often mentioned on the doorstep in Taunton Deane. People see it as a real bonus and a real benefit, and say thank you for it. Keeping corporation tax low generates more tax revenue, so that has to be applauded. Given the number of times that businesses tell me to mention this, I have definitely got the message, and certainly the Chancellor has.

I am not going to go on any more about the nitty-gritty of those aspects of the Bill because I want to turn to my own constituency. If the Government, with their solid plans for a strong economy, can get it right for Taunton Deane, they can get it right everywhere—and they are getting it right with their sound economic plan. Since I have been the MP for Taunton Deane, as I am absolutely delighted and honoured to be, it has attracted much more funding than ever before, especially for infrastructure. Traditionally, Taunton Deane, and indeed the rest of the south-west, has been completely underfunded under the Liberal Democrat regime that has held sway there, but this is changing, and I am delighted to be a part of that.

Mrs Main: Where are they?

Rebecca Pow: Indeed. Where are they, to speak up for themselves?
Having made a strong case with my Conservative local council, my Conservative county council, and the line-up of all the other Conservative MPs in Somerset, we have money coming forward to upgrade the A358 and create a super-expressway to the south-west. We have had £7 million for a smart motorway on the M5, £6 million for the Tone Way and the Creech Castle junction, and £4.6 million to upgrade Taunton rail station, which is the hub of the south-west and will welcome everyone to the south-west. This is absolutely phenomenal, and none of it would have been possible without a sound economy. It is helping to drive up productivity, which is much needed in the south-west, and it is working. It is creating jobs; indeed, unemployment has never been so low in Taunton Deane, at 3.6%. Get this right and everything works.

Finally, I will touch on an unusual area to mention in a finance debate, namely the environment. With a sound economy and appropriate funding, if we want to have healthy air, clean water, flood-resilient measures and wider catchment processes, and if we want to protect our special landscapes, including ancient trees and sites of special scientific interest, we need to fund farmers and landowners to manage the habitat appropriately for all of us. I say to the Chancellor that that will not happen without a thriving economy. If we want to encourage businesses not to use microbeads in their products, they need the time and money to invest in research, so they also need to be thriving. Indeed, if we want to encourage businesses to go along the lines of the circular economy, they need to invest to find the right way to do it. They might have to invest, but in the end it will pay dividends.

That all needs to be done within the positive framework of a sound economy. I applaud the steps that the Chancellor has taken. The right framework is in place, regardless of Brexit, so let us continue to build on it. Thank you, Madam Deputy Speaker, for including my name last on the list.

9.10 pm

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): It is a pleasure to close today’s debate on the Finance (No. 2) Bill, even if other events have possibly overshadowed today’s important parliamentary business. In fact, I understand that there are reports circulating this evening that the Crown Prosecution Service is about to charge 30 senior Conservatives with election expenses fraud, so I am afraid it is possible that we may be squeezed down the news cycle still further. I am grateful to Members for their thoughtful contributions to today’s debate.

This is a poor Government who have achieved very few of the aims set out by David Cameron when he first came to power in 2010, especially in relation to the public finances. Instead, they have created a crisis in living standards and underfunded essential public services.

Those of us who entered Parliament in 2010 know that the Government’s promises on the economy when they came to power have not even come close to being fulfilled, and this Bill takes a lot of pages to deliver very few tangible improvements on that poor level of performance.

I will begin by reiterating the concerns raised by my hon. Friend the Member for Bootle (Peter Dowd) at the beginning of today’s debate. The Bill is certainly large, adding complexity and technical detail to the statute book, yet we have been presented with an almost impossibly tight timeline in which to properly scrutinise and discuss it. The stakeholders we have consulted have echoed those worries. For example, industry bodies tell us that they have struggled with interpreting and analysing the Bill’s full impact, given the time and volume involved. I imagine that that process will be truncated still further, given the imminent general election.

On the specifics of the Bill, HMRC is rightly at the centre of the Government’s plans to tackle tax avoidance. The Government’s own estimate of the current tax gap stands at £36 billion, which in the opinion of many tax experts is a highly conservative figure, given the method of calculation. It is extraordinary that the Government believe that they can address that gap by drastically cutting HMRC’s staffing and budget levels. At autumn statement 2016, the Government announced a series of cost savings via administration and operational measures at HMRC, totalling £180 million a year by 2021-22. It goes entirely against reason that the Government are trying to find £180 million in savings in an organisation that is critical to efforts to recoup a slice of that £36 billion in missing revenue.

The significance of that tax gap has never been more critical. Our NHS has been pushed into crisis by the Government’s failure to fund it and social care properly. Each week brings new and damning revelations about the state of the service we all rely on, with the end result being that in some areas the Government have simply given up on their own targets, such as the 18-week waiting time for hip and knee surgery. We need a properly funded plan for the NHS that takes into account the real needs of delivering a 21st-century health service with patient welfare at its heart.

We also face the significant added complication of Brexit, which remains unaddressed in the plans for HMRC. Although we all remain in the dark about what exactly our departure terms will look like, we face the reality that we may for the first time in decades have a customs border between us and the EU that will need policing. We are already seeing a crisis in VAT evasion from overseas sellers, potentially costing the Exchequer as much as £1.5 billion a year, by its own estimates. Should we leave the single market, there will be a huge increase in pressure on the customs system, which is struggling to cope as things stand. These are serious matters for consideration, related to the fulfilment section of the Bill. UK retailers are not on a level playing field with unscrupulous sellers from around the world, at a cost to both our competitiveness and our Exchequer, and HMRC is currently ill-equipped to tackle that abuse.

Businesses of course operate in a global environment today. That brings its own challenges, and we need to make sure we are providing the right framework for businesses to handle it. We are approaching what has been termed the fourth industrial revolution, which has precipitated a huge shift in the nature of work and employment. It is unsurprising, therefore, that many of the clauses in the Bill legislate for those changes, such as those involving IR35 and Making Tax Digital.

Undoubtedly, we must change our approach to how we treat employment in the 21st century, but the Government seem to be firing unsuccessfully at a moving target. This change in approach comes far too late and, in our opinion, has the wrong focus. The rise of the gig
The Finance Bill takes the next steps in helping Britain to succeed both now and in the future. What was lacking from the rather opportunistic speech we have just heard was any willingness to face up to the economy’s strategic challenges. Many are touched on in the Bill—was any willingness to face up to the country’s productivity challenge than the Chancellor. I think everyone should be able to support the measures we have laid out to respond to the long-term challenge as a priority, and to take targeted action to invest in innovation and infrastructure.

We are also introducing measures on setting corporation tax to make our economy more competitive. I wholeheartedly reject the comments we hear from the Opposition that try to set small business against large business against medium-sized business. All businesses, over 1 million of them, large and small, will benefit from our cuts to corporation tax. We want to ensure that we offer SMEs enhanced research and development tax relief, and other measures that will help them to grow. I welcome the emphasis placed by my hon. Friend the Member for Richmond (Yorks) (Rishi Sunak) towards the end of the debate on that very issue of how we help businesses to grow. I find it extremely disappointing that the Labour party seeks to pass judgment. We want small businesses to become big businesses and we want to ensure that we help that to happen.

There have been a number of comments, not least from both Opposition Front-Bench spokesmen, about HMRC resourcing. I sprang to the defence of HMRC’s record. It has made sustainable cost savings of more than £1 billion over this Parliament while improving performance. Over the same period, it has collected a
Turning to Back-Bench contributions, my hon. Friend the Member for Amber Valley (Nigel Mills) made an excellent and typically thoughtful speech. It was wide-ranging and I will not be able to respond to all the points he made, but he was supportive of the soft drinks industry levy. He rightly focused on measures to tackle the tax gap in VAT and important new steps we are bringing forward. He spoke about a number of other issues. He asked me about when we might look to turn on the power we took last year with regard to country-by-country reporting. We have always said that we want to make the case at various international forums to work through that in an international context. We will continue to raise the issue and pursue international agreement on public country-by-country reporting.

My hon. Friend also sought reassurance on the compressed interest restriction, a measure that, along with the loss relief measures in the Bill, stands to raise £7 billion across the period in question—very significant sums of money from large corporations. He wanted reassurance that that would not be a block on growth and investment. I think I can give him that reassurance. We have a very open and competitive economy, and we have a very competitive tax system, but we expect businesses to pay the right amount of tax. We are not the only country with an interest restriction: for example, Germany, Italy and Spain have similar rules, and other European countries will be introducing similar rules over the coming years. I hope that gives him a degree of reassurance.

My hon. Friend the Member for Vale of Clwyd (Dr Davies) gave a very thoughtful speech on the soft drinks industry levy. I very much welcome his support, drawn from his experience not just on the Health Committee but professionally. He gave a tour de force speech outlining the reasons for providing a prescription to tackle obesity. Obesity offers a considerable threat to the long-term finances of the NHS. I welcome his support for the levy.

The hon. Member for Dundee East (Stewart Hosie) expressed a degree of scepticism about the work that we have done to support the oil and gas industry. I do not think that that scepticism can be justified. We have worked very closely with the industry, and we now have one of the world’s most competitive fiscal regimes for oil and gas, although we intend to go further. At the time of the 2017 Budget, we published a discussion paper on how taxation could better support the transfer of older late-life assets—an important issue for the basin—and ensure that we could put them into the hands of companies that wished to invest. I have met industry stakeholders to discuss the issue, and I know that the announcement has been welcomed. I think it should also be welcomed by Members in all parts of the House, not least members of the Scottish National party—including the hon. Member for Aberdeen North (Kirsty Blackman), who raised similar issues.

The hon. Member for Dundee East also mentioned insurance premium tax. When we made announcements about the proposed new rate, the Chancellor made clear that it was intended to raise vital revenue to fund our public services. Those who oppose such a rise must themselves make clear where they would find the sizeable revenues that we need to invest in our front-line public services and generate income for our economy. I did not hear many answers to that question during today’s debate.

The hon. Member for Birmingham, Selly Oak (Steve McCabe) spoke mostly about the NHS. Let me respond by saying that a strong NHS needs a strong economy, and that is what we are trying to build.

The hon. Member for East Lothian (George Kerevan) made a thoughtful speech, and I agree with him about the need for long-term investment to address the productivity challenge. He gave a degree of support to the soft drinks industry levy, and sought a number of reassurances—not all of which I can give him tonight—about some of the steps that would be taken in the weeks ahead. I was glad to hear that he thought there was much to be commended in the measure. I expect that we shall return to the issue of the productive growth agenda, but let me repeat what I said to him in an intervention: £800 million of additional capital will flow, in Barnett consequentials, to the Scottish Government as a result of the announcements in the autumn statement, about the national productivity infrastructure fund. The hon. Gentleman also talked about household debt. I merely note that the debt interest to income ratio is at a record low: it was 4.5% in 2016, compared to 10.1% in 2008.

Although I was not in the Chamber at the time, I believe that my hon. Friend the Member for North West Hampshire (Kit Malthouse) made a typically robust speech in which he supported all measures to promote investment. He talked about science, the need to encourage entrepreneurs, and the challenge of taxing the gig economy, which the Chancellor has acknowledged to be one of the strategic challenges facing not just our economy but developed economies throughout the OECD area. We are contributing to the international debate on that subject. There is more to be said about it, but measures in the Bill begin to address, for example, how some online trading platforms deliver in terms of VAT. That missing VAT represents one of the big parts of the tax gap, and we hope that there will be widespread support for our measures.

The hon. Member for Aberdeen North referred to the scrutiny of tax policy. I think that she and I can agree about many aspects of the announcement of the move to a single fiscal event. As for her other points, we have worked extremely closely with a number of industry stakeholders on some of the more complex measures in the Bill. I think that those measures have been greatly improved as a result, and the stakeholders have given the Government credit for that. We heard another rerun of the argument about VAT refunds for the Scottish police and fire and rescue services, and once again—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. It is a little impolite to make so much noise that the House cannot hear the Minister. While there may be other matters that Members need to discuss, there is nothing more important than the Minister’s summing up of a debate on the Finance Bill.
Jane Ellison: What could be more exciting and important to talk about? I wonder.

I reiterate that the Government warned Scottish Government officials at the time that the new funding model that they proposed would lead to the loss of eligibility for VAT refunds. I expect the SNP will raise the matter again, but it will continue to get that straightforward response to the issues that it has raised.

There was a cluster of pithy and important speeches towards the end of the debate. My hon. Friend the Member for Louth and Horncastle (Victoria Atkins) spoke about the need for sound finances and about reducing borrowing. She made a welcome contribution. My hon. Friend the Member for Fareham (Suella Fernandes) put a welcome emphasis on the increase in personal allowances. How little we heard about that from some Opposition Members. Since 2010, there has been a huge increase in what people can earn before they are taxed.

My hon. Friend the Member for Richmond (Yorks) (Rishi Sunak) drew on his experience and gave voice to the entrepreneurial spirit of Yorkshire. He focused on early-stage finance for growing businesses. He is right that there are things that are helpful in that regard in the Bill, but we are always happy to hear more ideas about how we can support entrepreneurs and businesses to grow.

Fittingly, my hon. Friend the Member for Taunton Deane (Rebecca Pow) ended with the message that we need to keep the economy on track to greater growth and stability. That brings me to my conclusion.

The changes that the Bill is introducing are significant in a number of regards. They will raise significant revenue to support the public services on which our nation depends by tackling tax avoidance and evasion. The Labour party has been a little opportunistic in the claim that the Government are not doing enough to talk about tax avoidance and evasion.

We are also addressing head on the critical issue of childhood obesity. It was welcome to hear support on the measures being taken across Government to tackle childhood obesity. It was welcome to hear support on the measures being taken across Government to tackle childhood obesity.

The Labour party has been a little opportunistic in the claim that the Government are not doing enough to talk about tax avoidance and evasion.

The changes that the Bill is introducing are significant in a number of regards. They will raise significant revenue to support the public services on which our nation depends by tackling tax avoidance and evasion. The Labour party has been a little opportunistic in the claim that the Government are not doing enough to talk about tax avoidance and evasion.

The Bill demonstrates the Government’s commitment to a stronger, more secure, more productive economy. I am therefore delighted to commend it to the House.

Question put, That the amendment be made.

The House divided: Ayes 54, Noes 314.

Division No. 194] [9.33 pm

AYES

Ahmed-Sheikh, Ms Tasmina
Bardell, Hannah
Blackford, Ian
Brown, Alan
Cameron, Dr Lisa
Chapman, Douglas
Cherry, Joanna
Cowan, Ronnie
Crawley, Angela
Day, Martyn
Donaldson, Stuart Blair
Durkan, Mark
Edwards, Jonathan
Ferrier, Margaret
Gethins, Stephen
Gibson, Patricia
Godsiff, Mr Roger
Grant, Peter
Gray, Neil
Hendry, Drew
Hosie, Stewart
Kerevan, George
Kerr, Calum
Law, Chris
MacNeil, Mr Angus Brendan
McCaig, Callum
McDonald, Stewart Malcolm
McDonald, Stuart C.
McDonnell, Dr Alasdair

Brown, Alan
Cameron, Dr Lisa
Chapman, Douglas
Cherry, Joanna
Cowan, Ronnie
Crawley, Angela
Day, Martyn
Donaldson, Stuart Blair
Durkan, Mark
Edwards, Jonathan
Ferrier, Margaret
Gethins, Stephen
Gibson, Patricia
Godsiff, Mr Roger
Grant, Peter
Gray, Neil
Hendry, Drew
Hosie, Stewart
Kerevan, George
Kerr, Calum
Law, Chris
MacNeil, Mr Angus Brendan
McCaig, Callum
McDonald, Stewart Malcolm
McDonald, Stuart C.
McDonnell, Dr Alasdair

McLaughlin, Anne
Monaghan, Carol
Monaghan, Dr Paul
Mullin, Roger
Newlands, Gavin
Nicolson, John
O’Hara, Brendan
Oswald, Kirsten
Paterson, Steven
Ritchie, Ms Margaret
Robertson, rh Angus
Saville Roberts, Liz
Sheerman, Mr Barry
Sheppard, Tommy
Skinner, Mr Dennis
Stephens, Chris
Thewliss, Alison
Thomson, Michelle
Weir, Mike
Whiteford, Dr Eilidh
Whitford, Dr Philippa
Wishart, Pete

Tellers for the Ayes: Marion Fellows and Owen Thompson

NOES

Adams, Nigel
Afiyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, rh Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Bone, Mr Peter
Bowick, Victoria
Bottomley, Sir Peter
Bradley, rh Karen
Brady, Mr Graham
Brazier, Sir Julian
Bridgen, Andrew
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, rh Alun
Campbell, Mr Gregory
Carmichael, Neil
Cartlidge, James
Cash, Sir William
Caulfield, Maria

Chalk, Alex
Chishi, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Courts, Robert
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glyn
Davies, Dr James
Davies, Mims
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Sir Jeffrey M.
Donelan, Michelle
Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drummond, Mrs Flick
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Elliot, Tom
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, rh Mr Nigel
Evernett, rh David
Fabricant, Michael
Fallon, rh Sir Michael

Tellers for the Noes: Marion Fellows and Owen Thompson
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kinahan, Danny
Kirby, Simon
Knight, Julian
Kwanteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, rh Andrea
Lee, Dr Phillip
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Sir Oliver
Lewis, rh Brandon
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Liddington, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLaughlin, rh Sir Patrick
McPartland, Stephen
Menzies, Mark
Mencer, Johnny
Merriam, Huw
Metcalfe, Stephen
Millling, Amanda
Mills, Nigel
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Oford, Dr Matthew
Opperman, Guy
Osborne, rh Mr George
Parish, Neil
Paterson, rh Mr Owen
Pawsey, Mark
Penning, rh Mike
Penrose, John
Percey, Andrew
Perry, Claire
Philip, Chris
Pickles, rh Sir Eric
Pincher, Christopher
Poulter, Dr Daniel
Pow, Rebecca

Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, rh Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Sheerman, Mr Barry
Shelbrooke, Alec
Simpson, David
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Royston
Soames, rh Sir Nicholas
Solloway, Amanda
Souby, rh Anna
Spelman, rh Dame Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi

Swayne, rh Sir Desmond
Swire, rh Sir Hugo
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
Tohurst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Truss, rh Elizabeth
Tugendhat, Tom
Turner, Mr Andrew
Tyrie, rh Mr Andrew
Vaizey, rh Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, rh Mr Ben
Warburton, David
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whately, Helen
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, rh Mr John
Wiggan, Bill
Williams, Craig
Williamson, rh Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wragg, William
Wright, rh Jeremy
Zahawi, Nadhim

Tellers for the Noes:
Andrew Griffiths and Steve Brine

Question accordingly negatived.

Question put forthwith (Standing Order No. 62(2)), That the Bill be now read a Second time.

The House divided: Ayes 313, Noes 236.

Division No. 195

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, rh Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, rh Karen
Brady, Mr Graham
Brazier, Sir Julian
Bridgen, Andrew
Brokenshire, rh James
NOES

Abbott, rh Ms Diane
Abrahams, Debbie
Ahmed-Sheikh, Ms Tasmina
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Bailey, Mr Adrian
Bardell, Hannah
Barron, rh Sir Kevin
Benn, rh Hilary
Betts, Mr Clive
Blackford, Ian
Blackman, Kirsty
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Boswell, Philip
Brabin, Tracy
Bradshaw, rh Mr Ben
Brennan, Kevin
Brock, Deidre
Brown, Alan
Brown, Lyn
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Burton, Richard
Butler, Dawn
Byrne, rh Liam
Cadbury, Ruth
Cameron, Dr Lisa
Campbell, rh Mr Alan
Campbell, Mr Ronnie
Carmona, rh Mr Alistair
Champion, Sarah
Chapman, Douglas
Chapman, Jenny
Cherry, Joanna
Clwyd, rh Ann
Coffey, Ann
Cooper, Julie
Cooper, Rosie
Cooper, rh Yvette
Cowen, Ronnie
Coyle, Neil
Crausby, Sir David
Crawley, Angela
Creagh, Mary
Creasy, Stella
Cryer, John
Danczuk, Simon
Davies, Geraint
Day, Martyn
De Piero, Gloria
Donaldson, Stuart Blair
Dowd, Jim
Dowd, Peter
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Elliott, Julie
Ellman, Mrs Louise
Elmore, Chris
Eskander, Bill
Evans, Chris
Fellows, Marion
Ferrier, Margaret
Field, rh Frank
Fellows, Marion
Ferries, Margaret
Field, rh Frank
Finn, Robin
Fletcher, Colleen
Flint, rh Caroline
Flynn, Paul
Foyle, Yvonne
Furniss, Gill
Gapes, Mike
Gardiner, Barry
Gethins, Stephen
Gibson, Patricia
Gillon, Mary
Godsiff, rh Mr Roger
Goodman, Helen
Grant, Peter
Gray, Neil
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Haig, Louise
Hamilton, Fabian
Hanson, rh Mr David
Harris, Carolyn
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendrick, rh Mr Mark
Hendry, Drew
Hepburn, rh Mr Stephen
Hillier, Meg
Hodgson, Mrs Sharon
Hoey, Kate
Hollern, Kate
Hopkins, Kelvin
Hosie, Stewart
Huq, Dr Rupa
Jarvis, Dan
Jones, Gerald
Jones, Helen
Jones, Mr Kevan
Jones, Susan, Elena
Kendall, Liz
Kerevan, George
Kerr, Calum
Kinnoch, Stephen
Kyle, Peter
Lamb, rh Norman
Lammy, rh Mr David
Law, Chris
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Long Bailey, Rebecca
Lucas, Caroline
Lynch, Holly
MacNeil, Mr Angus Brendan
MacTaggart, rh Fiona
Madders, Justin
Mahmood, Shabana
Mann, John
Marris, Rob
Marsden, Gordon
Maskell, Rachael
Matheson, Christian
McCabe, Steve
McCagh, Callum
McCarty, Kerry
McDonagh, Siobhain
McDonald, Steward Malcolm
McDonald, Stuart C.
McDonnell, Dr Alasdair
McDonnell, rh John
McFadden, rh Mr Pat
McGinn, Conor
McGovern, Alison
McKinnell, Catherine
McLaughlin, Anne
McMahon, Jim
Meale, rh Sir Alan
Mearns, Ian
Miliband, rh Edward
Monaghan, Carol
Monaghan, Dr Paul
Moon, Mrs Madeleine
Morden, Jessica
Mulholland, Greg
Mulley, Roger
Murray, Ian
Newlands, Gavin
Nicolson, John
O’Hara, Brendan
O’Neill, Sarah
Onn, Melanie
Onwurah, Chi
Osamar, Kate
Osward, Kirsten
Owen, Albert
Paterson, Steven
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Powell, Lucy
Qureshi, Yasmin
Reeves, Rachel
Reynolds, Jonathan
Rimmer, Ms Marie
Ritchie, Ms Margaret
Robertson, rh Angus
Robinson, Mr Geoffrey
Rotheram, Steve
Ryan, rh Joan
Saville Roberts, Liz
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheppard, Tommy
Sherriff, Paula
Shuker, rh Mr Kevin
Siddiq, Tulip
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, rh Mr Andrew
Smith, Angela
Smith, Cat
Smith, Jeff
Smith, Nick
Smith, Owen
Smyth, Karin
Snell, Gareth
Spellar, rh Mr John
Starmer, Keir
Stephens, Chris
Stevens, Jo
Streeting, Wes
Stringer, Graham
Stuart, rh Ms Gisela
Tami, Mark
Thewliss, Alun
Thomas, Mr Gareth
Thomas-Symonds, Nick
Thompson, Owen
Thomson, Michelle
Timms, rh Stephen
Trickett, Jon
Turner, Anna
Turner, Karl
Tweig, Derek
Tweig, Stephen
Vaz, Valerie
Watson, Mr Tom
Weir, Mike
West, Catherine
Whiteford, Dr Edilith
Whitehead, Dr Alan
Whitford, Dr Philippa
Williams, Mr Mark
Wilson, Phil
Winnick, Mr David
Winterton, rh Dame Rosie
Wishart, Pete
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel

Tellers for the NOES:
Thangam Debbonaire and
Vicky Foxcroft

Question accordingly agreed to.

Bill read a Second time.

Business without Debate

ADJOURNMENT (SUMMER)

Motion made, and Question put forthwith (Standing Order No. 25).

That this House, at its rising on Thursday 20 July 2017, do adjourn till Tuesday 5 September 2017.—(Heather Wheeler.)

Question agreed to.

COMMUNITIES AND LOCAL GOVERNMENT

Ordered,

That Julian Knight be discharged from the Communities and Local Government Committee and Mr Christopher Chope be added.—(Bill Wiggin, on behalf of the Committee of Selection.)
Employment and Support Allowance

Motion made, and Question proposed, That this House do now adjourn.—(Heather Wheeler.)

10.1 pm

Neil Gray (Airdrie and Shotts) (SNP): Earlier today, we were all gripped with anticipation for an hour or so as to what the Prime Minister would say at the Downing Street lectern. It was a closely guarded secret. Was she to speak about her own ill health, North Korea, Syria or perhaps even Northern Ireland? In the end, we heard a statement of opportunistic self-interest in calling for an early general election. This evening, we hope we will hear what we have been anticipating for months. We hope we will get some detail on what the Government are doing to honour their promises to long-term sick and disabled people who have been found unfit for work but are losing £30 per week from their employment and support allowance. I intend leaving plenty of time for the Minister to respond to this speech, so that she can finally set out the support that is going to be available for sick and disabled people who are, as of now, receiving £30 a week less than they were before 3 April. I noticed before the debate was due to start that she was walking into the Chamber on crutches. I hope that she has not done herself too much of a disservice and that she is able to take part in the debate in a full and meaningful way.

The ESA work-related activity group is for people who have been assessed as being unfit for work, but who must carry out some form of work-related activity—for example, training courses. There has long been an acknowledgement that people in receipt of ESA WRAG have higher costs associated with their illness or disability in carrying out that work-related activity than someone who is fit for work. That is why ESA WRAG has paid a higher weekly amount than jobseeker’s allowance: it is on the understanding that people will rely on ESA WRAG for longer and have higher costs.

Indeed, the Minister acknowledged that when she said: “We must ensure a person’s liquidity is in place, so that they can afford the additional costs brought by looking for work, or by being poorly or disabled: higher energy bills; mobile and internet access costs; the cost of getting insurance; the cost of a special diet, in some cases; the extra travel costs that come with unpredictable itineraries; clothing and bedding costs; and the cost of specialised equipment—to name just some of those costs.... When that security and liquidity goes, often so, too, does a person’s dignity and wellbeing.”—[Official Report, 17 November 2016; Vol. 617, c. 462.]

Yes, Minister—indeed. Yet, as of 3 April this Government are going to pay £30 per week less to ESA WRAG recipients to bring their allowance down to the level of jobseeker’s allowance, at £73.10 per week. We do not yet know what the Minister is doing or has done to mitigate the £30 per week cut to ESA WRAG, which it is estimated will realise £640 million in annual savings for the Government in a short space of time. She hinted in the passage I just read out, and further on in that speech on 17 November, that she would take steps financially to mitigate the cut. I shall take some time to look at some more of what the Minister has said on this issue.

Stephen Timms (East Ham) (Lab): Will the hon. Gentleman give way?
away from the prospect of work, further and further into poverty, and therefore further and further into social isolation and away from the job market?

Neil Gray: Absolutely. I thank my hon. Friend for that intervention, because that point has been made by the expert disability charities. They do not see this cut as an incentive for people to find work; rather, it hinders their opportunities for getting back into work, if they are able to do so as part of a timely process.

In November, in response to the debate on a cross-party motion on this subject that I introduced in this Chamber, the Minister committed to ensuring that a replacement system of support would be in place for ESA recipients in the WRAG before the cut was to take place, but we have no clarity over what that system is or will look like. She said that support would be provided and an additional £15 million invested in the flexible support fund, but, of course, the flexible support fund is a discretionary fund used by jobcentres to help those in receipt of unemployment benefits to find work. It can be used to help with the cost of travel to interviews, childcare, clothing or uniforms to start work. However, the flexible support fund has been heavily criticised by the National Audit Office, the Work and Pensions Committee and others, because of its complexity and under-utilisation.

There have been allegations that jobcentre staff have been pressured into not using the fund. It is also one of the best kept secrets in Whitehall and information about it is not available on the Government’s own website. What concerns me most is that there is no detail over how the flexible support fund, which will total only £83 million after the additional allocation, will directly support ESA WRAG recipients. Have jobcentre staff been told to target the flexible support fund on disabled people?

Another commitment made by the Minister was to secure better deals with service providers to help disabled people financially. She was going to broker deals with energy companies and telecoms suppliers to help sick and disabled people with their bills, but how many people will be able to afford a BT TV package or Sky broadband on even the higher rate of ESA WRAG? Even if she has managed to secure better deals with service providers to help disabled people financially, she was going to broker deals with energy companies and telecoms suppliers to help sick and disabled people with their bills, but how many people will be able to afford a BT TV package or Sky broadband on even the higher rate of ESA WRAG? Even if she has managed to secure better deals on energy or insurance costs, we have not been told about them. How much will they aid disabled people? Will they make up the shortfall? Who are the deals with? When will they come into force? Will the Government promote them?

The Minister also committed to having personalised support packages in place by now—either a place on the Work and Health programme or Work Choice. Of course the Work and Health programme has yet to start and Work Choice is not new support. Additional places were also to be provided on the specialist employability support programme, which is a very small project, with only 1,700 members in 2015. Another idea was on job clubs, but we have not had any further detail on that. There is also the drive for work experience places with wrap-around support for young people, but again there have been no detail on whether this will be available for WRAG recipients.

Increased funding for the Access to Work mental health support service has also been mentioned. It has been launched, but is available only if a person is in work or signed off work sick, so it will not help those on ESA WRAG. All in all, we have had many different ideas. There have been different, tentative and ultimately detail-free announcements. In the end we have no detail and no way of knowing how the Government plan to live up to their promise of ensuring that ESA WRAG recipients are not punished financially or how they intend to halve the disability employment gap by 2020, as was promised.

Hannah Bardell (Livingston) (SNP): I thank my hon. Friend for giving way and congratulate him on bringing this serious issue to the attention of the House. Does he agree that the Government are just piling on more pernicious cuts on top of—let us not forget—the closure of Remploy a few years ago, and a missed opportunity in the industrial strategy where there is very little talk of how they will close the disability employment gap? They need to be much more ambitious and much more helpful.

Neil Gray: I agree with my hon. Friend. Indeed I understand that submissions to that effect have been made to the Government’s consultation on the industrial strategy.

All of us—colleagues across this House, Members of the House of Lords, expert disability charities, which have opposed this cut, and disabled people themselves—are expecting detail from the Minister this evening. She has had two weeks’ notice of this debate. She will have known what I was going to raise because I have been asking the same questions for months. There can be no excuse for not being very clear and for not providing great detail on how her Government are honouring their many promises in debates past to placate their own Back Benchers.

Of course I can predict one thing the Minister will say. The Scottish Government now have limited powers over some aspects of social security and she will claim that the Scottish Government can therefore mitigate this cut for the people of Scotland. I hope that I can pre-empt her reading out that nonsense by telling her that I am standing here defending employment support for just for disabled people in Scotland, but for disabled people up and down these isles. Secondly, the Scottish Government have already spent almost £400 million since 2013 mitigating Conservative cuts to social security in Scotland. At a time of austerity, when Scotland’s budget is being cut back to the tune of £2.9 billion in this decade, and the Scottish Government are having to divert depleted funds to mitigate Tory social security cuts, I do not think that telling Scotland to pay twice for disability employment support would be the strongest position for the Minister to take, and it does nothing to help or answer the questions of disabled people elsewhere. So perhaps she will stick to finding a credible argument to justify this cut and outline what additional support she will provide rather than deflect responsibility for it.

The Disability Benefits Consortium brings together 70 different expert disability charities and they have opposed this cut from the start. On the same day as the cross-party motion presented to the Backbench Business Committee was debated in November, they signed an open letter to the Government calling for the cuts to be stopped. They have criticised, in particular the Government’s idea that somehow disabled people are disincentivised to work by receiving an extra £30 per week. The Government completely ignore the fact that the majority
of sick and disabled people are desperate to work but struggle to find a job. The Government ignore the fact that a third of ESA recipients sometimes cannot afford to eat on the old ESA WRAG rate. Almost seven in 10 say that this cut will cause their health to suffer. The Government have done nothing to assess how this cut will impact on the mental health of recipients. Nobody could suffer a one third cut in their income and not see their health deteriorate in some way as a result, especially when they are already struggling to get by.

The people we are talking about today are people with disabilities or mental health conditions. They want to work, but they cannot. They are faced with the double indignity of wanting to work but being unable to find a job, and then being told that the financial support they are struggling to live on is a disincentive to find work. I am aware—not just from the debate in November when a number of Tory MPs followed MPs from eight other parties through the Lobby to call on the Government at least to pause these cuts, but since then—that all is not well on the Government side of the House in relation to this policy. I understand that the Prime Minister attended a meeting with concerned Tory MPs a few weeks ago and was told directly by them that she needed to do more. Perhaps we will get some clarity tonight as a result.

We need to hear from the Minister what she is going to do to live up to that quote about liquidity. What is she doing to ensure that disabled people, who are already struggling to get by, will be financially supported in addition to any enhanced employment support that may be forthcoming?

This will be one of the final debates of this Parliament. So far the Government have failed to listen to the disability charities, Opposition parties, the Work and Pensions Committee or the will of the House, given the vote in November. Perhaps in the coming weeks, Government MPs will hear more from the electorate about this devastating cut and come back in the next Parliament with a more serious response.

10.16 pm

The Minister for Disabled People, Health and Work (Penny Mordaunt): I welcome the debate secured by the hon. Member for Airdrie and Shotts (Neil Gray) and thank all Members who have attended and intervened on his speech. I shall concentrate my comments on the work-related activity group issue, which is at the heart of the debate. The hon. Member for Livingston (Hannah Bardell) asked about measures to deal with the disability employment gap. Clearly, we are going through the Green Paper consultation responses, but we want to build on the momentum created on these issues and wish to bring forward a White Paper at the earliest opportunity. Additional working up of those ideas will be done with employers and the third sector, which will be able to continue the momentum.

Hannah Bardell: I thank the Minister for dealing with that point, but does she not think that that should have been done before the cuts were made? Would that have been a logical approach, rather than making the cuts, leaving people destitute and devastated, and then thinking about how they are going to be helped?

Penny Mordaunt: The WRAG issue was debated heavily last year and voted on in the House. The measures that were put in place to provide additional support to
suppliers to establish what support is on offer, and to encourage new offers and some low tariffs. That work has concluded and the Department for Work and Pensions will signpost claimants—not just WRAG claimants, but others—to services that help to reduce those costs. For example, tariffs are available, particularly to those on ESA, that package up broadband, phone and other costs at a low tariff of £10 a month.

When work coaches meet claimants, they will be able to offer signposting to services that help claimants with budgeting and saving money on household bills. That will be supported by a fact sheet that can be given to claimants. The fact sheet is already in operation and has been distributed through our operations arm. It is a one-stop shop that has all the information in one place, as well as signposting to local services. That is a big step forward. The leaflet, “ESA40”, which is sent to all ESA claimants at the beginning of their claim journey now includes a link to the Money Advice Service and its free support on saving money and household bills. This links into the work that the Department has been doing to follow on from the Extra Costs Commission, and it is a big step forward for the Department.

When ESA was introduced by Labour in 2008 as “a radical reform package”, the work-related activity component was intended to act as an incentive to encourage people to participate in work-related activity and, therefore, return to work quicker.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): I do not want to get the Minister up and down on her feet, but I refer her back to what she said about the additional support that will now be available. The Government’s own impact analysis estimated that half a million people would have £30 a week less—£1,500 a year less. What proportion of those 500,000 people will be in receipt of the additional support that her Department is making available, and to what extent?

Penny Mordaunt: That very much depends on an individual’s circumstances. We have looked at a range of circumstances that someone might find themselves in—for example, someone who might need also to apply for PIP. We have looked at the time lag between someone, for example, coming on to being a new claimant for ESA and their actually being able to access that benefit. We have looked at a range of scenarios that someone might find themselves in. However, this support is available to anyone in that circumstance. Indeed, some of it is available to all claimants—for example, the social tariffs, which is a big step forward for the Department.

Neil Gray: The Minister stated in November:

“When that security—that is, money and liquidity—

“goes, often so, too, does a person’s dignity and wellbeing.”—[Official Report, 17 November 2016; Vol. 617, c. 462.]

Is she therefore confident that the measures that she is putting in place, and the tariffs that are going to be available, will compensate people for this £50 a week?

Penny Mordaunt: I hope that what I have said, and what the hon. Gentleman has quoted me as saying in previous debates, at length, would give him some confidence that I really do understand that we have to do both things. We have to ensure that people are able to pay their bills. If we want them to focus on getting well and on moving closer to, or going back into, the workplace, then putting additional stresses on them is not remotely helpful. That is why we have undertaken this new work in the Department to see whether we can reduce someone’s outgoings, and why we have worked with our operations arm to ensure that this is not something that just sits in a drawer but is being offered to people. These budgeting conversations are happening. So yes, I am confident that this will be acted on throughout our Jobcentre Plus network, and we can monitor how progress is being made.

I mentioned the original intent of the work-related activity component in acting as an incentive. The hon. Gentleman will know that we have recently consulted on radical reform of the work capability assessment. As the hon. Member for Strangford (Jim Shannon) mentioned, it is deeply flawed. We have had many consultation responses on that area, and it will be a major focus of the forthcoming White Paper.

I want to provide some reassurance about the additional support that will be in place, and is in place. All the support that is outlined in the Green Paper is currently in place. That includes recruiting 300 disability employment advisers; the capacity to have one-to-one health and work conversations with a Jobcentre Plus work coach to raise someone’s confidence and help them to manage their health condition; additional places on Work Choice and the work and health programme for all eligible and suitable claimants who wish to volunteer for it; additional places on our specialist employability support programme to support those, in particular, who are furthest away from the jobs market; increased funding for the access to work mental health support service to provide support for in-work claimants; jobcentres reaching out to small employers to identify opportunities and to help match people to jobs with the new small employment offer; and the community partners, who are now all recruited and in place.

Heidi Allen (South Cambridgeshire) (Con): I am conscious that all the things I am hearing are excellent in terms of getting people into work, but so much of this £30 is about, for example, “Can I turn my heating on because I am in long-term recovery from cancer chemotherapy and I am at home a lot.” Would it be possible for the Department to give us some case studies so that we can see how the £30 is made up—what specific funds, whether a broadband deal or whatever it might be, are in place for Joe Bloggs? I know that the Chair of the Work and Pensions Committee, the right hon. Member for Birkenhead (Frank Field), has written to the Minister about this.

Penny Mordaunt: Yes. As I have said, in the work we have done we have tried to look at people who may be in different circumstances. They may have additional costs or there may be a gap between them and the ability to attain those costs. Clearly, the amount of benefits that someone might receive from the additional funds—whether they be in-work support, cost-of-living support or social tariffs—will depend on the individual, but we could certainly create some case studies. We could also, as time rolls on, give some real-life case studies of how this is working and how the flexible support fund and other provisions are being used.
We have recruited some very high calibre individuals to the multidisciplinary teams, including specialists in mental health and community support. We received more than 2,500 applications for those posts. Many other areas of support are available and I would be happy, although this is going ahead, to continue the dialogue with colleagues who may still have concerns.

Question put and agreed to.

10.31 pm

House adjourned.
Oral Answers to Questions

SCOTLAND

The Secretary of State was asked—
Scotland’s Contribution to the UK

1. Antoinette Sandbach (Eddisbury) (Con): What assessment he has made of the contribution of Scotland to the future of the UK.

The Secretary of State for Scotland (David Mundell): As the Prime Minister has said, “at the heart of the United Kingdom is the unity of our people: a unity of interests, outlook and principles. This transcends politics and institutions, the constitution and the economy. It is about the values we share” and our “solidarity”. I will never stop making the passionate and positive case for our United Kingdom, and I look forward to having the opportunity to do so during the forthcoming general election.

Antoinette Sandbach: With the Defence Secretary confirming a £1.7 billion investment in Scottish military bases, does my right hon. Friend agree that Scotland plays a crucial role in defending my constituents in Eddisbury and those throughout the whole United Kingdom from growing threats at sea, in the air and on land, and that the divisive policies of the nationalists threaten that crucial role?

David Mundell: I absolutely agree with my hon. Friend—Scotland is on the frontline of defending the United Kingdom from growing threats at sea, in the air and on land. It is the home to essential defence capabilities, and our commitment to the future of defence in Scotland is underlined by increasing investment in better infrastructure for our armed forces, which is helping them to keep the whole of the United Kingdom safe.

Ian Murray (Edinburgh South) (Lab): Given that in the last quarter the Scottish economy contracted by 0.2%, is it not about time we got off the independence referendum—and, indeed, the general election—merry-go-round, and got the Prime Minister and the First Minister to concentrate on what is important, which is the economy of Scotland?

David Mundell: The hon. Gentleman would have a lot more credibility in making that statement if he was not standing on the ticket of a leader who has said that he has no problem with another independence referendum and who clearly would do a deal with the Scottish National party to get the keys of No. 10.

Mr Philip Hollobone (Kettering) (Con): Will the Secretary of State confirm that Scotland’s membership of the single market of the United Kingdom is more important to Scotland than its membership of the single market of the European Union?

David Mundell: My hon. Friend is correct. It is absolutely right to highlight the fact that the market for Scottish goods and services in the rest of the United Kingdom is four times greater than that market in the EU. The UK is the vital Union for Scotland.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): In the last few years, Iceland and Ireland have leapfrogged the UK in terms of growth and deficit reduction, and they have always had a higher GDP per capita over the last 10 years. Norway’s oil fund is now $920 billion, having grown by $105 billion from $815 billion. The equivalent figures for the UK are zero, zero and zero. Does the Secretary of State not agree that Scotland could be as good as tiny Iceland, as good as Ireland and even as good as Norway with our independence? What is he scared of for Scotland?

David Mundell: I well remember when the SNP advocated the “arc of prosperity” for Ireland, Scotland and Iceland. I very much doubt that the people of Scotland would want to endure the pain that the people of both Iceland and Ireland have endured to ensure that their economies are back on a stable footing.

Angus Robertson (Moray) (SNP): Perhaps all of us on this side of the House can agree that Scotland’s greatest contribution has been to show that there is actually an alternative to the destructive policies of this UK Tory Government. It is worth remembering that in Scotland we have free prescriptions, free eye tests, free childcare and free university tuition. We have scrapped bridge tolls, reopened railways and invested in infrastructure, and we are building more council houses than any UK nation. That is what the SNP has delivered in government in Scotland. Does the Secretary of State not agree that that stands in marked contrast to the Tories’ mismanagement and destruction of public services south of the border?

David Mundell: What I see in my constituency is falling educational standards, with Scotland’s once-proud education system having the lowest international ratings ever. What I see is my constituents experiencing increasing waiting times for the health service and having to deal with inadequate infrastructure. I do not believe that the SNP Government in Scotland are focusing on the day job. They are focusing on their obsession—indepen...
Angus Robertson: Quotes about doing the day job when the Government are calling an early general election are a bit cynical. Let us rest on a neutral observer, not a Tory party research officer. What about the director of the Institute of Health and Society, who said: “Scotland is in a much stronger position than England with respect to both health and social care”?

He went on to say:

“The problem is at the moment that the English government is not committed to a national health service”.

Is not that another example of the fact that the real alternative to the Tory UK Government is the progressive policies of the SNP?

David Mundell: Absolutely not, and I look forward to debating these subjects over the next six weeks. The right hon. Gentleman was very careful not to mention education standards in Scotland, which the latest international figures demonstrate are the lowest ever on record. That is not a proud record of the Scottish Government. I look forward to holding them to account over the next six weeks.

Joint Ministerial Committee

2. Chris Elmore (Ogmore) (Lab/Co-op): What assessment has made of the effectiveness of the Joint Ministerial Committee in ensuring that the needs of all regions and nations of the UK are taken into account in negotiations on the UK leaving the EU.

The Secretary of State for Scotland (David Mundell): In our negotiations with the EU, we will be seeking the best deal for all parts of the UK. The Joint Ministerial Committee (EU Negotiations) was established to facilitate engagement between the UK Government and devolved Administrations, and has had regular substantive and constructive discussions.

Chris Elmore: If the Secretary of State is so keen on and supportive of the JMC, why did the Government vote against putting it on a statutory footing for Brexit negotiations during the passage of the European Union (Notification of Withdrawal) Act 2017? Secondly, when was the last time a positive idea—I am sure that there have been many from the devolved Administrations—was taken on board to form part of the Brexit negotiations to improve the exit from the EU for the devolved nations?

David Mundell: We have been very clear about “Scotland’s Place in Europe”, the Scottish Government’s contribution to the discussions. There have also been constructive contributions from the Welsh Government and the Northern Ireland Executive. They have set out many things that formed part of the White Paper and the Prime Minister’s speech. They will be part of the discussions as we negotiate our exit from the EU.

Stephen Crabb (Preseli Pembrokeshire) (Con): The role of the machinery of government in helping to hold together the United Kingdom is an important issue. Does my right hon. Friend agree that a priority for the new Government should be to take a long, hard look at developing new ways of working between Ministers and civil servants across the devolved Administrations to strengthen our United Kingdom?

David Mundell: I absolutely agree with my right hon. Friend, who has considerable experience. Despite what we hear at Question Time and in the media, the UK Government and the devolved Administrations are able to work together very closely and constructively on a range of issues. That is the element that we should support and promote.

Pete Wishart (Perth and North Perthshire) (SNP): The Prime Minister told the Scottish Parliament that “now is not the time” when it wanted to let Scotland decide its own future and relationship with Europe, but now is the time for a screeching U-turn and this opportunistic general election. Does the Secretary of State therefore also believe that it is time for the Scottish people to reject the UK Government’s austerity obsession, their assault on the poor, the obnoxious rape clause, and their desire to drive Scotland over the cliff edge of their hard Brexit?

David Mundell: I acknowledge that the hon. Gentleman is an expert on screeching, but the Prime Minister’s proposal to have a general election in six weeks’ time, to ensure certainty, clarity and security for the period of the Brexit negotiations, is different from a proposal to have a disruptive referendum campaign during the period of those negotiations.

Marcus Fysh (Yeoval) (Con): Common commercial policies for the UK to pursue as we leave the EU, for example in animal health and food safety, are as essential to Scotland as they are to Somerset. How can the JMC help to ensure that they will be adopted?

David Mundell: I would certainly hope that the JMC(EN) will be involved in the discussion on the repatriation of important powers from the EU to the Scottish Parliament and the other devolved Administrations. I recognise more than anyone how important it is to have common animal welfare arrangements, as the main livestock market for my constituency is a mile south of the Scottish border in England.

Deidre Brock (Edinburgh North and Leith) (SNP): Scotland voted to remain in the EU and the single market, but the Scottish Government’s paper that would have kept Scotland in the single market and the UK was roundly ignored by a Tory UK Government intent on pursuing a reckless hard Brexit. Will the Secretary of State tell us what personal action he took to convince the Prime Minister to take account of the views of the people of Scotland, and can he provide an explanation for why he failed?

David Mundell: I have been clear that “Scotland’s Place in Europe” did play an important part in the Government’s thinking. Just so that the hecklers on the Opposition Benches are clear, the Government formally responded to the Scottish Government in relation to “Scotland’s Place in Europe”. Surprisingly, the Scottish Government asked us not to publish our response.

Kevin Foster (Torbay) (Con): In the Secretary of State’s assessment of the effectiveness of the Joint Ministerial Committee, did he share my conclusion that it would be
much more effective if all parties were focused on building a strong UK after Brexit, not separatist agendas?

David Mundell: As we head into unprecedented peacetime negotiations with the EU, it is vital that all parts of the United Kingdom pull together to take a Team UK approach. By doing so, we will get the best possible deal for Scotland and the whole UK.

Mr David Anderson (Blaydon) (Lab): The JMC is supposed to be the platform through which the devolved Administrations have their voices not just heard but responded to. The Secretary of State paints a rosy picture, but he is not listening to those voices. Northern Ireland voices are not being heard at the moment, because they are not allowed to attend. From what we have heard this morning, the Scots are saying clearly that their voice is being ignored. The Welsh feel, at best, less than impressed. Will the Government give this body the teeth it needs, put it on a statutory footing and let it do its job properly?

David Mundell: The purpose of the JMC is to bring together the UK Government and the devolved Administrations, and to work together to formulate our position as we go forward in the negotiations. I very much regret the fact that the Northern Ireland Executive have not been able to be politically present in recent times—we all want that situation to be brought to a conclusion—but the meetings have been robust and, I believe, certainly in terms of the actions that have flowed from them, constructive.

Tax

4. Chris Davies (Brecon and Radnorshire) (Con): What discussions he has had with the Scottish Government on their new tax powers. [909644]

8. Mr Ranil Jayawardena (North East Hampshire) (Con): What discussions he has had with the Scottish Government on their new tax powers. [909648]

The Secretary of State for Scotland (David Mundell): The UK and Scottish Governments continue to engage closely on the devolution of new tax powers. The Scottish Government are now responsible for setting the rates and thresholds of income tax. It is of course incumbent on them to use their powers to make Scotland an attractive place to live and work.

Chris Davies: Now that the Scottish Government have unprecedented power to shape the economy of Scotland, will my right hon. Friend join me in calling on the Scottish National party to start delivering jobs and economic growth in Scotland, rather than focusing on a second independence referendum? [Interruption.]

David Mundell: The shouts from Opposition Members just highlight the complacency of the SNP in relation to the Scottish economy, which contracted by 2% in the fourth quarter of 2016 while the UK economy grew by 0.7%. No Scot can be proud of that comparison.

Mr Jayawardena: Does my right hon. Friend agree that it is terrible that middle earners in Scotland are being penalised £400 this year by the Scottish Government, and by up to £1,400 by 2020-21, compared with England, where we have higher tax thresholds to help hard-working families?

David Mundell: My hon. Friend is right to highlight that point. I might not like the plans to make Scotland the most taxed part of the United Kingdom, but I acknowledge that that is a matter for the Scottish Government. They will have to account for their taxation policies, and the forthcoming general election will no doubt highlight these issues.

Ms Tasmina Ahmed-Sheik (Ochil and South Perthshire) (SNP): The average band D council tax bill in Scotland is almost £400 lower than it is in England. Will the Secretary of State’s discussions consider how local authorities in England can learn from Scotland’s successes in providing local and national services while maintaining the lowest council tax rate in the UK?

David Mundell: The hon. Lady may have spoken to the SNP press office, but she certainly has not spoken to councils throughout Scotland, which are uniform in their negativity in respect of the Scottish Government’s approach to local government funding.

Hannah Bardell (Livingston) (SNP): As a last act of kindness, and while he still has his seat and his position, will the Secretary of State address the closure of the Her Majesty’s Revenue and Customs office in my constituency, which threatens 1,000 job losses and a move to Edinburgh? A cross-party group of politicians, including members of his own party, has written to him, but he has ignored that. As his swansong, will he come to Livingston and save those jobs?

David Mundell: As the hon. Lady knows, I have set out clearly, in correspondence with all who have been in touch with me, the rationale for the move and the changes in the arrangements for HMRC. Many of those changes were called for by Members on both sides of the House on the grounds of efficiency and effectiveness, but obviously no Members like to see significant changes in employment patterns in their constituencies, and I commend the hon. Lady for the way in which she has pursued the issue.

Leaving the EU: Private Sector

5. Dr James Davies (Vale of Clwyd) (Con): What discussions he has had with Scottish businesses on opportunities for the private sector after the UK leaves the EU. [909645]

7. Mrs Sheryl Murray (South East Cornwall) (Con): What discussions he has had with Scottish businesses on opportunities for the private sector after the UK leaves the EU. [909647]

The Minister for Trade and Investment (Greg Hands): The UK Government’s plan for Britain is intended to help businesses throughout the United Kingdom to trade beyond Europe, and to make Britain a leading advocate for free trade all over the world. Scotland Office Ministers have held more than 70 meetings with businesses across Scotland since last summer’s referendum, and only last month my right hon. Friend the Secretary
of State for International Trade was in Glasgow to meet innovative Scottish businesses that are trading with the world.

Dr Davies: What steps is my right hon. Friend taking to support international trade and investment in the devolved nations?

Greg Hands: We in the Department for International Trade are clear about the fact that ours is a Department for the whole United Kingdom. All our services are accessible to companies in Scotland, England, Wales and Northern Ireland, including the GREAT campaign and its portal GREAT.gov.uk, and the Tradeshow Access Programme. In recent months, there have been major announcements about more overseas investment in all parts of the UK.

Mrs Murray: Will my right hon. Friend tell us his view of the damage that would be caused to Scottish business if Scotland left the United Kingdom?

Greg Hands: My hon. Friend has hit the nail on the head. If Scotland were to leave the UK, the potential damage to Scottish business and Scottish trade would be huge. The Scottish Government’s own figures show that 64% of goods and services leaving Scotland go to the UK, whereas only 15% go to the rest of the EU. That is £49.8 billion versus £12.3 billion.

Dr Paul Monaghan (Caithness, Sutherland and Easter Ross) (SNP): What assessment has the Minister made of Scotland’s contribution to the EU single market?

Greg Hands: I think the hon. Gentleman is missing the point. The point, surely, is the centrality and importance of the UK single market as we go forward from here. I will give the House the figures again: £49.8 billion goes to the rest of the UK; only £12.3 billion goes to the EU. It is clear that the Union that matters most is the United Kingdom.

Carol Monaghan (Glasgow North West) (SNP): The Secretary of State has said previously that he supports the European single market and that being part of the single market is clearly the best possible deal for Scotland. Will he tell his constituents whether he will now stand on a manifesto to take Scotland out of that single market?

Greg Hands: The Prime Minister and the whole Government are absolutely clear about the fact that our objective is to secure a comprehensive free trade agreement with the European Union as we leave the EU. That will be in the best interests of all parts of the UK, including Scotland.

Bob Blackman (Harrow East) (Con): What assessment has my right hon. Friend made of the opportunities for increasing whisky exports across the world as part of a free trade agreement once we leave the European Union? [Interruption.]

Mr Speaker: The hon. Gentleman was asking about whisky exports; let us hear the Minister.

Greg Hands: My hon. Friend raises a very important point. Whisky is a vital part of our export mix; whisky exports reached £3.999 billion in 2016—a big increase—and whisky has been at the heart of quite a few of our trade missions. Notably, when the Secretary of State for International Trade, the Prime Minister and I visited India in November, we took with us the Scotch Whisky Association, and we have seen big increases in exports to India.

Mr Speaker: It is useful to have a bit of information, I find.

Mr David Anderson (Blaydon) (Lab): Former Prime Minister David Cameron promised he would not resign if he lost the EU referendum; he reneged on that promise within hours. The current Prime Minister said on seven occasions that she would not call an early election; she reneged on that promise yesterday. Will the Minister, answering on behalf of the Secretary of State, give him the chance to break the mould and renew the commitment given to this House on at least three occasions that whatever support is put in place for businesses in the north-east like Nissan will be put in place for Scotland?

Greg Hands: We have been absolutely clear that our support for Nissan and the rest of the automotive sector will be enduring. That is the most important point, and I am sure it will be an important point in the general election campaign. I look forward to the Conservatives being competitive in the north-east in this coming general election, and we look forward to taking the fight to the official Opposition there.

Mr Anderson: The question was whether the Secretary of State will renew the promise given to Scotland that it would have the same deal, and, if he will, will he tell the people in the oil and gas supply chain, given the report from Robert Gordon University which last week found that Brexit would cost them £200 million, that that money will be sorted and they will be looked after in the same way as Nissan—or will he ignore that and break another promise?

Greg Hands: I am certainly glad that the hon. Gentleman has raised the question of oil and gas in Scotland: I know that he and I will agree that what would be most disastrous for the Scottish economy, including the oil and gas sector, would be Scottish separation, leading to an overnight budget deficit of around 9% of GDP. That would be a disaster.

UK Single Market

6. David Warburton (Somerton and Frome) (Con): What assessment he has made of the contribution of the UK single market to Scotland. [909646]

9. Mr Nigel Evans (Ribble Valley) (Con): What assessment he has made of the contribution of the UK single market to Scotland. [909649]

10. Stuart Andrew (Pudsey) (Con): What assessment he has made of the contribution of the UK single market to Scotland. [909650]
11. Alberto Costa (South Leicestershire) (Con): What assessment he has made of the contribution of the UK single market to Scotland.

The Secretary of State for Scotland (David Mundell): Sales from Scotland to the rest of the UK are now worth nearly £50 billion, an increase of over 70% since 2002 and four times the value of exports from Scotland to the EU. There is no doubt that the United Kingdom is the vital Union for Scotland.

David Warburton: Does my right hon. Friend agree that the best deal for Scotland is to stay part of the United Kingdom and to work with the UK Government to do all it can to support a new free trade agreement with the EU?


Mr Nigel Evans: The International Monetary Fund predicted dire consequences for the UK economy if we voted Brexit, yet it upgraded our growth yesterday, for the second time in three months, to 2%. Much of the confidence about the growth in the UK economy is deserved under the leadership of our Prime Minister. Does my right hon. Friend agree that when people look to buy British, as a quality marque "made in Scotland" is very important?

David Mundell: Absolutely. That is why I can confirm to my hon. Friend that when Ruth Davidson and the Scottish Conservatives go into the general election, it will be on the basis of keeping Scotland at the heart of our United Kingdom.

David Mundell: Of course countries can have close trading relations while still maintaining their sovereignty!

12. Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Seventy-five per cent. of Canada’s exports go to the US, whereas only 63% of Scotland’s exports go to the rest of the UK. Canada is a successful, independent country. Does the Secretary of State agree that neighbouring countries can have close trading relations while still maintaining their sovereignty?

David Mundell: Yes.

Stuart Andrew: My constituency has a long and proud tradition of textile companies, many of which trade with all parts of the United Kingdom. How will those companies be helped by Scotland leaving the hugely successful UK single market?

David Mundell: Obviously, they will not, because, as my hon. Friend will know, in 2015 Scotland exported £49.8 billion to the rest of the UK, four times more than exports to the EU and three times greater than sales to the rest of the world.

Alberto Costa: The benefits to Scotland of full access to the UK market are clear. Does my right hon. Friend agree that Scottish representation in this Parliament must focus on what benefits the whole of the UK single market?

David Mundell: Ruth Davidson has already made it very clear that her stance in the forthcoming general election will be to stand up for Scotland’s membership of the United Kingdom and against a divisive second independence referendum.

The Secretary of State for Scotland (David Mundell): The value of Scottish exports of food and drink has doubled in the past 10 years, to £5.5 billion in 2016. This week, the chief executive of Scotland Food and Drink, James Withers, said that he was afraid that the consequences of leaving the European Union without a trade deal would result in tariffs. Can the Secretary of State guarantee that the Scottish food and drink sector will not have to deal with such a situation?

David Mundell: From my discussions with the Scottish food and drink industry, I understand that its greatest concern is that the Scottish National party would seek to drag Scotland out of the United Kingdom.

Kirsten Oswald (East Renfrewshire) (SNP): Does the Secretary of State stand by his comments last year, when he said: “My role is to ensure Scotland gets the best possible deal and that deal involves clearly being part of the single market”? Will he be honest with his constituents in a few weeks’ time? Will they be voting for an MP who supports being in the single market, or for one who wants to go along with a damaging hard Brexit, whatever the cost to families and businesses in his constituency?

David Mundell: When I contest my constituency in the next general election, I look forward to knowing exactly what the SNP position is on the EU. Is it for taking Scotland back into the EU, or is it not? I hope we will find out in the next six weeks.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): The Tories’ strategy worked a treat against the Liberal Democrats in the south-west of England at the last election. Will the Secretary of State be urging his colleagues to export that strategy to Scotland in the coming election?

David Mundell: Absolutely. That is why I can confirm to my hon. Friend that when Ruth Davidson and the Scottish Conservatives go into the general election, it will be on the basis of keeping Scotland at the heart of our United Kingdom.

15. Steven Paterson (Stirling) (SNP): The Prime Minister was asked—

Engagements

Q1. Alberto Costa (South Leicestershire) (Con): If she will list her official engagements for Wednesday 19 April.

The Prime Minister (Mrs Theresa May): I am sure that Members across the House will wish to join me in offering our condolences to the families and friends of Andrea Christie, who died following the London attack, and of Chris Bevington, who was among those killed in the terrorist attack in Sweden. Our thoughts are also with the family and friends of Hannah Bladon, who was murdered in Jerusalem last week.
This morning, I had meetings with ministerial colleagues and others. In addition to my duties in this House, I shall have further such meetings later today.

Alberto Costa: I would also like to join the Prime Minister in offering the condolences of the people of South Leicestershire and myself to the families of those individuals.

Strong countries need strong economies. Strong countries need strong defences. Strong countries need strong leaders. As the nation prepares to go to the polls, who else in this House, apart from my right hon. Friend, can provide the leadership that is needed at this time?

The Prime Minister: My hon. Friend is absolutely right. There are three things that a country needs: a strong economy, strong defence, and strong, stable leadership. That is what our plans for Brexit and our plans for a stronger Britain will deliver. That is what the Conservative party will be offering at this election, and we will be out there fighting for every vote. The right hon. Member for Islington North (Jeremy Corbyn) would bankrupt our economy and weaken our defences and is simply not fit to lead.

Jeremy Corbyn (Islington North) (Lab): I concur with the condolences that the Prime Minister just sent to the families of the three people who so sadly and needlessly died. It is important that we recognise that as a cross-party proposal today, and I thank the Prime Minister for it.

We welcome the general election, but this is a Prime Minister who promised that there would not be one—a Prime Minister who cannot be trusted. She says that it is about leadership, yet she refuses to defend her record in television debates. It is not hard to see why. The Prime Minister says that we have a stronger economy, yet she cannot explain why people’s wages are lower today than they were 10 years ago or why more households are in debt. Six million people are earning less than the living wage, child poverty is up, and pensioner poverty is up. Why are so many people getting poorer?

The Prime Minister: I point out to the right hon. Gentleman that I have been answering his questions and debating these matters every Wednesday that Parliament has been sitting since I became Prime Minister. I will be taking out to the country in this campaign a proud record of a Conservative Government: a stronger economy, with the deficit nearly two thirds down, a tax cut for 30 million people, with 4 million people taken out of income tax altogether, record levels of employment, and £1,250 more a year for pensioners. That is a record we can proudly of.

Jeremy Corbyn: If the Prime Minister is so proud of her record, why will she not debate it? Wages are falling and more children are in poverty. Page 28 of the ‘Tories’ last manifesto said:

“We will work to eliminate child poverty”.

They only eliminated the child poverty target, not child poverty. In 2010, they promised to eradicate the deficit by 2015. In 2015, they promised to eradicate the deficit by 2020. Austerity has failed, so does the Prime Minister know by which year the deficit will now be eradicated?

The Prime Minister: I know that it has taken the right hon. Gentleman a little time to get the hang of Prime Minister’s questions, but he stands up week in, week out and asks me questions and I respond to those questions. With a stronger—[Interruption.]

Mr Speaker: Order. The Leader of the Opposition must be heard, and the Prime Minister must be heard.

The Prime Minister: We have a stronger economy, with the deficit two thirds down, but people will have a real choice at this election. They will have a choice between a Conservative Government who have shown that we can build a stronger economy and a Labour party with an economic policy that would bankrupt this country. What voters know is that under Labour it is ordinary working people who pay the price of the Labour party. They pay it with their taxes, they pay it with their jobs, and they pay it with their children’s futures.

Jeremy Corbyn: Only this year the new Chancellor pledged to eradicate the deficit by 2022. I admire Tory consistency: it is always five years in the future. Another Tory broken promise.

The Prime Minister leads a Government who have increased national debt by £700 billion, more than every Labour Government in history put together. Debt has risen every year they have been in office. We know their economic plan was long term. Does she want to tell us how far into the long term it will be before we get the debt falling?

The Prime Minister: The right hon. Gentleman stands up and talks about debt. This is a Labour party that will be going into the election pledged to borrow an extra £500 billion. What does that mean for ordinary working people? Well, I will tell him what it means. We know what Labour’s plans would entail because we have been told by the former Labour shadow Chancellor. He said that if Labour were in power, “you’d have to double income tax, double National Insurance, double council tax and you’d have to double VAT as well.”

That is Labour’s plan for the economy.

Jeremy Corbyn: All her Government have delivered is more debt and less funding for schools and hospitals. Schools funding is being cut for the first time in a generation. The Prime Minister is cutting £3 billion a year from school budgets by 2020. She says that the Government have created a stronger economy, so why are there tax giveaways to the richest corporations while our children’s schools are starved of the resources they need to educate our children for the future?

The Prime Minister: The right hon. Gentleman talks about levels of funding for schools and the NHS. There are record levels of funding going into schools and record levels of funding going into the NHS, but let us just talk about schools. It is not just a question of funding; it is actually a question of the quality of education provided in schools. Some 1.8 million more children are in good or outstanding schools under this Conservative Government, which is 1.8 million more children with a better chance for their future. What
would Labour give us? It would be the same old one-size-fits-all, local authority-run schools: "No choice, good or bad, trust your luck." We do not trust to luck, and we will not trust the Labour party. We will provide a good school place for every child.

Jeremy Corbyn: Many parents taking their children back to school for the summer term will receive a letter begging for funds to buy books and fund the school. The Conservative manifesto promised “the amount of money following your child into school will be protected.”

It is not. It is another Tory broken promise.

For the first time in its history, NHS funding per patient will fall this year. The NHS has been put into an all-year-round crisis by this Government. Why are more people waiting in pain, with millions of elderly people not getting the care and dignity they deserve?

The Prime Minister: I am proud of our record on the NHS. We saw more doctors, more nurses, more midwives, more general practitioners and more people being treated in our national health service last year than ever before, with record levels of funding going into our national health service. We saw more doctors, more nurses, more midwives, more general practitioners and more people being treated in our national health service last year than ever before, with record levels of funding going into our national health service. We can only do that with a strong economy. What do we know we would get from the Labour party? Bankruptcy and chaos.

Jeremy Corbyn: That is a very good reason for why we should have a debate about it, because it is another Tory broken promise. A broken promise of the Tory manifesto, which said that they would continue to spend more on the NHS, in real terms.

Say that to those waiting in A&E departments and to those who cannot leave hospital because social care is not available.

Is it not the truth that, over the last seven years, the Tories have broken every promise on living standards, the deficit, debt, the national health service and school funding? Why should anyone believe a word they say over the next seven weeks?

The Prime Minister: I can assure the right hon. Gentleman that I will be out campaigning and taking to voters the message of not only the record of this Conservative Government, but, crucially, of our plans to make Brexit a success and to build a stronger Britain for the future. Every vote for the Conservatives will make it harder for those who want to stop me getting the job done. Every vote for the Conservatives will make me stronger when I negotiate for Britain with the European Union. And every vote for the Conservatives will mean we can stick to our plan for a stronger Britain and take the right long-term decisions for a more secure future for this country.

Q2. [909675] Michelle Donelan (Chippenham) (Con): For years I have been campaigning for fairer funding in Wiltshire schools. Will the Prime Minister please reaffirm her commitment to this and to a review of the pupil premium to encompass other forms of key disadvantage, such as being a young carer, having mental health problems and dealing with bereavement? In this way, we can create a country that will work for everyone.

The Prime Minister: My hon. Friend raises a very important point, and I know she has campaigned long and hard in her constituency and worked hard for her constituents on this and other issues. We want to ensure that young people, irrespective of their background, have the opportunity to make the most of their talents, and the point of our reforms is to try to end the postcode lottery in school funding and to support our plan for a fairer society, where success is based on merit and not on privilege. She refers to the pupil premium, and that is of course worth £2.5 billion a year. It is an important part of our policy because it gives schools extra support for pupils from disadvantaged backgrounds, but I think it is right that schools are best placed to prioritise the needs of their pupils and can use their funding to ensure that they are supporting any pupil facing disadvantage, financial or otherwise.

Angus Robertson (Moray) (SNP): May I join in the condolences extended by the Prime Minister and the leader of the Labour party?

The tone and content of democratic debates, including in a general election, are very important to all of us, so does the Prime Minister agree that political opponents are not “saboteurs”, and that all elected mainstream parties and parliamentarians have a mandate and that should be respected?

The Prime Minister: In this House and in this Parliament it is right that we have proper debate and scrutiny of proposals put forward by the Government, and that arguments on both sides of the House are rightly challenged and those discussions take place. But I say to the right hon. Gentleman that what the British people—what the people of the United Kingdom—voted for last year was for the UK to leave the European Union. We have set that process in motion; there is no turning back. It is clear from statements made by the Scottish nationalists and others that they want to use this House to try to frustrate that process. I will be asking the British people for a mandate to complete Brexit and to make a success of it.

Angus Robertson: It is disappointing that the Prime Minister did not take the opportunity to condemn intemperate language in describing other democratic politicians as—[Interruption.] There is heckling from the Government side, and I think the Prime Minister should take the opportunity to underline something that we should all agree on: that describing people in the way we face disadvantage, financial or otherwise.

Most people know that the reason we are having a general election is because of the woeful state of the Labour party. If the Prime Minister is so confident that her hard Brexit, pro-austerity, anti-immigration case is right, she should debate it with Opposition leaders during the campaign. We look forward to the straight fight between the Scottish National party and the Tories. Will the Prime Minister tell the people why she is running scared of a televised debate with Nicola Sturgeon?

The Prime Minister: First, may I say to the right hon. Gentleman that one of the crucial things we have in this country that underpins our democracy is a free press? I believe that is important and I believe that people in this Chamber should stand up for the freedom of the press.
As to the TV debates, I can assure him that I will be out there campaigning in every part of the United Kingdom, taking out there our proud record of a Conservative Government who have delivered for every part of the United Kingdom.

I might also suggest to the Scottish nationalists that now is the time for them to put aside—[Interruption.]—now is the time for them to put aside their tunnel vision on independence and actually explain to the Scottish people why the SNP Government are not putting as much money into the health service as they have been given from the UK, they are not exercising the powers they have been given and Scottish education is getting worse. It is time they got back to the day job.

Q4. [909677] Mary Robinson (Cheadle) (Con): I too welcome the announcement from the Prime Minister yesterday, and I look forward to the general election and to taking my positive message to my constituents in Cheadle in June. Over the past two years, I have pressed for first-class transport infrastructure for Cheadle, and this week I launched my transport survey so my constituents can have their say on what is needed to keep Cheadle moving and be at the heart of the northern powerhouse. Does my right hon. Friend agree that residents in Cheadle need to vote Conservative on 8 June to ensure that we get continued investment in transport and infrastructure, not only in Cheadle but across the north-west?

The Prime Minister: I absolutely agree with my hon. Friend on that point. I know she has been working very hard for her constituents in Cheadle on transport and other issues. Of course, it is under this Government that the Department for Transport is investing £290 million to improve transport links to Manchester airport through Cheadle, and £2.1 million has been committed to improving walking and cycling routes around the Cheadle Hulme district centre. That is why the choice is so clear. As my hon. Friend says, if she wants to see that funding for infrastructure, we need a strong economy, which only the Conservatives can deliver.

Q3. [909676] Jeff Smith (Manchester, Withington) (Lab): Because of the Prime Minister’s changes to education funding, every school in the country will face real-terms cuts. Manchester will be hit harder than anywhere outside London—[Interruption.]—It’s true. Chorlton High School and Parrs Wood High School in my constituency will each lose the equivalent of more than 30 teachers. I ask the Prime Minister the same question a headteacher asked me: what would she cut to balance the books and from what subjects would she choose to sack teachers?

The Prime Minister: As the hon. Gentleman knows, record levels of funding are going into our schools. Everybody across this House has recognised for many years that the current funding formula is not fair across the country, and it is necessary for us to look for a fairer funding formula. We have consulted on that and will obviously be responding to that consultation. As the hon. Gentleman faces up to the election, I note that last year he failed to back—he opposed—the leader of his party. If the hon. Gentleman was not willing to support him as leader of his party then, why should his voters support him as leader of the country?

Q6. [909679] David Mackintosh (Northampton South) (Con): The only way to fund crucial infrastructure is with a strong economy. To that end, does my right hon. Friend agree that the St James Mill road in Northampton would help with traffic flow in the town and unlock development in the enterprise zone? Will the next Conservative Government continue to support me, as the MP, in backing the scheme?

The Prime Minister: My hon. Friend is absolutely right that we need to have a strong economy if we are to be able to fund that crucial infrastructure. That is why, since 2015, we have increased our annual investment in economic infrastructure by almost 60% to £22 billion per year by 2021, including £2.6 billion for improvements in transport projects. I am happy to see the link road proposal being put forward by his local enterprise partnership; it will improve access to business and unlock development in the area. My hon. Friend has worked hard to see it happen, and I am sure he will continue to campaign on issues like that which matter so much to his constituents.

Q5. [909678] Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Recent changes to housing benefit entitlement for 18 to 21-year-olds will affect 195 young people in Merthyr Tydfil and Rhymney. The Government are constantly challenging young people to train and leave benefits for the world of work, but homelessness charities such as Llamau are concerned that the changes will be a major barrier to learning and training for youngsters who do not have a safe and secure environment at home. Does the Prime Minister agree that we should be doing everything we can to help young people in the job market, including by offering financial support for housing? Will she pledge to strengthen the guidelines so that no more young people risk falling through the net and ending up on the streets?

The Prime Minister: The principle behind the changing of housing benefit is the right one, which is to say that it is only fair that people are not able to make decisions when they are on benefit that they would not be able to make if they are actually in work. However, it is right that we ensure that those young people who have a particular difficulty with staying at home are supported through the system, which is why significant exemptions are in place. We recognise that need and have taken it on board.

Mr Speaker: The next question is a closed question.

Kettering

Q8. [909681] Mr Philip Hollobone (Kettering) (Con): If she will visit Kettering constituency.

The Prime Minister: I would be happy to visit the Kettering constituency in the future if my diary allows. In fact, I suspect that I will be visiting quite a few constituencies across the country in the next few weeks.

Mr Hollobone: Life for ordinary working families is harder than many people at Westminster realise: “You have a job, but not necessarily job security. You are just about managing, but you are worried about the cost of living and getting your kids into a good school. You are
doing your best, and a Conservative Government will do all it can to make sure that you have more control over your life.” These were the inspiring words of the Prime Minister when she took office last July. Will she come to Kettering, Britain’s most average town, and repeat these, her core beliefs? If she does so, I know she will be warmly and widely acclaimed as the Prime Minister this country needs for the next five years.

The Prime Minister: My hon. Friend is absolutely right to highlight ordinary working families who do rely on the Government to provide stability and certainty for them, and that is what this Conservative Government have done. Looking at what we have done, we see that we have supported jobs through significant new investment in skills, we have invested in public services such as childcare and the NHS, and we have enhanced consumer protections. I am happy to repeat the words that I said outside Downing Street on 13 July last year, but it is Conservatives in government who have delivered strong and stable leadership, and that is the message I will be taking out to the country during this election.

Engagements

Q7. [909680] Jenny Chapman (Darlington) (Lab): Does the Prime Minister support the people of Darlington who oppose the downgrading of their A&E and maternity services? They want an answer they can trust, Prime Minister. Is it yes or no?

The Prime Minister: The proposals for the configuration of health services in local areas is a matter that is being determined by local commissions in the best interests of services in the local area.

I am interested that the hon. Lady refers to the views of her constituents in Darlington. She has said of the Leader of the Opposition, the leader of her party:

“My constituents in Darlington have made it clear to me that they cannot support the Labour party under your leadership.”

How can they possibly support him as leader of the country?

Q9. [909682] Maria Caulfield (Lewes) (Con): May I welcome the fact that, because the Conservatives have managed the economy so well, there is record school funding this year? East Sussex, for example, has some of the best performing schools in the country, and they are set to receive an increase of 3%. However, in Lewes, in my constituency, many of my small rural primary schools are set to see a reduction. Will the Prime Minister guarantee that she will look at the issue of rural primary school funding so that we can even out the distribution of money?

The Prime Minister: My hon. Friend is absolutely right to point out the record levels of funding that are going into schools. It is also the case, as I said earlier, that over the years there has been a general acceptance across this House that the current system of funding is not fair in certain parts of the country. That is why we want to end that postcode lottery and look at a system that is fairer and more up to date and that will support our plan for a society where progress is based on merit and not on privilege. I am very happy to look at her concerns. I recognise that small rural schools have particular issues, and I am happy to look at them to ensure that we get the funding formula right and that we can spread the money as fairly as possible.

Q13. [909686] Graham Jones (Hyndburn) (Lab): Every school in Hyndburn is facing a massive budget cut. Why is a child in Hyndburn worth less than a child in Tory heartlands in the south?

The Prime Minister: Currently, significant sums of money are going to children in certain schools, sometimes double the amount going to a child in another school. We need to find a fairer system. We have consulted on that system and we will be responding to that consultation.

I note what the hon. Gentleman has said about the Leader of the Opposition, the leader of his party. He said:

“He’s not fit to rule. The public see this is a man who doesn’t take responsibility seriously and that he can’t take the party forward other than in a divisive way.”

If he cannot take the party forward, how can he hope to take the country forward?

Q10. [909683] Derek Thomas (St Ives) (Con): Small businesses provide the lion’s share of jobs in Cornwall and on the Isles of Scilly. The difficulties of attracting credit, rising operational costs and red tape make running a small business an increasingly difficult task. What can my right hon. Friend the Prime Minister do to help small businesses so that they can continue to be the engine of rural economies like West Cornwall’s?

The Prime Minister: My hon. Friend is absolutely right that small businesses are the engine of the economy. I know that he has been a champion of small businesses in his constituency. He recognises that if we are to ensure that we can create those jobs, we have to encourage small businesses. That is why in the Budget my right hon. Friend the Chancellor provided £435 million to support businesses in England facing the steepest business rate increases, why we will cut business rates by nearly £9 billion over the next five years, and why we have listened to small businesses and given more than 3 million of them an extra year to prepare for Making Tax Digital. I recognise the importance of small businesses in Cornwall, and I look forward to visiting in the next few weeks and being able to talk my hon. Friend and others about the importance of small businesses in the county.

Tim Farron (Westmorland and Lonsdale) (LD): I join the Prime Minister in the expressions of condolence that she led earlier.

This election can change the direction of our country, from the consequences of a potential hard Brexit outside the single market to the future of our NHS and social care, our schools and our environment. The British public deserve to hear the party leaders set out their plans and debate them publicly, but the Prime Minister has refused to take part in televised leaders debates. Back in 1992, when she and I were both candidates, we debated publicly, forcefully and amicably. Indeed, she called out the then incumbent for not showing up for some of those debates. Why will she not debate those issues publicly now? What is she scared of?
**The Prime Minister:** I can assure the hon. Gentleman that I will be debating these issues publicly across the country, as will every single member of the Conservative team. We will be taking out there the proud record of a Conservative Government, but, more than that, we will be taking our plans for the future of this country, for making Brexit a success and delivering a stronger Britain. He talks about the possibility of changing the future of this country. What do we know that the leader of the Labour party, the leader of the Liberal Democrats and the leader of the Scottish nationalists have in common? Corbyn, Farron and Sturgeon want to unite together to divide our country, and we will not let them do it.

**Q11.** [909684] John Stevenson (Carlisle) (Con): The Government wish to pursue a national industrial strategy. Cumbria has some specific strengths, such as tourism, agriculture and nuclear, but it also has some weaknesses. Will the Prime Minister agree that any industrial strategy in the next Parliament must take into account regional and sub-regional factors, and will she be receptive to a Cumbrian industrial strategy that works within a national one?

**The Prime Minister:** My hon. Friend points to a very important part of our plans for a stronger Britain for the future, which is the modern industrial strategy that we are developing, because we want an economy that works for everyone, delivers good, high-skilled, high-paid jobs and creates conditions for competitive world-leading businesses to prosper here in the United Kingdom. But he is right to say that as we look at that industrial strategy we also need to look at particular factors in particular parts of the country. He has long been a champion not just for Carlisle but for Cumbria. I recognise the need, as does the Business Department, to tailor the industrial strategy according to the needs of particular areas of the country.

**Yvette Cooper** (Normanton, Pontefract and Castleford) (Lab): The Prime Minister yesterday said that she was calling a general election because Parliament was blocking Brexit, but three quarters of MPs and two thirds of the Lords voted for article 50, so that is not true, is it? A month ago, she told her official spokesman to rule out an early general election, and that was not true either, was it? She wants us to believe that she is a woman of her word. Isn’t the truth that we cannot believe a single word she says? [Interruption.]

**Mr Speaker:** Order. The House is rather over-excited. The question has been heard. The answer will be heard.

**The Prime Minister:** This House and this Parliament voted to trigger article 50, but the Labour party made it clear that it was thinking of voting against the final deal, the Scottish nationalists have said that they will vote against the legislation necessary to leave the European Union, the Liberal Democrats say that they are going to grind government to a standstill, and the House of Lords has threatened to stop us every inch of the way. I think it is right now to ask the British people to put their trust in me and the Conservative party to deliver on their vote last year—a Brexit plan that will make a success for this country and deliver a stronger, fairer, global Britain in the future.

**Q12.** [909685] Paul Scully (Sutton and Cheam) (Con): I have seen rats and fly-tipping as a result of bins not having been emptied for up to three weeks across Lib Dem-run Sutton following a shambolic change to refuse collections. [Interruption.] When bin collections get into the national headlines, you know something has gone wrong. Does my right hon. Friend agree that, in accepting greater delegated powers, elected councillors must consult residents properly, plan major changes carefully and take full responsibility as accountable representatives when things go wrong?

**The Prime Minister:** I do not know why there are howls of derision from the Opposition Benches, because my hon. Friend raises an important point about an issue that actually matters to people up and down the country. It is our goal to reduce littering and litter in England to ensure that our high streets, villages and parks are the cleanest and most pleasant places that they can be. We have published the first ever national litter strategy for England, and we are supporting comprehensive and frequent bin collections. But what my hon. Friend says is that the Liberal Democrat-run Sutton and Cheam council is doing shows not only that the Liberal Democrats charge the highest council taxes, which we already knew, but that under the Liberal Democrats you pay more and get less.

**Patricia Gibson** (North Ayrshire and Arran) (SNP): Will the Prime Minister join the Scottish Government, North Ayrshire Council and all Ayrshire local authorities by today pledging to support the Ayrshire growth deal, which requires £350 million of targeted investment to regenerate Ayrshire and improve the lives and prospects of all its people?

**The Prime Minister:** As the hon. Lady will know, we have already shown our commitment to growth deals in Scotland with the deals that have already been agreed. I understand that my right hon. Friend the Secretary of State for Scotland has met the Scottish Government to discuss the growth deal for Ayrshire. We are in discussions about that deal, but we have shown our commitment through the deals that have already been struck—for example, for Aberdeen.

**Q14.** [909687] Sir David Amess (Southend West) (Con): As part of Southend’s celebrations as the alternative city of culture, stilts walkers will walk non-stop from Southend to No. 10 Downing Street on the morning of Monday 1 May to raise money for the Music Man Project to help people with learning difficulties, and for a charity for child refugees. Will my right hon. Friend arrange, on the morning of Tuesday 2 May, for someone on her behalf to receive the stilts walkers and accept from Southend’s town crier the proclamation that in this, the 125th anniversary of the founding of the borough, Southend be declared a city?

**The Prime Minister:** When I first heard about the stilts walkers, I thought it sounded a bit of a tall order, but I am sure they will be making great strides as they approach Downing Street. I am pleased to hear what my hon. Friend says about the Southend celebrations, but also about the efforts that are being made to raise funds for very, very important causes. We will certainly look very carefully at what can be done in Downing Street when the stilts walkers arrive.
Mr Dennis Skinner (Bolsover) (Lab): Will the Prime Minister give a guarantee that no Tory MP who is under investigation by the police and the legal authorities over election expenses in the last general election will be a candidate in this election? If she will not accept that, this is the most squalid election campaign that has happened in my lifetime.

The Prime Minister: I stand by all the Conservative MPs who are in this House and who will be out there standing again, campaigning for a Conservative Government who will give a brighter and better future for this country.

Q15. [909688] Richard Benyon (Newbury) (Con): I am proud that my party in government has ensured that in this country we fulfil our commitment to NATO to spend 2% of GDP on defence and our commitment to the UN to spend 0.7% of GNI on overseas aid. Will my right hon. Friend please commit the future Conservative Government to do the same?

The Prime Minister: My right hon. Friend is absolutely correct. Obviously we have committed to meet our NATO pledge of 2% of GDP being spent on defence every year of this decade. We are delivering on that. We have got a £36 billion defence budget that will rise to almost £40 billion by 2020-21—the biggest in Europe and second largest in NATO. We are meeting our UN commitment to spend 0.7% of GNI on overseas development assistance. I can assure him that we remain committed, as a Conservative party, to ensuring the defence and security of this country and to working for a stronger world.

Christian Matheson (City of Chester) (Lab): Schools in Cheshire West and Chester were already underfunded by about £400 per pupil on average before the new national fair funding formula came in, and now every school in Chester is cutting staff and raising class sizes. That is how the Government have protected the education budget, so will the Prime Minister explain to the House why the national funding fair formula provides neither fairness nor funding?

The Prime Minister: As I have said in this Chamber before, we need to look at the funding formula. We have published proposals for fair funding, we have consulted on those proposals, and in due course the Government will respond to those proposals.

I was very interested to see the hon. Gentleman being interviewed yesterday and being asked whether he would put a photograph of the Leader of the Opposition on his election literature. Sadly, he said that the only photographs he wanted on his election literature were his own; he was not prepared to support the leader of his own party.
Mr Speaker: I am sure the hon. Member for Enfield, Southgate (Mr Burrowes) is greatly encouraged by the interest in his ten-minute rule motion.

12.44 pm

Mr David Burrowes (Enfield, Southgate) (Con): I beg to move,

That leave be given to bring in a Bill to equalise the assessment and enforcement of child maintenance arrangements of children of self-employed parents with that of children of other employed parents; and for connected purposes.

I welcome the great interest and attendance of hon. Members for my Bill, but I feel somewhat like the filler in the Prime Minister’s sandwich. I guess that hon. Members’ attention will be focused on the next motion rather than on my Bill. However, many parents have waited all too long for fair child maintenance for their children, and they will not let a general election get in the way of their campaign. The campaign message at the heart of my Bill, to use the Prime Minister’s parlance, is that we need a child maintenance service that works for everyone, not just for a privileged few. [Interruption.]

Mr Speaker: Order. Stop the clock, please. I appreciate the interest in other matters, but the subject matter of the hon. Gentleman’s Bill is of very great importance to huge numbers of parents and children around the country. I think it is, to put it mildly, unseemly that while the hon. Gentleman is speaking to his Bill, there are a number of rather animated private conversations taking place, including those being conducted by normally immensely courteous Members of the House. If the House can settle down and listen to the eloquence of the hon. Gentleman, I think we will all be grateful for that.

Mr Burrowes: This is an issue of great importance and interest to the public. It is a cross-party issue, but it has been a Conservative cause since the Thatcher Government recognised the principle that all parents have a continued responsibility to contribute reasonably to their children’s upkeep. When parents cannot agree about a child’s maintenance, the state steps in to protect the child’s interests. It is there for parents who are in need of child maintenance and have nowhere else to turn. As such, it must cater for all children, including those whose parents are self-employed and who have complex financial affairs.

My interest in this issue has arisen from the case of my constituent Elizabeth, who is in attendance today, as well as those of four equally brave and determined women whom my hon. Friend the Member for South Cambridgeshire (Heidi Allen) refers to as her supermums. Similarly like-minded, brave and determined women will have come to the surgeries of other hon. Members. Elizabeth, Melissa, Jo-Anne, Sue and Kate have for years relentlessly pursued their cases with the Child Support Agency, and they could write the textbook on how non-resident parents can easily evade the system by claiming self-employment. The ability to challenge on the grounds of assets or “lifestyle incompatible with earnings” that existed in the CSA system has been removed from the replacement Child Maintenance Service process. Those flaws have led me to introduce this Bill, and they have encouraged my hon. Friend the Member for South Cambridgeshire and the Select Committee on Work and Pensions to hold an inquiry into the CMS; that inquiry is due to report imminently.

The fact of the matter is that a child whose non-resident parent is self-employed is at risk of being financially disadvantaged in comparison with a child whose non-resident parent is employed. Non-resident self-employed parents are being indulged by the CMS. The Government’s defence against the charge of injustice is that closing the loopholes that make possible such child maintenance avoidance is “expensive and time-consuming”.

However, the Government do not take such a relaxed attitude towards individuals who avoid paying their benefits or taxes. Her Majesty’s Revenue and Customs has a 56,000-strong tax collecting department with an annual budget of more than £4 billion, but even with that money it fails to get a grip on non-resident parents who hide their income from the CMS by exploiting legal loopholes.

It is welcome that HMRC has beefed up its financial investigations unit to a 50-strong team. It is good that, as the Minister for Welfare Delivery, my hon. Friend the Member for Romsey and Southampton North (Caroline Nokes)—she is here today to listen—told the Work and Pensions Committee, the team has the power to look at bank accounts and tax records and seek clarification when things “just do not add up”.

I do not believe that is good enough, however. Children should not be paying the price for the ongoing injustice of unpaid child maintenance. Unpaid maintenance is estimated to total £52.5 million, which means that more than half of eligible children do not receive anything at all. Elizabeth’s son should not be paying the £40,000 price—that is what he is owed for more than six years of child maintenance—simply because his father has a clever accountant who can help to hide his assets in non-income-bearing accounts, businesses and property.

That maintenance liability would not have been uncovered without Elizabeth’s determination in taking the case through to tribunal hearings under the old CSA system and in relying on the old rule, which allowed for an assets variation. The hearings eventually revealed that the other parent had assets to the value of some £800,000 from the sale of various businesses and from inheritance, and found that he could regularly pay CSA maintenance to support their teenage son.

Yet the problem my Bill seeks to resolve is that, under the 2012 CMS scheme, the same parent is held legitimately to have a nil child maintenance liability—it was £40,000, but it is now nil—based largely on gross taxable income figures provided by HMRC. I accept that this model works in the majority of straightforward cases, where a paying parent’s sole income is from pay-as-you-earn employment. It works less well where the paying parent takes income in other forms, such as dividend or rental income. It does not work at all where the paying parent’s living costs are met from income that does not show up at HMRC—for example, income from ISAs, or from venture capital trust fund dividends. There are also
some non-resident parents who do not support their lifestyle from income at all—they may have substantial assets, such as from capital gains or property transactions, but no apparent income—and such paying parents may have no child maintenance liability at all.

Parents are now left with a limited child maintenance support system that may be cheap and more efficient for simple cases, but for more complex cases is weak and leads to injustice. This injustice is compounded by the 2012 rules, which not only abolished the grounds for challenging assessments, but cut off the avenue for redress through the courts. The Government’s response to my constituent Elizabeth was that the “assets grounds for variation proved difficult to administer...and difficult for our clients to understand.”

However, what has proved difficult for my constituent Elizabeth is to obtain justice for the maintenance of her son, and what is difficult for her to understand is why the state has chosen to prioritise its own administrative convenience above the interests of her child.

The Work and Pensions Committee inquiry into this issue has heard evidence from parents about other non-resident parents whose lifestyles do not match their declared income. The CMS advised them to contact HMRC’s fraud hotline, only for them to be left in limbo, because non-resident parents are not committing tax fraud, only avoiding child maintenance, which means that they can hide behind their self-employed status. They have organised their financial affairs in a tax-efficient manner by taking income in forms other than earnings, which are beyond the reach of the CMS. One mother told Mumsnet how the CMS advised her “to ‘accept’ my £100 pcm payment from my ex as he was self-employed and it was the best I could hope for”.

That was regardless of her evidence that he was capable of paying more because he had a very successful business, multiple properties and, in her words, “more physical assets than you can imagine.”

Fiona Weir, the chief executive of Gingerbread, which I commend, has said:

“Britain’s child maintenance system is contributing to a culture where too many parents think it’s optional, rather than obligatory, to pay their child’s maintenance.”

It cannot be right—can it?—that a haulier can avoid paying child maintenance because his relevant tax return year removed his liability. Why was that? Because during that year he had bought a truck. The CMS should not allow the financial interests of a truck to come before a child. The state should not be an accessory to child maintenance avoidance. The Government rightly have their eye on the self-employed in wanting to make the tax system work for everyone, and they should include the child maintenance system in that.

My Bill will reform the CMS to correct its current failure to cater for the children of traders, company directors and those with financially complex affairs. The variation ground previously available in the CSA scheme, whereby a notional income could be assumed where a paying parent’s lifestyle was inconsistent with income, should be made available in the new CMS scheme. A new variation ground should be made available in the new scheme whereby a notional income at a fair rate of interest can be assumed from an asset or assets capable of producing a reasonable level of return, where a paying parent has chosen to forgo such income without good reason, bearing in mind their maintenance responsibilities for their children. My Bill will also grant the court jurisdiction where the non-resident parent has assets or a lifestyle inconsistent with income and the CMS is unable to determine, or incapable of determining, the child maintenance and support.

My Bill admittedly comes at the very end of this Parliament, but it may just help to prompt the publication of the Government’s spring report setting out the conclusions of the 30-month review into the progress of the CMS and a statement on future policy. Back in 2012, the noble Lord Freud said that “we will make clear our intentions, including a specific view on the position of the poorest parents.”—[Official Report, House of Lords, 14 February 2012; Vol. 735, c. 778.]

No doubt that will include the impact on poor families of the £20 fee from which my Bill would seek to exempt them. Gingerbread, which has led the campaign on behalf of single-parent families, has found that child maintenance can lift a fifth of parents on low incomes out of poverty. The lack of child maintenance should be seen as another burning injustice for the Government to tackle.

Given the next motion, I appreciate that this Bill is probably the least likely ever to become law during its parliamentary Session. Some may think, “Well, what’s the point? Sit down, and let’s get on with the general election motion.” As my hon. Friends who are supporting the Bill know, however, there is every point in highlighting—on behalf of our constituents and, more importantly, their children—the unfairness of the present child maintenance system. If you will indulge me, Mr Speaker, let me make a bid for this issue to be in the Conservative manifesto, and let me make an early and most public bid for its inclusion in the next Queen’s speech. Either way, I look forward to the return of a Conservative Government who will deliver social justice with an improved and fairer child maintenance system for all.

Question put and agreed to.

Ordered.

That Mr David Burrowes, Heidi Allen, Suella Fernandes, Antoinette Sandbach, Mrs Cheryl Gillan, Dame Caroline Spelman, Stephen McPartland, Dr Tania Mathias, Mr Ranil Jayawardena, Nusrat Ghani, Nigel Adams and Kit Malthouse present the Bill.

Mr David Burrowes accordingly presented the Bill. 

Bill read the First time; to be read a Second time on Friday 12 May, and to be printed (Bill 169).
Early Parliamentary General Election

12.57 pm

The Prime Minister (Mrs Theresa May): I beg to move,

That there shall be an early parliamentary general election.

I rise to speak to the motion on the Order Paper in my name and those of my right hon. Friends. The motion confronts every member of this House with a clear and simple opportunity—a chance to vote for a general election that will secure the strong and stable leadership the country needs to see us through Brexit and beyond. It invites each one of us to do the right thing for Britain and to vote for an election that is in our country's national interest.

My priority when I became Prime Minister was to provide the country with economic certainty, a clear vision and strong leadership after the long and passionately fought referendum campaign. This Government have delivered on those priorities.

Sir Edward Leigh (Gainsborough) (Con): In the time-honoured fashion, my right hon. Friend has called this election in what she considers, and I consider, to be the national interest at this moment. It would be a brave man or woman who voted against this motion. The Fixed-term Parliaments Act 2011 is therefore seen to be an emperor without clothes—it serves no purpose, and many of us have questioned it for many years. Will the first line of our manifesto be to scrap it?

The Prime Minister: My hon. Friend tries to tempt me down that road. What is clear is that the Fixed-term Parliaments Act gives us an opportunity, notwithstanding the fixed-term element of it, to have elections at another time, but it is of course for this House to vote for such an election. Like him, I think it is very clear that every Member of this House should be voting for this election.

Several hon. Members rose—

The Prime Minister: I will take one more intervention and then return to my speech.

Paul Farrelly (Newcastle-under-Lyme) (Lab): The Prime Minister pledged time and again not to call an early election. In her Easter message, she talked greatly of her Christian values, so will she explain why she has such a loose and complicated relationship with telling the truth?

The Prime Minister rose—

Mr Speaker: Order. The Prime Minister perfectly well able to fend for herself, but what the hon. Gentleman has said is a breach of order and I must ask him to withdraw it. He is versatile in the use of language—he used to pen articles for newspapers; he is a journalist—so withdraw, man, and use some other formulation if you must. At the very least, however, withdraw it.

Paul Farrelly: I am very happy to withdraw and reformulate what I said. Why does the Prime Minister have such a complicated and loose relationship with giving the country a clear indication of her intentions?

The Prime Minister: I say to the hon. Gentleman that yesterday I gave the country a very clear indication of my intentions. If he has a little patience, he will hear the reasons why I did that.

As I was saying, the Government have delivered on the priorities that I set out last year. Despite predictions of immediate financial and economic danger, since the referendum we have seen consumer confidence remain high, record numbers of jobs and economic growth that has exceeded all expectations. At the same time, we have delivered on the mandate we were handed by the referendum result by triggering article 50 before the end of March, as we pledged to do. As a result, Britain is leaving the EU and there can be no turning back.

Stewart Malcolm McDonald (Glasgow South) (SNP): Does it not take some brass neck to call a general election when you are facing allegations of buying the last one?

The Prime Minister: That intervention was not worthy of the hon. Gentleman.

Stephen Timms (East Ham) (Lab): Will the Prime Minister just clarify for us whether she supports fixed-term Parliaments?

The Prime Minister: We have a Fixed-term Parliaments Act that enables us to have fixed-term Parliaments. I believe that at this point in time, it is right for us to have this debate and this vote in this House, and I believe that it is right for Members of this House to vote—I shall explain why—for us to have a general election at this stage.

Several hon. Members rose—

The Prime Minister: I will not take any further interventions for a while. This is a limited-time debate and hon. Members wish to make their contributions.

Today we face a new question: how best to secure the stability and certainty we need over the long term in order to get the right deal for Britain in the Brexit negotiations and make the most of the opportunities ahead. I have come to the conclusion that the answer to that question is to hold a general election now in this window of opportunity before the negotiations begin.

I believe it is in Britain's national interest to hold an election now. A general election is the best way to strengthen Britain's hand in the negotiations ahead. Securing the right deal for Britain is my priority and I am confident that we have the plan to do it. We have set out our ambition: a deep and special partnership between a strong and successful European Union and a United Kingdom that is free to chart its own way in the world. That means we will retain full control of our own money, our own laws and our own borders, and we will be free to strike trade deals with old friends and new partners all around the world.

Ian Blackford (Ross, Skye and Lochaber) (SNP): I am very grateful to the Prime Minister for giving way. I can understand that she wants to give the House the opportunity to determine whether there should be an election, but if the House determines that now is the time, why is it that the Prime Minister stands in the face of the Scottish
Parliament and the Scottish Government, which have voted for a referendum on Scotland’s future? If it is right that the people here have a voice and a vote on the future of this country, why should not the Scottish people be given a vote as well?

The Prime Minister: Now is the time for a general election because it will strengthen our hand in the negotiations on Brexit. Now is not the time for a second Scottish independence referendum because it would weaken our hand in the negotiations on Brexit. Strength and unity with the Conservatives; division and weakness with the Scottish nationalists.

Andy Burnham (Leigh) (Lab): Will the Prime Minister give way?

The Prime Minister: I will just make a little more progress. I believe that our plan for Brexit delivers on the will of the British people. It is the right approach for Britain and it will deliver a more secure future for our country and a better deal for all our people. But it is clear that other parties in this House have a different view about the right future for our country, while Members of the other place have vowed to fight the Government every step of the way.

Jake Berry (Rossendale and Darwen) (Con): In the referendum, the people of Rossendale and Darwen gave my right hon. Friend and the Government a mandate to exercise article 50. She has done that and we are now grateful to have the opportunity to strengthen the Prime Minister’s hand so that she can go out there and get the best possible deal for people who live in Rossendale and Darwen, manufacturers in Rossendale and Darwen, and every family in Rossendale and Darwen.

The Prime Minister: My hon. Friend is absolutely right. We should be united in this Parliament in wanting to get the best possible deal not just for the country as a whole, but for everybody across the whole of this country. I commend him for the work that he has done in Rossendale and Darwen to support his constituents on this matter.

Several hon. Members rose—

The Prime Minister: I will give way to the right hon. Member for Leigh (Andy Burnham), and then I will make progress.

Andy Burnham: I can see how it suits the Prime Minister’s purposes to make this election all about Brexit, but does she accept the possibility that it may just become a referendum on her brutal cuts, which have left older people without care, schools sending begging letters to parents and a record number of homeless people on the streets of Greater Manchester?

The Prime Minister: Of course when we come into the general election campaign, people will look at a wide range of issues. They will look at the fact that pensioners are £1,250 a year better off because of the actions of the Conservative Government. They will look at the fact that 1.8 million more children are in good or outstanding schools. If the right hon. Gentleman wants to talk about impact on the economy, I suggest he searches his memory for the time he spent as Chief Secretary to the Treasury, when Labour were trashing the economy of this country and leading us to virtual bankruptcy.

Several hon. Members rose—

The Prime Minister: No, I am going to make some progress.

I have set out the divisions that have become clear on this issue. They can and will be used against us, weakening our hand in the negotiations to come, and we must not let that happen. I believe that at this moment of enormous national significance, there should be unity here in Westminster, not division. That is why it is the right and responsible thing for all of us here today to vote for a general election, to make our respective cases to the country, and then to respect the result and the mandate it provides to give Britain the strongest possible hand in the negotiations to come.

Geraint Davies (Swansea West) (Lab/Co-op): In the last election, the Conservatives made a manifesto commitment to stay in the single market. Will the Prime Minister withdraw that commitment from the new manifesto and, if she does, will that not weaken her negotiating position, as well as removing two months from the negotiation window?

The Prime Minister: We gave a commitment in the last manifesto to provide the people of the United Kingdom with a vote on whether or not to leave the European Union. We gave them that vote, with the support of Parliament, and they gave a clear message that they want the United Kingdom to leave the European Union. That is exactly what we are going to do.

Mr Nigel Evans (Ribble Valley) (Con): I fully support the fact that the Prime Minister needs a stronger hand going into the negotiations as we leave the European Union. Does she not think it perverse that some people who did not want a referendum in the first place now want a second referendum at the very end of the procedure, just in case the British Government do not get a good deal from Brussels? Does she not believe that if we were to have that second referendum, it would deeply weaken her position in the negotiations she will have with the European Union?

The Prime Minister: My hon. Friend is absolutely right in his description of what would happen. Those who say that they want a second referendum would actually be denying the will of the people, because people voted for us to leave the European Union. We are going to go out there and get the best possible deal.

Waiting to hold the next election in 2020, as scheduled, would mean that the negotiations would reach their most difficult and sensitive stage just as an election was looming on the horizon. A general election will provide the country with five years of strong and stable leadership to see us through the negotiations and ensure we are able to go on to make a success of the result. That is crucial. That is the test. It is not solely about how we leave the European Union; it is what we do with the opportunity that Brexit provides that counts.
Leaving the EU offers us a unique, once-in-a-generation opportunity to shape a brighter future for Britain. We need the leadership provided by a strong and stable Government to seize it: a Government who have a plan for a stronger Britain, a Government with the determination to see it through, and a Government who will take the right long-term decisions to deliver a more secure future for Britain. The Conservative party I lead is determined to be that Government.

Mr David Winnick (Walsall North) (Lab): Is the Prime Minister at all concerned that, having tried her best to build a reputation for political integrity both as Home Secretary and Prime Minister, she is now seen, after all the denials that there would be a snap election, simply as a political opportunist?

The Prime Minister: I have not denied the fact that when I came into this role as Prime Minister, I was clear that what the country needed was stability and a Government who would show that they would deliver on the vote people had made in the referendum on leaving the EU. We have provided that over the last nine months. Now it is clear to me that if we are to have the strongest possible hand in the negotiation, we should have an election now. As I have just said, leaving the election to 2020 would mean that we would be coming to the most sensitive and critical part of the negotiations in the run-up to a general election. That would be in nobody’s interests.

I have said that the Conservative party I lead is determined to be that Government who have the determination to see through our plan for a stronger Britain. We are determined to provide that leadership, and determined to bring stability to the United Kingdom for the long term. That is what the election will be about: leadership and stability.

Nigel Huddleston (Mid Worcestershire) (Con): Does the Prime Minister, like me, appreciate decisiveness? Does she agree that voting yes to the motion signifies strength, whereas abstaining is a symbol of weakness?

The Prime Minister: Absolutely: voting yes is a sign of strength, but I would say a little more about abstaining. Anybody who abstains and thinks we should not have a general election is presumably endorsing the record of the Government, so we are happy both ways.

Nadhim Zahawi (Stratford-on-Avon) (Con): Does the Prime Minister agree with Lord Hill, who was a European Commissioner? When asked by the Foreign Affairs Committee what was the best strategy for negotiation, his response was that we have to come together, because our interlocutors will be watching this place and will exploit any weakness in our political system.

The Prime Minister: My hon. Friend is absolutely right and I am grateful to him for reminding us what Lord Hill, with his experience, said. It is important that we come together, that we do not show the divisions that have been suggested in the past, and that we are able to show a strong mandate for a plan for Brexit and for making a success of it.

We are determined to bring stability to the United Kingdom for the long term. That is what this election will be about: leadership and stability. The decision facing the country will be clear. I will be campaigning for strong and stable leadership in the national interest with me as Prime Minister. I will be asking for the public’s support to continue to deliver my plan for a stronger Britain, to lead the country through the next five years, and to give the country the certainty and stability that we need.

Dawn Butler (Brent Central) (Lab): On the timetable before yesterday, the Prime Minister would have concluded her negotiation by 2019. We would have gone into the general election in 2020, a year later, talking about her deal. That would have given the country an outlook as to what it would be voting for. She is asking the country to strengthen her hand, but does she agree that she is asking the country to vote for a blank cheque?

The Prime Minister: No, I am not asking the country to write a blank cheque. We have been very clear about what we intend in terms of the outcome of the negotiations. I set that out in my Lancaster House speech in January, it has been set out in the White Paper, and it was set out in the letter we submitted to the President of the European Council to trigger article 50.

The choice before the House today is clear. I have made my choice to do something that runs through the veins of my party more than any other. It is a choice to trust the people, so let us vote to do that today; let us lay out our plans for Brexit; let us put forth our plans for the future of this great country; let us put our fate in the hands of the people; and then let the people decide.

1.13 pm

Jeremy Corbyn (Islington North) (Lab): We welcome the opportunity of a general election because it gives the British people the chance to vote for a Labour Government who will put the interests of the majority first. The Prime Minister says she has only recently and reluctantly decided to go for a snap election. Just four weeks ago, her spokesperson said “there isn’t going to be an early general election”.

How can any voter trust what the Prime Minister says? Britain is being held back by the Prime Minister’s Government. She talks about a strong economy, but the truth is that most people are worse off than they were when the Conservatives came to power seven years ago. The election gives the British people the chance to change direction. This election is about her Government’s failure to rebuild the economy and living standards for the majority; it is about the crisis into which her Government have plunged our national health service; and it is about the cuts to our children’s schools, which will limit the chances of every child in Britain, 4 million of whom now live in poverty. It is a chance of an alternative to raise living standards. More and more people do not have security in their work or their housing.

Robert Flello (Stoke-on-Trent South) (Lab) rose—

Gareth Snell (Stoke-on-Trent Central) (Lab/Co-op) rose—
Jeremy Corbyn: I give way to my Friend the Member for Stoke-on-Trent.

Hon. Members: Which one?

Gareth Snell: I try not to take it personally that, having arrived so recently, the Prime Minister is that desperate to get rid of me that she is calling an election.

Does my right hon. Friend agree that the Prime Minister, in calling this election, has essentially said that she does not have confidence in her own Government to deliver a Brexit deal for Britain? One way in which she could secure my vote and the votes of my hon. Friends is to table a motion of no confidence in her Government, which I would happily vote for.

Jeremy Corbyn: I congratulate my Friend on his election to the House and on his work. I agree with him: I have no confidence in this Government either.

Robert Flello: Will my right hon. Friend give way?

Jeremy Corbyn: In the interests of unity in Stoke-on-Trent, what else can I do?

Stephen Pound (Ealing North) (Lab): Don’t forget that there are five towns.

Robert Flello: Six.

My right hon. Friend highlighted the fact that the Prime Minister for 12 months dithered over whether she wanted an election, and all the time said that she did not want one, but is not the reality that her mind was focused by the fact that she may well lose some of her Back Benchers if the Crown Prosecution Service has its way?

Jeremy Corbyn: The timing of the election and the role of the CPS is extremely interesting, and it is interesting that the Prime Minister did not mention it in her contribution.

Mr Shaiilesh Vara (North West Cambridgeshire) (Con): The Leader of the Opposition talks about trust in leaders. What trust can the public put in a leader who has no confidence from his parliamentary colleagues, and who is put in place not by people inside Parliament, but people outside?

Jeremy Corbyn: I was elected leader of my party by 300,000 votes. I do not know how many people voted for the Prime Minister to be leader of her party. I suspect it was none whatsoever.

To the 6 million people working in jobs that pay less than the living wage, I simply say this: it does not have to be like this. Labour believes that every job should pay a wage people can live on, and that every worker should have decent rights at work. To the millions of people who cannot afford a home of their own, or who have spent years waiting for a council home, I say that this is their chance to vote for the home their family deserves. Labour Members believe that a housing policy should provide homes for all, and not investment opportunities for a few. To the millions of small businesses fed up with the red tape of quarterly reporting, hikes in business rates and broken promises on national insurance, I say that this is their chance to vote for a Government who invest and who support wealth creators, not just the wealth extractors.

The Prime Minister says that she has called the election so that the Government can negotiate Brexit. We had a referendum that established that mandate. Parliament has voted to accept that result. There is no obstacle to the Government negotiating, but instead of getting on with the job, she is painting herself as the prisoner of the Lib Dems, who have apparently threatened to grind government to a standstill. There are nine of them and they managed to vote three different ways on article 50, so it is obviously a very serious threat. The Tories want to use Brexit to turn us into a low-wage tax haven. Labour will use Brexit to invest in every part of this country to create a high-wage, high-skill economy in which everyone shares the rewards.

The Prime Minister says this campaign will be about leadership, so let us have a head-to-head TV debate about the future of our country. Why has she rejected that request? Labour offers a better future. We want richer lives for all, not a country run for the rich.

Mr Mark Francois (Rayleigh and Wickford) (Con): I thank the right hon. Gentleman for—

Mr Speaker: Order. Is the right hon. Member for Islington North (Jeremy Corbyn) giving way?

Mr Speaker: No, he has finished. [Interruption.] Order. I have known the right hon. Member for Rayleigh and Wickford (Mr Francois) for more than 30 years, since we stood against each other in a student election. He is not going to take it personally, but the right hon. Member for Islington North has finished his speech.

Mr Speaker: If the right hon. Member for Rayleigh and Wickford wants to raise a point of order, I will hear it with courtesy.

Mr Francois: On a point of order, Mr Speaker. Is that it?

Mr Speaker: It is very generous of the right hon. Gentleman to seek to invest me with additional powers, but the question of whether it is “it”, as he puts it, is a matter not for me but for the right hon. Member for Islington North, and he has completed his contribution.

Sir Desmond Swayne (New Forest West) (Con): I accept entirely the logic laid out by my right hon. Friend the Prime Minister in her statement yesterday in Downing Street. I reached that conclusion somewhat earlier, but I did not believe it was possible to deliver. Indeed, I found myself discombobulated by a reversal in Government policy for the second time in a few weeks, having told the readers of the Forest Journal in terms that there was no question of there being an early general election, because it was not in the Prime Minister’s gift to deliver it. Because of the Fixed-term Parliaments Act 2011, that decision lies with a two-thirds majority of the Members of the House of Commons and, as I told those readers with absolute confidence, turkeys will not vote for Christmas. I congratulate my right hon. Friend on having achieved the impossible and secured the fact that today those turkeys will indeed vote for that.
I first reached the opinion that an election was necessary during the passage of the article 50 Bill. Opposition Member after Opposition Member got up to announce their recantation that, notwithstanding having voted to remain, they were now going to abide by the will of their constituents. Yet at every opportunity they cheered to the rafters those few who spoke out to say that they remained with the 48% and believed that, as events unfolded, the 48% would become a majority. They pursued a strategy of desperation: a strategy of “Hang on, something might turn up”, whether that was the long-promised economic shock or whatever. The “hang on” strategy, however, requires an essential ingredient: delay. Delay was the tactic they clearly pursued through their amendments to the Bill and they promised there would be more.

The other place is currently not bound, in respect of the Government’s policy, by the Salisbury convention. The right hon. Member for North Norfolk (Norman Lamb) and I were invited to debate in front of a City audience the motion “That the United Kingdom is leaving the EU”. Two highly respected peers—Lord Butler, the former Cabinet Secretary, and Lord Lester, one of our premier human rights lawyers—argued the case that we would not leave the European Union because they were in a position to prevent it and would do so. The policy the Prime Minister announced, of pursuing a general election and securing a mandate in this House and a mandate to bind the other place to the Salisbury convention, is therefore essential.

I am confident that the Prime Minister will achieve that majority, because I am confident that she will be backed by the overwhelming majority of this nation. She will know that last year I voted for every other possible candidate for the leadership of the Tory party. I have to tell her that I have become her greatest fan. As my constituents recognise and tell me continually, she is doing magnificently. May she long continue to do so.

The Prime Minister intends to achieve that by crushing opposition, with political opponents described as “saboteurs”. I invited my political opponents described as “saboteurs”. I invited my political opponents described as “saboteurs”. I invited the right hon. Member for Ribble Valley might take her place. I suspect that he will manage that with Nicola Sturgeon. However, I am surprised by, and welcome, what the hon. Gentleman would manage that with Nicola Sturgeon. However, I am surprised by, and welcome, what the hon. Gentleman has to say in encouragement to the Prime Minister. I am looking around at a number of the other party leaders in the Chamber. Does the Leader of the Opposition intend to take part in the debate? I suspect that he will probably will take part in a television debate as, no doubt, will the leaders of the Liberal Democrats and the Green party. It is unsustainable in the multimedia age of the 21st century to go to the country but not debate with the leaders of the other parties. The notion that the UK Prime Minister might be empty-chaired because she was not prepared to stand up for her arguments is just not sustainable.

Angus Robertson (Moray) (SNP): The Prime Minister says that she wants unity and an end to division; she intends to achieve that by crushing opposition, with political opponents described as “saboteurs”. I invited her earlier to distance herself from that, but she was not prepared to do so. This is not a vision or an understanding of mainstream democracy that I share with the Prime Minister.

For months we have heard from the Prime Minister that “now is not the time” for the public to vote, that “no one wants it”, and that it is important to “get on with the day job”.

We have been told that the Prime Minister needs to concentrate all her time on the Brexit negotiations and that nothing should get in the way. In the past 24 hours, however, we have learned that that was all empty rhetoric.

There are two key reasons why there is going to be an early general election. The first is total political expediency—it is about the woeful, unelectable state of the Labour party, and not wanting to repeat the political error that Gordon Brown made. The Prime Minister wants to receive her own electoral mandate and to crush political opposition in England. The second reason for holding an early general election is that it has finally dawned on the UK Government that the Brexit negotiations are going to be very difficult and the realities of the hard Brexit that the Prime Minister is pursuing have not yet fully dawned on the public. As one commentator wrote today:

“The EU is not going to roll over and give the UK free and ‘frictionless’ access to the internal market. The Prime Minister is cutting and running: getting a vote in before the reality of hard Brexit hits home”.

The Prime Minister might think she can get her way with all this against the Labour party in England, but she will not get away with it in Scotland.

Tom Brake (Carshalton and Wallington) (LD): On the subject of hard Brexit, does the right hon. Gentleman agree that it is incumbent on those who advocate it to set out very clearly their assessment of the impact on jobs of our coming out of the single market and the customs union?

Angus Robertson: In a normal general election campaign, there would be an opportunity to do just that when the party leaders debate issues on the record. There has been an interesting development since this debate began—I notice colleagues looking at their mobile phones—because ITV has confirmed that there will be a leaders debate. I am looking around at a number of the other party leaders in the Chamber. Does the Leader of the Opposition intend to take part in the debate? I suspect that he will probably will take part in a television debate as, no doubt, will the leaders of the Liberal Democrats and the Green party. It is unsustainable in the multimedia age of the 21st century to go to the country but not debate with the leaders of the other parties. The notion that the UK Prime Minister might be empty-chaired because she was not prepared to stand up for her arguments is just not sustainable.

Mr Nigel Evans rose—

Angus Robertson: Perhaps she would wish that the hon. Member for Ribble Valley might take her place.

Mr Evans: As I said in the House yesterday, I hope that the Prime Minister will go head to head with the leaders of other parties, and the reason is quite simple: she would floor them all.

Angus Robertson: I do not think that the Prime Minister would manage that with Nicola Sturgeon. However, I am surprised by, and welcome, what the hon. Gentleman has to say in encouragement to the Prime Minister. I think that the public deserve a debate—indeed, more than one debate—during the election campaign, and I think that the Prime Minister should have more confidence in herself. She should be prepared to address the country, and to debate the ideas presented by all the different political parties in the United Kingdom. We in Scotland, of course, have already learnt that the Prime Minister is prepared to ignore the mandate and wishes of the Scottish electorate, the Scottish Parliament and the Scottish Government, so why would anyone in Scotland vote for such a dismissive and disrespectful party and Prime Minister?
Angus Robertson: I need to make some progress as time is limited. I will try to take some interventions later.

The Prime Minister promised that she would establish a unified approach with all the devolved Governments—an agreement—before triggering Brexit. She did not: she broke her word. As we have learnt in recent weeks in connection with the appalling rape clause, the one thing that the Scottish Tories do not like talking about is Tory policy, but this election will highlight the dangers posed to Scotland by unfettered Tory Westminster Governments. We live in one of the most unequal countries in the developed world, but the Tories want to make it even more unfair. Experts say that their policies will cause the largest increase in inequality since the days of Margaret Thatcher.

Caroline Lucas (Brighton, Pavilion) (Green): Will the right hon. Gentleman give way?

Angus Robertson: I am happy to give way to the leader of the Greens.

Caroline Lucas: Does the right hon. Gentleman agree that if this election is, as the Prime Minister says, about a more secure future for the country—if it is an election of such national significance—there should be, as a matter of urgency, a change in the law to give Britain’s 1.5 million 16 and 17-year-olds a say in what will be very much their future on 8 June?

Angus Robertson: As one who made a maiden speech about enfranchising 16 and 17-year-olds, I totally agree with the hon. Lady. It is, again, unsustainable that young people should be given the vote in some elections and referendums, but denied it in others.

Mr Vara: As the right hon. Gentleman will know, the Supreme Court made it abundantly clear—the judges decided unanimously—that issues concerning Brexit negotiations should be determined by this House, which represents the whole United Kingdom, and were not to be decided by any of the devolved institutions. Which bit of that does the right hon. Gentleman have a problem understanding?

Angus Robertson: What I have difficulty understanding is the commitment that the Prime Minister gave when she went to Edinburgh. On the front page of the house journal of the Conservative party, *The Daily Telegraph*, it was stated in terms that the Prime Minister wanted to seek a UK-wide approach and an agreement with the devolved Governments. The hon. Gentleman may wish to rewrite history, but the Prime Minister gave a commitment to reach an agreement, and she did not reach an agreement.

The Fixed-term Parliaments Act 2011 was supposed to stop political parties abusing their position and putting party before country. Today the Tories are going to do just that, and, sadly, the Labour party is going to vote with the Tories and make life easy for them. We on these Benches will not vote with the Tories but, given the reality—the Labour party will be voting with the Tories—there will be a general election, and boy, we look forward to that contest—[Interruption.]

Mr Speaker: Order. Mr David Morris, you normally have a very emollient manner. You are a very restrained individual, bordering on the cerebral, but you have become rather over-excited. Calm yourself. Take some sort of soothing medicament; it will have a beneficial impact upon you.

Angus Robertson: In Scotland, the general election will be a two-horse race—a straight fight between the SNP and the Tories. Do I think that mainstream Scots, regardless of whether they voted remain or leave, will vote for a hard Tory Brexit? No, I do not. Do I think that most mainstream Scots will vote for more austerity and cuts in public services? No, I do not. Do I think that most Scots will vote for a party that is actively undermining the mandate already given by the voters in a Scottish general election for people in Scotland to determine their future? No, I do not. We on these Benches will work hard for every vote in every seat in Scotland, and we look forward to defeating the Tories in this general election.

Mrs Anne Main (St Albans) (Con): I welcome the courage that the Prime Minister has shown in taking to the public this question: who do they expect to lead the country for the next five years? Having listened to the speech made by the right hon. Member for Moray (Angus Robertson), I can honestly assure them that it will not be him. I think that the public will have to think long and hard, because Brexit is happening.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): Will the hon. Lady give way?

Mrs Main: No. The debate is time-limited, and I want everyone to have a chance to speak.

This not about us in here; it is about delivering to the British public the future that they deserve. It is about delivering the best possible outcome for this country as we leave the European Union. I know that when the election takes place on 8 June, individual Members may well find themselves in difficulties with their constituencies because of whatever views they have expressed about leadership, but I am proud to be standing behind a Prime Minister who has made it brutally clear that this is about not making gains in this place, but delivering a Brexit that is for the good of the European Union, that is not just for—[Interruption.] Well, it is for the good of the European Union as well, because our future relationship with the European Union will be hugely important.

The question that will be posed in our constituencies is this: which of the party leaders who could be Prime Minister should be Prime Minister after the election? That is what we will be asking the country. Does the country believe that the right hon. Member for Islington North (Jeremy Corbyn) could lead it? I suspect that a large number of the right hon. Gentleman's Back-Benchers would agree with me that the right hon. Member for Islington North could not lead this country.
colleagues would say no, and that the businesses in my constituency would say no as well. Does the hon. Member for Westmorland and Lonsdale (Tim Farron)—his voting record and attendance in the House, along with those of his colleagues, is generally pretty low; two Liberal Democrats are present today, but none were here to vote on the Budget yesterday—really believe that he can lead the country? I suggest that the answer is no.

I suggest that the British public, when deciding who to vote for on 8 June, will look forward with confidence to a Prime Minister with an increased mandate to take us through the next five years, and I am delighted that she is giving the country this opportunity to examine our record. Since 2010, there has been a 73% drop in youth unemployment in St Albans—[Interruption.] I hear the Liberal Democrats again. I have to say that I hear nothing from the third-placed Liberal Democrat who stood as a candidate in my constituency to defend St Albans. It is surprising that the Liberal Democrats should be more interested in campaigning than in running the country.

Our party and our Government have taken a strong stance. As I said, youth unemployment in St Albans has fallen by two thirds since 2010, and there has also been a 76% increase in the number of young people taking up apprenticeships. That is the record that we will be putting to the public. Brexit is happening and we are going to make the best of it. Our Prime Minister should not have to suffer 100 unelected Liberal Democrats in the other place, and nine in this place who rarely turn up, trying to tug her tail.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): Will the hon. Lady give way?

Mrs Main: No. I am about to finish my speech.

We need to make the future secure for all our young people and all our families. The game-playing in this place does a disservice to the British public. They are probably fed up with having elections anyway, but let us get on with it and get a mandate for our Prime Minister—[Interruption.] May I say to the hon. Member for Birmingham, Yardley (Jess Phillips) that the public do not respect the fact that people yell from the Back Benches? She can speak up for her own leader, her own manifesto and her own party, and she can explain why she believes her leader, the right hon. Member for Islington North, is the right person to take the country through the next five years. I do not share her conviction, but she obviously has a lot of confidence in his capabilities.

I know that this Government, who have delivered so much already and have so much more to deliver, will have resonance with the British public when they look at what is on offer from the other parties, which are divided, wrangling, scaremongering and in Brexit denial. This Government will give us the best deal for all our businesses and all our constituencies.

1.40 pm

Tim Farron (Westmorland and Lonsdale) (LD): This is an appropriate time to be called. I noticed a tweet earlier from David Cameron, the former Prime Minister, whom I am sure we all remember fondly, welcoming the Prime Minister’s decision to call an early election. Given that in one sense the country is in this mess because in calling the referendum David Cameron put party before country, it is hardly surprising that the current Prime Minister should follow him and choose to put party before country once again.

Gareth Snell: Will the hon. Gentleman give way?

Tim Farron: Give me a moment.

From the moment the Prime Minister took office, she has ignored the closeness of the referendum vote and has pursued the hardest form of Brexit, driving division instead of cohesion. She has ignored the British people, British businesses, the British public sector and the national health service, and now, in another clear act of putting party before country, she has chosen an early election. We must not buy the nonsense that she needs a mandate to deliver Brexit; the Labour party has given her that mandate. She is acting upon the narrow majority of the 2016 referendum.

Tom Pursglove (Corby) (Con): Will the hon. Gentleman give way?

Tim Farron: Not for the moment.

Let us all be very honest and clear about this: the Prime Minister has chosen this election because she looked across the Dispatch Box and could not resist the temptation of doing the political equivalent of taking candy from a baby, and facing this Labour party in a general election. She expects a coronation, not a contest. That is why the Liberal Democrats relish the challenge of a general election.

Stewart Malcolm McDonald: Given what the hon. Gentleman says about a coronation, will he rule out a coalition with the Conservatives—yes or no?

Tim Farron: The great problem we face is that the Prime Minister is running on the expectation that there will be no need for any form of coalition with anybody. The Prime Minister has called this general election—

Stewart Malcolm McDonald: Tell us yes or no.

Tim Farron: In good time.

The Prime Minister has called this general election to take advantage of what she sees as a clear opportunity for a majority of 100 or more.

Stewart Malcolm McDonald: Yes or no?

Tim Farron: I have responded to the hon. Gentleman’s intervention. It is very clear that we are not talking about balanced Parliaments. The Prime Minister takes the view that calling this general election gives her an opportunity to have a 100-seat majority. She takes the view that this gives her an opportunity to drive through not just a hard Brexit, but her agenda to slim down the national health service, to slim down—[Interruption.]

Mr Speaker: Order. The atmosphere in the Chamber is rather disorderly. The hon. Member for Na h-Eileanan an Iar (Mr MacNeil) is undertaking an apprenticeship
to become a statesman, but he has several modules and some years to go. He must calm himself. He is listening to a statesman: Mr Farron.

**Tim Farron:** To answer the heckles from my friend of many years, the hon. Member for Glasgow South (Stewart Malcolm McDonald), the reality is that we are not looking at the prospect of a balanced Parliament.

**Stewart Malcolm McDonald:** Is the answer a yes or a no?

**Tim Farron:** I have given the hon. Gentleman his answer. The Prime Minister has clearly called this election on the understanding that she can reap swathes of the Labour numbers and give herself a majority that will allow her to deliver not just—

**Several hon. Members rose**—

**Tim Farron:** I will not give way for the time being.

The Prime Minister thinks this will allow her to deliver the hardest form of Brexit, shrink our national health service, undermine the support for our education and, indeed, take us out of the single market.

If people want to avoid a hard Brexit and keep Britain in the single market, and if they want a Britain that has a decent opposition, then only the Liberal Democrats will give them the final say. There is only one route to the Prime Minister losing this general election, and it is a Liberal Democrat route, and I am happy to explain why that might be the case.

**Several hon. Members rose**—

**Tim Farron:** I will not give way now as there is not much time.

Let me move on and explain why the only route through which the Prime Minister could lose her majority is a Liberal Democrat one. Unless my friends and colleagues here on the SNP Benches are about to launch an aggressive foreign policy, they can gain only one seat from the Conservative party, and nobody, not even the Labour party, believes that the Labour party will be gaining seats at this general election, so the only outcome that will not lead to a Conservative majority is the Liberal Democrats’ revival and growth in every part of this country.

The Government have already stated that they will not outline their negotiating stance any further than the damp rhetoric we have already heard. We say that that is not good enough. If they will not tell us what they are pursuing, they must instead entrust the people with their say on the final deal. The Prime Minister has already confirmed that she will not do any TV debates, preferring to cower behind the hard-right pages of the Brexit press than stand up and present her case to the British people.

**John Nicolson** (East Dunbartonshire) (SNP): I rise to help the hon. Gentleman. I think he may have misheard my hon. Friend the Member for Glasgow South (Stewart Malcolm McDonald), who asked him a straight question. We have a word in Scotland: feartie. I say to the hon. Gentleman, “Don’t be one. Give us a straight answer: will you rule out a coalition with the Tories, yes or no?”

**Tim Farron:** The outcome of this general election is uncertain, and in the days and weeks to come we will no doubt talk about what will happen—[Interruption.]

SNP Members are pushing me; they need to be a little patient, and their patience will be rewarded.

**Mr Nigel Evans rose**—

**Tim Farron:** And so, too, will that of the hon. Gentleman, my constituency near-neighbour.

**Mr Evans:** I do not think the hon. Gentleman gave a straight answer to that question, so let us try another question. His views will be examined over the next seven weeks. He was asked one question to which he refused to give an answer, so will he do so today: does he think being gay is a sin?

**Tim Farron:** I do not, and I tell the hon. Gentleman this: I am very proud to have gone through the Aye Lobby in the coalition Government when the Liberal Democrats introduced gay marriage and equal marriage, and, indeed, did not go as far as they should have in recognising transgender rights. There is much more to be done, and if we campaign in this election, as we will, for an open, tolerant, united society, we will need to make sure we are not in any way complacent about lesbian, gay, bisexual and transgender rights, and not just here, but in other parts of the world, particularly given what is going on in Chechnya at the moment.

**Tom Pursglove:** Will the hon. Gentleman give way?

**Tim Farron:** I will not, as other Members wish to speak. I am flattered that so many Members wish to know my views. I will put myself up for a leaders debate with the right hon. Member for Moray (Angus Robertson), the Leader of the Opposition and others, even if the Prime Minister does not do so, and people will have more of a chance to scrutinise me then.

Last June’s referendum was a vote to start the process and it gave a mandate to the Prime Minister to negotiate Brexit, but it did not give her a mandate to enact any old deal at the end of the process.

**Gareth Snell:** Will the hon. Gentleman give way?

**Tim Farron:** I will not.

What the Prime Minister is asking for now is a blank cheque to allow for the British people to have to put up with whatever stitch-up she and the Brussels bureaucrats put together over the next two years. That is not democracy. An election taking place on 8 June will not decide the outcome; it will be about imposing upon the British people a deal that nobody voted for.

So, yes, the Liberal Democrats welcome this opportunity to show the British people that there is another way, and that the values of tolerance, openness and fairness can help build vibrant and successful communities and opportunities across the whole of the United Kingdom and beyond. The Government have made it clear that this is not the Britain they believe in: they have chosen isolation over co-operation, and meanness over fairness. I believe in a better Britain, and that is why we will support this motion.
Several hon. Members rose—

Mr Speaker: Order. On account of the level of interest, and given that there are only about 37 minutes to go, I am going to impose a three-minute limit on Back-Bench speeches with immediate effect.

1.49 pm

Mr Peter Bone (Wellingborough) (Con): I hope that I can take up less time than that, Mr Speaker.

It is a great honour to follow the hon. Member for Westmorland and Lonsdale (Tim Farron), who speaks for the Liberal Democrats. I had hoped to hear him rule out coming into a coalition with us, because I can tell him that there is no chance that those on the Conservative Benches would want him in our coalition or in any Government.

Party politics are in full swing today, but really this is a good day for Parliament. This is another slight step towards parliamentary democracy and away from diktat by the Executive. The Prime Minister has not called a general election; it is this House that will decide whether there will be a general election. I do not think for one moment that this election has been called for party political reasons. Previous Governments have decided to go early to the country; they were able to choose to go to the country for reasons of political advantage. This gave great power to the Executive. However, a strange set of circumstances has come about. We have had a change of Prime Minister and a change of all the senior Ministers. We have moved from having a Government who were anti-Brexit to one who are pro-Brexit.

That is why I will cast my vote today in support of the Government motion. It is up to each Member to make their own decision. I believe that this proves that the Fixed-term Parliaments Act 2011 is working—[Interruption.] If Members disagree, they can vote against the motion.

Mr MacNeil: The hon. Gentleman says that Parliament will decide on this question, but the Prime Minister went on television yesterday and staked his reputation across the world by declaring that there would be a general election. If she does not get the support of 422 MPs and a two-thirds majority today, would such a public humiliation mean that she had to resign?

Mr Bone: This illustrates the advantage of the Fixed-term Parliaments Act. If the House does not agree to a general election, it will not happen and the Government will continue in office. Any Opposition Members who did not want a general election would be very strange creatures indeed. Any Opposition Members who sat on their hands and did not vote would be regarded as impotent Members of Parliament. I hope that the hon. Gentleman will make his mind up and cast his vote one way or the other.

Mr Jacob Rees-Mogg (North East Somerset) (Con): But does this not demonstrate why the Fixed-term Parliaments Act can never work? No Opposition can sensibly say that they would prefer a Government they oppose to continue in office, rather than having a chance to defeat them. The Act does not therefore fit within our constitution, and it ought to go.

Mr Bone: I rarely disagree with my hon. Friend, but I believe that these events are proof that the Act is working. I believe that we will have the required majority. I understand, Mr Speaker, that if no one objects when the vote is called, and if you decide the matter according to the voices, the motion will be carried without a two-thirds majority being required. That is a strange anomaly, and I hope that someone will shout “No” so that we get a vote. I will not be doing that today, however, because our vote has to follow our voice and I would never dream of doing anything other than that. Despite the party politics, this is a great day for Parliament and a small step forward for parliamentary democracy.

1.53 pm

Mr Nigel Dodds (Belfast North) (DUP): I want to address three issues in the short time available to me. First, this election is happening in the midst of political discussions in Northern Ireland about the formation of an Executive. That is unfortunate. I want to make it clear that, as far as our party is concerned, we are responding positively to the Secretary of State’s request for discussions to continue in Northern Ireland. We have made it clear—along with the Social Democratic and Labour party and the Ulster Unionists—that we are ready to form an Executive. We do not believe in setting red lines or preconditions about important matters such as health and education funding and the future of public services in our Province. Those things are far more important than some of the issues that are now said to divide us, so we are ready to get the Executive up and running today, next week or whenever. We do not need prolonged negotiations.

Secondly, on Brexit, Northern Ireland’s position is different from that of the rest of the United Kingdom. That has been made clear in the Government’s paper, which recognises our special circumstances. It is absolutely imperative that Northern Ireland’s voice is heard very strongly. That is why it is such a tragedy that Sinn Féin has walked away from the Executive, collapsed the Assembly and forced us into an unnecessary Assembly election, while boycotting this place and demanding special status, which has been rejected by the Irish Republic, the European Union and even the European Parliament when it set out its negotiating position. Nobody accepts the need for special status, although we agree with the need for special arrangements that recognise Northern Ireland’s special circumstances. It is essential that, in the forthcoming general election, the people of Northern Ireland recognise that they have a clear choice between a party that has walked away and abandoned its responsibilities on a number of fronts and a party that will enter Government in Northern Ireland, that takes its seats here and that contributes and raises its voice to stand up for Northern Ireland.

Finally, this election will provide clarity on the big issue of how this country is to go forward. It will provide clarity on the Union that really matters: the Union of the United Kingdom of Great Britain and Northern Ireland. Again, the people of Northern Ireland will have a clear choice on that issue. They will have a clear choice on whether to rally round and state firmly that they want Northern Ireland to remain part of the United Kingdom or to go down the route presented by Sinn Féin, whose Marxist-Leninist concept of a republic has been rejected even by most of those who accept its...
nationalism. They reject the party’s economic outlook. The only way to support the Union is to rally behind the Democratic Unionist party on 8 June.

1.56 pm

Hywel Williams (Arfon) (PC): The Prime Minister presents herself, to adapt a phrase from Mr Tony Blair, as a pretty straight sort of a person. She is a former Home Secretary—I am glad to see that the present Home Secretary is in the Chamber today—and she well knows the value of evidence as it is proved. She was initially in favour of leaving the European Union, which was an honest and honourable stance, even if it is one with which I disagree. Then she was in favour of remaining in the EU, although she was something of a shrinking violet in her support for that argument. Now she is again resolute in her determination to leave.

The Prime Minister was also utterly opposed to holding an early general election, saying that it would be a distraction, turning us in on domestic matters when she had important and time-limited international negotiations to conclude. And now, hey-ho, she is equally determined that a general election we must have. She was against the European Union, then for the European Union, then against it again. She was against holding a general election and is now determined to have one. Her record is about as straight as the legendary European general election and is now determined to have one. Her record is about as straight as the legendary European Union banana.

Rob Marris (Wolverhampton South West) (Lab): The Prime Minister has said repeatedly today that she wants an early election in order to produce a larger Tory majority. Does the hon. Gentleman agree that she is treating the electorate of the United Kingdom with contempt by assuming that the election will result in a larger Tory majority, and that she is thereby admitting that she has no plan at all for this country if she does not get that result?

Hywel Williams: I have no crystal ball. Unfortunately, however, I can see the disarray in the Labour party, but who knows what the outcome will be?

I am suspicious of the Prime Minister’s motives and her reasoning. She says that the general election will enhance her status among the other 27 EU member states, for example, but I cannot see how that can be the case. Her motives are in fact pretty clear and straightforward. This is not only about the destruction of the Labour party as a credible Opposition for the next decade or so—I am afraid that Labour is doing a pretty effective demolition job on itself without her help—or about raising a challenge to my friends from Scotland, although in this I think her case is already lost. No, this election is about seeing off not her opponents on our side of the House but her enemies behind her. As ever with the Tories, desperate disunity is being papered over while it suits.

Plaid Cymru welcomes the opportunity that this election presents to the people of Wales to change our long-term course away from Labour’s leaden Government in Cardiff and away from this hyper-centralised and leaderless Government in London, cutting our own path to economic regeneration and prosperity, social justice, and a proper, confident place for Wales in the world.

2 pm

Mr David Winnick (Walsall North) (Lab): If the Prime Minister had said when she took office that her Government wanted a general election, there would have been less controversy than there is now, but there has been denial at every opportunity. The Prime Minister or those who speak for her denied that there would be a general election. “When is the general election?” they were asked, and the answer, which was quite clear, was “2020.” There is no great public demand for a general election. How many Members have received letters and emails in the last few days or weeks clamouring for a general election? Hands up! No, it is clear from Members on the Tory Benches that there has been no such demand.

Steve Double (St Austell and Newquay) (Con): Will the hon. Gentleman give way?

Mr Winnick: I will not, due to the lack of time. The reason given by the Prime Minister for the general election—Brexit—is a feeble, flimsy excuse that is taking in no one.

My hon. Friend the Member for Wolverhampton South West (Rob Marris) said that the Government should not be complacent about getting a large majority. Indeed, hopefully they will not get a large majority. When we consider the harm done to people in need—the disabled, the vulnerable, the low-paid—by this Government with a small majority, just imagine what will happen if there is a large Tory majority. It would be an absolute nightmare for the people we represent and for the millions of people in this country who need the Government to protect them, not harm them, but that protection will not come from a Tory Government with a small or large majority. I was here during the Tory Government of the 1980s and saw the harm that was done to my constituents and so many others.

The motion before us is murky, completely opportunistic, and certainly reflects badly on the Prime Minister. Many people are cynical about politics in this country, and that trend has unfortunately increased, for which perhaps all of us in the political class are responsible. The motion and the coming general election, which is happening purely for opportunistic reasons, will increase that cynical feeling, which is damaging to the democratic process.

2.3 pm

Mr Roger Godsiff (Birmingham, Hall Green) (Lab): I, too, will be voting against the motion today, because it is totally unnecessary. I say that as somebody who voted leave on 23 June last year and who has had a grudging respect for how the Prime Minister has conducted herself since she took over. However, her justification for holding a general election is quite frankly disingenuous. To suggest that she needs a mandate to negotiate Brexit is ridiculous. She was given that mandate on 24 June by a majority of the British people, and it is now up to her to carry it out. If she wants to have another election or referendum at the end of the process, so be it, but as my hon. Friend the Member for Walsall North (Mr Winnick) said, to justify it now is purely opportunistic.

Furthermore, the Prime Minister says that she needs a larger majority because the business of the House is likely to be disrupted by Opposition parties or by the
House of Lords. She ought to look back to what happened when the Wilson Government were in power between 1964 and 1966. He had a majority of four. The Callaghan Government governed for five years in the 1970s without any majority. If she fears what could happen in the House of Lords, she should do exactly what Tories have done in the past and flood the place with her own people to ensure that she gets her way. There is no justification for her argument that she needs a larger majority in order to get business through the House.

To take the arrogant view that the electorate should concentrate purely and simply on one narrow issue is to treat the electorate with contempt. I can speak only for my constituents, but when they consider the issues, they will be asking questions. Why is every school in my constituency losing out under the new funding formula? Why is the city council having to make horrendous cuts? The Government have cut the support grant. Why are waiting times at local hospitals increasing? There are just not enough staff.

Jess Phillips (Birmingham, Yardley) (Lab): In my hon. Friend’s questions about why things are happening in his constituency, will he ask Ministers why my children’s school, which is in his constituency, now has classes of 32 children? I do not remember that happening under a Labour Government. Does he agree?

Mr Godsiff: My hon. Friend is absolutely right. Under the Labour Government, we had the Building Schools for the Future programme and Sure Start centres. Under this Government, that programme was stopped and Sure Start centres are being closed left, right and centre.

My constituents will ask other questions. Why is that more and more hard-working families are being forced into the humiliation of having to use food banks? They just do not have enough money at the end of the week to feed and clothe their families. Why are energy consumers paying ever-increasing prices? Utility firms are ripping them off in the sacred name of competition. Why are young people, married and unmarried, unable to acquire proper housing, often having to stay with in-laws and parents? Those views will be echoed throughout the country. There is no justification for this election, and I will certainly oppose it.

2.7 pm

Jim Dowd (Lewisham West and Penge) (Lab): I support the motion because, as a Government Member said earlier, it seems rather bizarre that the Opposition should say, “We want to keep a Tory Government in power.” That just makes no sense. We have to put our case to the British people and see what happens. We have arrived today at a point that I always thought was inevitable. This was bound to happen. I never bought all that guff about “no election”. There is a political dynamic at work here that has made this decision almost inevitable.

Mr MacNeil: Given that the hon. Gentleman is going to support the Government motion, is he confident that a Tory Government will not return after the election with two more years in power? What does he think will happen? What is the follow-through on his actions?

Jim Dowd: The follow-through is to do whatever we can to get rid of a Tory Government as soon as we can. That is always the case. It might not work, but that is up to the British people in an election. It is their choice.

In saying why I think this position is inevitable, I want to pay a minor tribute to Mr David Cameron—late of this parish. When the history of this country in the early part of the 21st century comes to be written, he will have probably one of the most prominent roles in it, and it will not be a particularly glorious tribute. Decisions that he took will, over time, damage this country immensely.

I remember serving on the Public Bill Committee on the original European Union (Referendum) Bill, which was known at the time as the “Wharton Bill” after the hon. Member for Stockton South (James Wharton), who picked it up from No. 10. I remember sitting in the Committee one evening and the then Prime Minister David Cameron actually came into, I think, Committee Room 7 or 8 and sat in the Public Gallery simply to pay obeisance to the hard right wingers of the Tory party who were on that Bill Committee. I have never seen or heard of a Prime Minister faced with such ignominy as having to pay obeisance to those to whom he is in thrall. Of course, he gave them the guarantee of an in/out referendum. He did not say, “I am going to renegotiate the terms of our EU membership and then put it to you.” He said, “I am going to renegotiate the terms and then have an in/out referendum,” and this is the consequence.

Mr Cameron will go down as one of the most damaging Prime Ministers, but prominent none the less. He has not just jeopardised the whole future of the United Kingdom as a trading nation and in our relationship with the European Union; he has jeopardised the future of Scotland as part of the United Kingdom, and people have all kinds of views on that. It was he who granted the referendum that set in train the dynamic that has, frankly, destroyed the Labour party in Scotland and given the Scottish National party the prominent role it enjoys today. He also jeopardised our relationship with the Republic of Ireland and, as the right hon. Member for Belfast North (Mr Dodds) mentioned, put at risk the very stability of Northern Ireland as part of the United Kingdom.

All those things add up, and the damage done will be with us for decades. The people who pay the greatest price, as others have mentioned, will be the young—the next generation, and those who come after. It will permanently damage this country. I will vote for the general election, but it will not change anything. The landscape will essentially remain much the same after the election, and it all follows from the calamitous decision of last June to leave the European Union. I understand the party political reasons for calling the election, and there is a certain amount of sanctimony and hypocrisy here today. Politics is neither science nor art, and it is certainly not religion. People do things for their own political advantage, and every Prime Minister has always done so.

2.11 pm

Steve Double (St Austell and Newquay) (Con): I did not intend to speak in this debate, but the hon. Member for Walsall North (Mr Winnick) would not let me intervene to respond to the question he posed. I have, in
fact, received emails from constituents over the past few weeks asking me to encourage the Prime Minister to call a general election and go to the country once again. The hon. Gentleman seemed to imply that nobody in the country was asking for a general election, but some of my constituents were.

When the Prime Minister made her announcement yesterday, I was initially in shock because, like my right hon. Friend the Member for New Forest West (Sir Desmond Swayne), I was boldly telling people that there was no chance of a general election. I was not quite so bold as to put it in the local paper, but I told people both verbally and in emails that I did not believe it would happen. Having listened to the Prime Minister’s reasons yesterday, I am happy to say that I have come to a position where I believe it is right for the country that we obtain a new mandate to go into the negotiations to leave the EU and put the Prime Minister, and the others who will be negotiating our terms, in the strongest possible position.

I am happy to stand on the Government’s record of delivering for this country. The election is not just about the Brexit negotiations; it is about a Government who have delivered growth, one of the world’s best performing economies, record numbers of jobs and great investment in our NHS. I am proud to go to the country and say, “Let us continue with the job we are doing to deliver what our country needs and to continue putting us in the strongest possible position.”

Finally, we take nothing for granted, but if the Conservative party is returned to government with a substantially increased majority, will the leader of the Liberal Democrats accept that it is the will of the British people to return the Conservative party with a clear mandate to press on and take us out of the European Union on the grounds that the Prime Minister has set out? Will he then drop his opposition and game playing to thwart the democratic will of the British people?

2.14 pm

Mark Durkan (Foyle) (SDLP): As someone who believes that the Prime Minister has presented the case for this election on an entirely false premise, I, too, will be voting against the motion. I was not asking for an election last week or the week before; I was arguing that any move to an election in the near future would not help the negotiations in Northern Ireland. My mind has not changed, so why should I pretend that it has?

I will not be gamed or goaded into voting differently by the Prime Minister’s actions and stances. She has accused others in this Parliament of playing games. In essence, her argument is that she has no confidence in Parliament. We have this bizarre situation in which, after having a referendum about taking back control and parliamentary sovereignty, the Prime Minister has pronounced that she has no confidence in Parliament. She does not trust the Opposition parties, on which she confers all sorts of exaggerated powers to block and correct. Then, of course, she has her complaints about the House of Lords, if Tory Members are concerned about the House of Lords, they should move to abolish it or to introduce competent, coherent and democratic reform, but they should stop using it as a prop in this argument.

This is also a false premise because the Prime Minister is pretending that she needs an election now so that she has a strong hand in the short term, but we know that what she is really after is a free hand in the longer term. She wants wriggle room on the periods of adjustment, the transitional arrangements and other things on which too many of her colleagues have been too strident.

Mr Dennis Skinner (Bolsover) (Lab): Does my hon. Friend appreciate that the nearest parallel to what is happening now in this campaign for an election—

Mr Speaker: Order. I am interested in hearing the hon. Gentleman, but I would like him to face the House.

Mr Skinner: You were busy talking.

Mr Speaker: I was being spoken to by an illustrious member of the Opposition Whips Office, no less, so I would put it rather differently.

Mr Skinner: The nearest parallel is the election of 1974, when the miners were on strike and Ted Heath, the then Prime Minister, decided that the election would be on a very narrow argument about who ran the country. Most general elections are about a lot of things, but that one was about a specific thing. What happened in effect was that the Labour party finished up with the largest number of seats and the Queen asked Ted Heath to try to form a coalition with the Liberals, and the Liberals ran away.

Mark Durkan: I appreciate the hon. Gentleman’s intervention. While we are making comparisons with the election of 1974, an unforeseen casualty of that election was the Sunningdale agreement. The power-sharing Executive formed in Northern Ireland out of the 1973 Assembly ended up falling as a consequence of the 1974 general election because of what was seen to be the balance of forces.

Of course, this general election has been called without regard to the sensitive ongoing negotiations in Northern Ireland, and it is hard to see how it will not have an impact on those negotiations. First, it will probably colour the parties’ attitude to some of the issues we are dealing with, and it will certainly colour their attitude towards each other and their level of trust. Also, the British Government will not be in a position to give undertakings or commitments in the context of those negotiations as purdah kicks in, so how will we get any sort of comprehensive agreement in such circumstances?

As someone who worked with might and main for the Good Friday agreement and its implementation, I do not take those issues lightly. I cannot dismiss them. I want to make sure that we fully protect the agreement, which is why I am no saboteur when it comes to anything endorsed by a referendum, least of all what the Irish people endorsed by referendum when they voted for the Good Friday agreement.

I worry about the implications of Brexit for the Good Friday agreement, and I worry that the Government are in denial about the Brexit process having implications for the agreement. Of course, I also recognise that the agreement gives us the machinery to answer many of the questions and challenges for the whole island of Ireland in terms of Brexit. Strand 2 gives us the material
to ensure that, in future, we can operate on a north-south basis in ways that continue to be supported and funded by the EU. We can treat the island as a common market—a single market—in sector after sector under the auspices of the Good Friday agreement.

We go forward in this election positively, but we have no pretence that the election is necessary or that the Prime Minister is justified in the terms she has used. Nor do we buy the sham fight that the right hon. Member for Belfast North (Mr Dodds) is having yet again with Sinn Féin.

2.19 pm

Tommy Sheppard (Edinburgh East) (SNP): I believe this is the sort of thing that gets politics a bad name in our country and it is what is leading to the alienation of many of our citizens from the political process. There is only one reason the Prime Minister wants a general election on 8 June: she figures she has a better chance of winning it now than she does in the future. It is therefore the most blatant abuse of the democratic procedure for party political advantage, and as this campaign goes on it will be seen as that.

This election has nothing to do with the country’s interests and everything to do with the management of the Conservative party, and I give two clear reasons why that is the case. The Prime Minister has suggested that she needs to have a majority, but she has not won any vote on Brexit over the past year with a majority of fewer than 30, so the majority is already there. She also says that this election will give clarity to the Brexit process, but we on these Benches have been trying for 10 long months to get clarity on the Brexit process, and every question we have asked has been met with silence and with a refusal to say what Brexit does indeed mean. I do not believe for one minute that the Tory party and with a refusal to say what Brexit does indeed mean.

Joanna Cherry (Edinburgh South West) (SNP): The media are reporting that up to 30 sitting Tory MPs face being prosecuted for electoral fraud and that the Crown Prosecution Service will announce very soon whether it is being prosecuted for electoral fraud and that the Crown Prosecution Service will announce very soon whether.

Tommy Sheppard: Yes, I do; I think that is remarkably suspicious. But my concern is that the Prime Minister wants to silence dissent and disagreement in this House and in this country. Therefore, her instincts are not democratic, but authoritarian, and that is a great worry for our country.

May I just turn to the situation in Scotland? There are two reasons why the people of Scotland should be given another choice on their self-government. The first is not because the people who lost the referendum in 2014 do not respect the result, but because the people who won that referendum changed the deal afterwards: the United Kingdom that people voted to be part of in 2014 will no longer be there in the future. The second is that although the Scottish Government took a compromise position, which neither challenged the Brexit deal nor argued for independence, it was thrown back in our faces. So there is no option now but to offer people in Scotland the opportunity of the choice between a hard, Tory, isolationist Britain or taking control into their own hands. This election is not required as a mandate to have that second referendum, because the Scottish Government already have that mandate, but this will be a judgment, Prime Minister, on your refusal to agree to the wishes of the Scottish Parliament. I would like to ask this in finishing: if the Conservative party loses the general election in Scotland, will you stop blocking the right of the Scottish people to have the choice in the future?

2.23 pm

Danny Kinahan (South Antrim) (UUP): I am pleased to be able to speak in this debate, Mr Speaker. As we all know, Northern Ireland is in a brittle state at the moment. We have no Executive and no Government, and I wonder whether the Prime Minister fully considered what may happen to us. Before the recess, I was given an excellent answer as to our position in the Union, and I was very grateful for it, but I want to get three points across now.

Although the first is not about this election, because we fully support today’s motion, I must say that the public in Northern Ireland are fed up to the back teeth with elections. They have had so many and they see no point in another Assembly election. Secondly, people who watched what was going on at Easter may have seen paramilitaries—I believe this was in west Belfast and somewhere else—marching and carrying the European Union flag as if it were their banner. Brexit for us is a very different and brittle world. Ulster Unionists fully support the need to find the right way forward, but this is going to be used by Sinn Féin to try to break up the Union and we need that support. So I ask that in their manifesto the Government look not only at how they deal with Northern Ireland’s special status, but at how they ensure we have a workable Government in the future. We need change, which is what the Ulster Unionists have been all about; we need to get back to the central parties running Northern Ireland.

My last point is about making sure that that manifesto looks after our armed forces and our ex-servicemen. Legacy is playing its way out and it is not protecting the people who should be protected for doing their duty. We will support today’s motion.

Alan Brown (Kilmarnock and Loudoun) (SNP) rose—

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP) rose—

Mr Speaker: Two colleagues wish to speak. They can help each other.

2.25 pm

Alan Brown (Kilmarnock and Loudoun) (SNP): As several hon. Members have pointed out, the Prime Minister heads up a party with a majority gained partly by it cheating in the last general election, and it has been fined by the Electoral Commission as a result. Yet today she had the brass neck to stand there and give a speech all about leadership, so I want to know, what leadership
is the Prime Minister showing on this issue? She refused to answer the questions from the hon. Member for Boulsover (Mr Skinner) and from my hon. Friend the Member for Glasgow South (Stewart Malcolm McDonald) about election cheating and some of her current MPs participating again in this forthcoming general election. What leadership intervention has she made within her party to make sure that this spending cheating does not happen again?

**Mrs Main:** On a point of order, Mr Speaker.

**Mr Speaker:** If the hon. Lady has made her point with order, but the hon. Lady has made her point with force and alacrity, and it is on the record. Had the hon. Member for Kilmarnock and Loudoun (Alan Brown) concluded his oration?

**Alan Brown:** I have a bit more—about further non-leadership interventions by the Prime Minister. She consistently said that there would be no general election, but she has now done a massive U-turn. She could not answer why she has changed her mind on the single market. We have heard no evidence as to what this hard Tory Brexit is going to mean and what it would mean compared with Scotland staying in the single market. She has consistently ignored the Scottish Government and the Scottish Parliament, so I ask her to show some real leadership now.

2.26 pm

**Mr Angus Brendan MacNeil** (Na h-Eileanan an Iar) (SNP): The right hon. Member for New Forest West (Sir Desmond Swaine) goaded Labour Members over not being turkeys voting for Christmas, but they will be more than turkeys voting for Christmas if they follow the Prime Minister and dance to her tune—they will be turkeys ready to jump into the baking tin. That is exactly what they are doing. The Prime Minister needs 433 MPs to support her today. She has gone on television and told the world that there will be a general election. If Parliament does not back her—if Labour MPs do not dance to her tune—and she does not get the 433, will she resign? The answer on that could change the views of Labour Members as to whether to dance to her tune.

2.27 pm

*One and a half hours having elapsed since the commencement of proceedings on the motion, the Speaker put the Question (Standing Order No. 16(1)).*


**Division No. 196**

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Question accordingly agreed to.

Resolved,
That there shall be an early parliamentary general election.

TECHNICAL AND FURTHER EDUCATION BILL (PROGRAMME) (NO. 2)

Motion made, and Question put forthwith (Standing Order No. 83A(7)).
That the following provisions shall apply to the Technical and Further Education Bill for the purpose of supplementing the Order of 14 November 2016 (Technical and Further Education Bill (Programme)):

Consideration of Lords Amendments

(1) Proceedings on consideration of Lords Amendments shall (so far as not previously concluded) be brought to a conclusion two hours after their commencement at today's sitting.

(2) The proceedings shall be taken in the following Order:
Lords Amendments Nos. 1, 6, 2 to 5 and 7 to 18.

Subsequent stages

(3) Any further Message from the Lords may be considered forthwith without any Question being put.

(4) The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement.—(Mark Spencer.)

Question agreed to.
Technical and Further Education Bill

Consideration of Lords amendments

Mr Speaker: I must draw the House’s attention to the fact that financial privilege is engaged by Lords amendment 1. I also remind the House that certain of the motions relating to the Lords amendments will be certified as relating exclusively to England or to England and Wales, as set out on the selection paper. If the House divides on any certified motion, a double majority will be required for the motion to be passed.

After Clause 1

Financial Support for Students Undertaking Apprenticeships

2.47 pm

The Minister for Apprenticeships and Skills (Robert Halfon): I beg to move, That this House disagrees with Lords amendment 1.

Mr Speaker: With this it will be convenient to discuss the following:
Lords amendment 6, Government motion to disagree, and Government amendment (a) in lieu.
Lords amendments 2 to 5 and 7 to 18.

Robert Halfon: This Bill was introduced to transform the prestige and culture of technical education, providing young people with the skills that they, and our country, need. It provides necessary protection for students should colleges get into financial difficulty, and ensures that the most disadvantaged are able to climb the ladder of opportunity. It left this House after thoughtful scrutiny and, after similar diligence in the other place, I am delighted that it returns for consideration here today.

I ask hon. Members to support the Government on all amendments made to the Bill in the other place except amendments 1 and 6, where we have tabled an amendment in lieu. Amendment 1 impinges on the financial privilege of this House. I urge the House to disagree to that amendment and will ask the Reasons Committee to ascribe financial privilege as the reason.

The amendment, costing more than £200 million per year by financial year 2020-21, would mean that the parents of apprentices aged under 20 would continue to be eligible for child benefit for those young people as if they were in approved education and training. It is an issue in which I have a great interest. Apprenticeships provide a ladder of opportunity, and we should seek to remove obstacles to social mobility wherever we can.

A young person’s first full-time job is a big change for them and for their family, and it marks a move into financial independence that should be celebrated. I know that the adjustment can be challenging for the young person learning how to manage a starting wage and new outgoings and for parents who may experience a fall in income from the benefits they previously received for that dependent child. One of the core principles of an apprenticeship is that it is a job, and it is treated accordingly in the benefit system. It is a job that offers high-quality training and that widens opportunities. Moreover, more than 90% of apprentices continue into another job on completion. Most apprentices are paid above the minimum wage. The 2016 apprenticeship pay survey showed that the average wage for all level 2 and 3 apprentices was £6.70.

Kelvin Hopkins (Luton North) (Lab): Although what the Minister is saying is correct, in that those apprentices will be paid, taking child benefit away from low-income families will be a disincentive for them to take up apprenticeships. Those families will be pressed to stay in education so that they can continue to get child benefit. Is that not the case?

Robert Halfon: The crucial point is that the vast majority of level 2 and 3 apprentices are paid more than £6.30 an hour, and 90% of them go on to jobs or additional education afterwards.

The apprenticeship programme already supports low-income groups. The funding system gives targeted support to the participation of care leavers, and this year we are making £60 million available to training providers to support take-up by individuals from disadvantaged areas. We are committed to ensuring that high-quality apprenticeships are as accessible as possible to people from all backgrounds. We will take forward the Maynard recommendations for people with learning difficulties and our participation target for black and minority ethnic groups.

With regard to the amendment’s suggestion of a bursary for care leavers, I understand that some young people have greater challenges to overcome. That is why we are providing £1,000 to employers and training providers when they take on care leavers who are under 25. We will also pay 100% of the cost of training for small employers who employ care leavers. There is scope for apprenticeships to benefit social mobility even more. We are working across Government to use the apprenticeship programme to extend opportunities.

I am grateful to Lord Storey for tabling Lords amendment 6, which introduces a new clause into the Bill to require Ofsted to take into account the quality of the careers offer when conducting standard inspections of further education colleges. I welcome the work that Ofsted has already done to sharpen its approach. Matters relating to careers provision feature in all the graded judgments made by Ofsted when inspecting FE and skills providers. Destination data—published in 16 to 18 performance tables for the first time this year—are also becoming an established part of college accountability. Those are important steps.

I pay tribute to the good work that is already being done throughout the FE sector to prepare students for the workplace. Ofsted’s annual report for 2015-16 cites the excellent work of Derby College, which has set up employer academies so that learners benefit throughout their course from a range of activities, including workplace visits, talks from specialist speakers, masterclasses and enterprise activities. However, Ofsted noted in the same report that the quality of information, advice and guidance in FE providers can vary and does not always meet the full range of students’ needs. That is why I want us to take this opportunity to go further.

Lords amendment 6 signals our determination to ensure that every FE student has access to good-quality, dedicated careers advice, which I know this House supports. That is vital if we are to tackle the skills gap
and ensure that we make opportunities accessible to everyone. We have proposed some drafting changes to the amendment to ensure that it achieves its intended effect. The amendment makes it clear that in its inspection report Ofsted must comment on the quality of a college’s careers provision. I urge hon. Members to accept the amendment. FE colleges are engines of social mobility, and this is our chance to ensure that students from all backgrounds can access the support they need to get on the ladder of opportunity and to benefit from the best skills education and training.

I will now turn to the amendments that the Government are asking the House to accept without any further amendment. The Government support Lords amendment 2, which requires schools to give education and training providers the opportunity to talk directly to pupils about the approved technical education qualifications and apprenticeships they offer. I would like to place on the record my significant gratitude to Lord Baker of Dorking for tabling the amendment, and for his unstinting support for the Government’s technical education reforms. As I have explained, high-quality careers advice is the first rung on the ladder of opportunity and will play a key part in realising our ambition for high-quality skills education and training. The amendment will strengthen the Bill by ensuring that young people hear much more consistently about the merits of technical education routes and recognise them as worthy career paths. I urge the House to agree to it. I hope that never again when I go around the country will I meet an apprentice who was refused access to the school they were taught in to talk about apprenticeships.

Ian Mearns (Gateshead) (Lab): I actually welcome that proposal. We have heard lots of evidence that schools are not allowing FE colleges and apprenticeship providers to access their students and to tell them what the options are post-16. That, of course, is because of the “bums on seats” funding regime for post-16 studies in schools. How are we going to get around the deep-seated culture in schools that prevents careers advisers and others from providing that independent, impartial advice to young people in schools?

Robert Halfon: The hon. Gentleman speaks a lot of sense on this issue. Every time I meet an apprentice, wherever I am in the country, I ask them, “Did your school encourage you to do an apprenticeship?” Nine times out of 10, they say that their school taught them nothing about apprenticeships and skills. We have already changed careers advice so that schools have to offer advice that includes apprenticeships and skills. I believe that Lords amendment 2 will make a huge difference, because technical bodies, apprenticeship bodies and university technical colleges will be able to go into schools, and schools will publish policy guidance on this.

I agree that a huge part of this is about cultural change. That is why my right hon. Friend the Secretary of State always talks about parity of esteem. Until we ensure that we have parity of esteem between skills and technical education and going to university—that is also a wonderful thing to do—we will not achieve the cultural change that the hon. Gentleman talks about.

Ian Mearns: There is a problem with that, because training providers themselves have a vested interest—just as much as the schools do—in securing those students for their courses or apprenticeships. Is it not true that we need a much more robust process for the provision of impartial advice and guidance that does not include anyone’s vested interests?

Robert Halfon: We are looking at careers guidance in the long term, and at how we can make it more independent and skills-focused. I think that the work of the Careers & Enterprise Company in getting more people to do work experience, along with the money we are investing in these things, will help, but there are no easy answers. There are some great private providers, FE colleges and university technical colleges that I would love to see going into schools. However, I think that this is an important step forward to change the culture and ensure that pupils have the access to learn about apprenticeships and the technical education and skills that they need.

Lords amendment 3 introduces a new clause specifically providing for regulations to be made about the delivery of documents about an insolvent FE body to the registrar, and how those documents are kept and accessed by the public. Essentially, the new clause allows for the proper management of the paperwork of an insolvency procedure for an FE body.

I am pleased that the Government were able to accept amendment 4 in the other place, which deleted the words “if possible” from clause 25(2). The original drafting of subsection (2) was intended to offer reassurance to creditors and the education administrator that the education administration would not continue indefinitely while we waited for the education administrator to achieve the impossible. Instead, it caused concern, both in this House and in the other place, that student protection was in some way lessen. That was not our intention. Having sought the confirmation of lawyers that there was no change to our policy objectives, we were content to delete the words in order to address those concerns.

Lords amendment 5 replaced the original clause in the Bill with a new version in order to fully apply, rather than replicate, the Company Directors Disqualification Act 1986 to further education bodies in England and Wales. The new version of clause 40—formerly clause 37—still allows the court to disqualify any governors of whom it finds liable of wrongdoing from being governors, and now also from being company directors in any part of the UK. It fully prevents disqualified individuals from being able to repeat the mistakes they have made in a different way, potentially at the expense of another FE institution. We have amended the clause to close a potential loophole in the Bill and more fully protect learners at FE institutions from the potential actions of any governor who acts recklessly.

3 pm

The existing CDDA regime is effective as a finely balanced deterrent for company directors. It is rare that directors are found liable, and its existence in insolvency legislation does not inhibit people from choosing to become company directors, but helps to prevent poor financial management. The presence of the CDDA regime causes company directors to reflect carefully on their financial decisions and the potential consequences of acting wrongly in relation to creditors. We want to ensure the same deterrent effect for college governors. Governors might not appreciate the full consequence of disqualification if they are still able to act as company...
I am grateful to him for that.

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Friend the Member for South Shields (Mrs Lewell-Buck)

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government amendments 2 to 10. The Bill

as introduced allows the Institute for Apprenticeships to

share data with Ofsted, Ofqual and the Office for

Students, and vice versa. The amendments will enable

the Secretary of State to extend the information-sharing

gateway to other persons not stated in the Bill. The

provision is necessary because the bodies with which

the institute will co-operate and share information are

expected to change over time. The amendments ensure

that the institute can function effectively.

Lords amendments 11 to 18 were prompted by the

helpful discussions we had in this House. It was clear

then that we shared a common concern to ensure that
care leavers receive appropriate help and support should
their college become insolvent. Opposition Members,

including the shadow Minister, the hon. Member for

Blackpool South (Gordon Marsden), were very clear

that care leavers are particularly vulnerable. I agree,

which is why I undertook to reflect on how we might

best support such individuals. I am pleased that we were

able to table these amendments to schedules 3 and 4,

requiring the education administrator to send a copy of

their proposals to the director of children’s services at

the relevant local authority. That will ensure that the

director of children’s services is formally notified of a

college insolvency and can take appropriate action to

provide support for any of their care leavers affected by

the proposals.

I ask hon. Members to support the Government on

these amendments.

Gordon Marsden (Blackpool South) (Lab): I am grateful

to the Minister for his considered exposition of the

Government’s position, particularly regarding the

amendments, with which we are not in dispute. I shall

say something about Lords amendment 2 after turning

to Lords amendment 1. We welcome the Government’s

changes, particularly those to the technical parts of the

Bill. The devil is in the detail, and we do not always get

these things right first time around. I am grateful to the

Government for reflecting on that.

I particularly take on board what the Minister said

about care leavers and local authorities. Without straying

outside the narrow confines of today’s discussions, may

I say that I hope that the recent debates in the House on

the Children and Social Work Bill, in which my hon.

Friend the Member for South Shields (Mrs Lewell-Buck)

played a strong, positive and constructive part, have

been a useful focus for the Minister and his Department in

tabling the amendments that he has spoken to today.

I am grateful to him for that.

I am also grateful for the widened information sharing

in schedule 1. As the Minister knows, I have described

the present structure as a bit of an alphabet soup. To

strain the analogy, I hope that this change will enable us
to fish some of the letters out of the soup and make them work together a little easier than they would otherwise have done.

As the Minister says, the issue in Lords amendment

1 could be regarded as one of financial privilege. I accept that he has great interest in matters of financial support and the rest of it. I hope that he understands that I have never, in any shape or form, and in any of the Committee sittings in which we have debated, disavowed his good intentions and commitment to issues of equality.

But, of course, warm words of themselves do not necessarily carry through the projects that we all want to see. When he says that most apprenticeships have benefits, one has to ask about the fate of people who do not get those benefits. He says that this proposal will cost £200 million but, as he said, we are already committing £60 million to training providers, so I am not sure that that is a strong or powerful argument.

Charlie Elphicke (Dover) (Con): Will the hon. Gentleman give way?

Gordon Marsden: I will give way in a little while.

I want to make some progress on the main issue before giving way to the hon. Gentleman.

I am proud of the fact that the noble Lords considered the matter addressed in amendment 1, which I support, in considerable detail. In doing so, they revealed how much further the Government needed to go and, in my view, still need to go. In February, The Times Educational Supplement published an eloquent chart that spelled out in graphic detail the current gap in support between students and apprentices. It showed that apprentices have no access to care to learn grants, and that their families have no access to universal credit and council tax credit. Most trenchant and relevant when it comes to amendment 1, they have no access to child benefit.

Amendment 1 would enable families eligible for child benefit to receive it for children aged under 20 who are undertaking apprenticeships. The Opposition understand, as I am sure Government Members do, that it is not simply about the benefit itself, but the doors that that benefit opens to other benefits.

Charlie Elphicke: I have listened carefully to the hon. Gentleman’s argument, which seems to involve a spending commitment of £200 million. How would he pay for that?

Gordon Marsden: First, we do not recognise that figure of £200 million. Secondly, as I have said, the Government are already committing £60 million to training providers, so I really do not know why the hon. Gentleman is raising the issue of £200 million, which would be aggregated over a period of time.

Charlie Elphicke: Will the hon. Gentleman give way?

Gordon Marsden: No. I will not give way again. The hon. Gentleman has had one go. I want to make progress.

The amendment calls for the Secretary of State to use regulations to make provision to ensure that apprentices are regarded as being involved in approved education or
training. The Government’s apprenticeships programme has seen the introduction of the Institute for Apprenticeships and the apprenticeship levy this month, while setting the target of 3 million apprenticeships by 2020. However, many commentators have continued to raise real question marks about the potential quality of those new apprenticeships. It is really important that in reducing the growing skills gap in this country apprentices are not given a raw deal. My noble Friend Lord Watson spelled this out vividly in the House of Lords when he said:

“Why should families suffer as we seek to train young people desperately needed to fill the skills gaps that I mentioned earlier?”—[Official Report, House of Lords, 27 March 2017; Vol. 782, c. 361.]

We simply ask that question.

I am well aware—we discussed this in Committee in this place and it was also discussed in the other place—that apprenticeships are not currently classed as approved educational training by the Department for Work and Pensions. That is one of the reasons we have raised this issue so many times. The Minister needs to reflect on the situation of apprentices who live with parents and whose families could lose out by more than £1,000 a year through not being able to access child benefit, and could lose more than £3,200 a year under universal credit. If the Government want to reach this target, it cannot be in anyone’s interest for doors to be closed to young people keen to take up and embark on an apprenticeship.

The predecessor Government—perhaps this has not been heard so much under this Government—were very fond of the concept of “nudge” to achieve results, but, as I have said on other occasions, people can be nudged away from things as well as towards them. In some circumstances, parents may prevent young people from taking up apprenticeships because the economic consequences for the family of loss of benefit payments in various forms could be considerable. Their lordships made this point in their debate on 27 February, Baroness Garden noted that

“only 10% of apprenticeships are taken up by young people on free school meals”,

adding that

“the loss of child benefit”

was

“a significant penalty.”—[Official Report, House of Lords, 27 February 2017; Vol. 779, c. GC99.]

Baroness Wolf spoke very strongly when she said, echoing the Minister, that there needs to be genuine parity if the Government want to fulfil a holistic vision.

As I have said, the exclusions printed in The Times Educational Supplement justify the anger and disappointment of the National Union of Students and apprenticeship organisations, which feel that they are being treated like second-class citizens. I accept that, as the Minister said, some apprentices are being paid well above the minimum rate, but research has shown that some apprentices earn as little as £3.50 an hour.

Charlie Elphicke: Since the hon. Gentleman is talking about financial matters again, will he return to my earlier intervention when he said that he did recognise the figure of £200 million? How much would his policy cost?

Gordon Marsden: As I say, those issues would be taken forward over a five-year period. The £200 million figure that the Minister quoted has not been recognised, and I do not intend to engage with it any further because no further detail has been given to us on this point.

Charlie Elphicke rose—

Gordon Marsden: No, I am sorry, but I am not going to give way again. The hon. Gentleman has had two shouts and he is out. [Interruption.] I am going to continue, so he can stop chuntering.

This will inevitably have a negative effect on the family income in circumstances where the household budget is not covered by the earnings in an apprentice’s salary, given that the apprentice minimum wage is barely over £3 an hour. The National Society of Apprentices made that point in its submission to the Committee, saying:

“It seems inconsistent that apprentices are continually excluded from definitions of ‘approved’ learners, when apprenticeships are increasingly assuming their place in the government’s holistic view of education and skills”.

If apprenticeships are to be seen as a top-tier option, then the benefits should be top tier too. University students receive assistance from a range of sources, from accessing finance to discounted rates on council tax. Apprentices currently do not receive many of those benefits. Their lordships believe, and we agree, that the system must be changed so that both groups are treated equally.

Robert Halfon: I thank the hon. Gentleman for the way in which he is approaching these amendments. He mentioned that some apprentices were paid more than the apprentice minimum wage. Is he aware that 82% of apprentices are paid at or above the appropriate level of the national minimum wage or national living wage?

3.15 pm

Gordon Marsden: Those figures come from the Minister’s Department, and I am not going to dispute them on this occasion. We are trying to set, in legislation, provisions that will be valid for five, 10 or 15 years. It seems far more appropriate to have a principle under which everybody has equal access. We can trade figures all day about whether this is acceptable or whether it is 10%, 15%, 20% or 25% of apprentices who are not in this position. I do not believe that we should go down this route, and Members of the House of Lords agreed when they passed this amendment.

Shakira Martin, the NUS vice-president for FE, says:

“If apprenticeships are going to be the silver bullet to create a high-skilled economy for the future, the government has to go further than rhetoric and genuinely support apprentices financially to succeed.”

In support of this amendment, the Learning and Work Institute has said:

“There are currently participation penalties for low income and disadvantaged young people who take an apprenticeship compared to an academic pathway. This amendment would help towards treating apprentices and students in further and higher education equally in the support and benefits system.”

The Government’s decision to exclude apprenticeships from the category of approved education or training will serve as a deterrent to young people, particularly
those from disadvantaged backgrounds. Together with that, and without any change to the category that apprentices are placed in by the DWP—FE has to accept that, as things stand at the moment—the Government are providing a severe financial disincentive for young people to enter into an apprenticeship as opposed to other routes of education. The National Society of Apprentices agrees.

In the other place, the Minister’s colleague, Baroness Buscombe, said that there would be discussions about this issue with colleagues in the Department for Work and Pensions, but that did not happen. The Minister has told me on previous occasions that this needed to be addressed and discussed with other Departments, but that has not happened. This is a Government who are long on rhetoric but short on delivery, and it is young people and their families who are suffering. The Government are now blocking a modest proposal from the House of the Lords to begin to remedy their inability to do joined-up government.

Robert Halfon: The hon. Gentleman will know that, as I have mentioned before, we are carrying out a social mobility review of a whole range of issues, from benefits to incentives to providers and employers, to get more apprentices from disadvantaged backgrounds. It is entirely wrong to say that we are not doing so, as a significant amount of work is going into these areas.

Gordon Marsden: I am grateful to the Minister. The broader perspective of social mobility is a perfectly reasonable way of going forward. However, to be honest, particularly at a time such as today when we are moving to a general election, I think that most people would be interested in some movement—some jam now rather than a promise of jam possibly in future from the social mobility study. I will come on to talk about other areas where, I am afraid, the Government have moved at, to put it at its kindest, a reasonably glacial pace. That is one of the reasons I am not terribly impressed by the Minister’s argument, although, as I say, I understand and appreciate his commitment to trying to do something.

I want to speak in support of the second part of the amendment, which talks about opening benefits to care leavers by opening up access to a bursary that has traditionally been available only to university students. Young people in local authority care who move into higher education can apply for a one-off bursary of £2,000 from their local authority, and the amendment would enable care leavers who take up apprenticeships to access the same financial support.

I remind the Minister of what the Children’s Society has said. Every year, around 11,000 young people aged 16 or over leave the care of their local authority and begin the difficult transition out of care and into adulthood—to be fair to him, he recognised that in his opening remarks—and my hon. Friend the Member for South Shields tabled an amendment to the Children and Social Work Bill to provide such a local offer to care leavers. The Government have a golden opportunity to follow up on that by focusing on support that could be provided by the DWP. I am at a loss to understand why the Government are ignoring this possibility. They could make provision from the apprenticeship levy for local authorities to administer a £2,000 grant to all care leavers.

When care leavers move into independent living they often begin to manage their own budget fully for the first time, and that move may take place earlier for them than for others in their peer group. Remember that a care leaver in year one of an apprenticeship may be, and often is, earning as little as £3.40 an hour before being able to transition to a higher wage in the second year. Evidence from their services and research has revealed how challenging care leavers may find it to manage that budget, because of a lack of financial support and education. As a result, young carers frequently fall into debt and financial difficulty. The Minister really needs to put himself in their shoes. The Minister for Vulnerable Children and Families, the hon. Member for Crewe and Nantwich (Edward Timpson), could tell us all, from his own family’s perspective, how vulnerable young people who come from disturbed and difficult family backgrounds can be.

The question remains: why are the Government not prepared to retain this amendment? Fine words are all very well, but you may know, Madam Deputy Speaker, that according to the old Tudor proverb, “Fine words butter no parsnips”. Just what are the bureaucratic arguments for doing nothing to support hard-working young people and their families—and, even more so, those who do not have families to support them—to fulfil their hopes of better times via an apprenticeship? We talk about parity of esteem between HE students and apprentices, but some of these young people, because of their circumstances, struggle to have a strong sense of self-esteem.

Why have the Government not moved on this? Once again, why have the consultations with the DWP not taken place? Was the Minister nobbled by No. 10 trusties or by those in his own Department, in the same way as Department for Education Ministers seem to have led us down the garden path of reforms to GCSE resits only to slam the door shut? I say as gently as I can to the Minister that if the Government do not retain the amendment, people will know that the Government’s rhetoric has been somewhat hollow, and apprentices and their families will suffer.

I join the Minister in supporting amendment 2, which was carried in the Lords, and I also want to talk about amendment 6. The lack of parity of esteem for apprentices starts at an early age, and, as my hon. Friend the Member for Gateshead (Ian Mearns) illustrated in his useful and constructive exchange with the Minister, the rhetoric on careers advice still does not match the painful reality that faces many young people.

The reality is that careers advice has been devastated over the last Parliament and since 2010, certainly at a local level, and young people who want to take a vocational and apprenticeship route are in danger of being short-changed again in their careers advice. Despite the work of the Careers & Enterprise Company, which is still in its infancy, support in schools remains poor. Careers England—the trade body for careers advice and guidance—and the Career Development Institute have confirmed to me recently that, in their view, nothing has greatly changed. They estimate that only a third of schools can adequately deliver careers advice. Taken alongside the shortage of careers advisers and the fact
that the remaining advisers earn far less than they used to, it adds up to a very difficult position.

That is one of the reasons why last November the co-chairs of the Sub-Committee on Education, Skills and the Economy, the hon. Member for Stroud (Neil Carmichael) and my hon. Friend the Member for Hartlepool (Mr Wright), said that the Government had been complacent over careers advice. They said:

“The Government’s lack of action to address failings in careers provision is unacceptable and its response to our report smacks of complacency.”

I know that the Minister challenges that strongly, and I know that he has put on record that the Government are working towards a thorough careers strategy in that respect. But we have to deal with the situation as it is today, not with what it might be under a careers strategy developed by whatever Government are around at the end of the year.

In the survey conducted by the Industry Apprentice Council last year, just 42% of respondents found out about apprenticeships from school or college, and using one’s own initiative remained by far the most common way for a young person to discover apprenticeships. The council also said that there needed to be a change in careers information, advice and guidance because the proportion of respondents who said that theirs had been very poor remained high across the three surveys.

That is why the House of Lords has produced these two quite detailed and comprehensive amendments; those overall issues are not being addressed. Strong careers guidance is critical to promoting apprenticeships in schools. If we are to make a success of the institute, it is crucial that young people are alerted early enough in their school life to the importance and attraction of technical routes. That is one of the things that amendment 2 from the other House, which we supported, makes very clear.

If the Minister does not think that the Lords amendment on careers advice is necessary, perhaps he would like to explain just how and when the Government are going to get a grip on the existing fractured landscape of careers advice revealed by his own Department. Last month— it was not bedtime reading, so I will not be surprised if hon. Members have not read it—the Department for Education published a research report, “An economic evaluation of the National Careers Service”. The report was produced by London Economics, which was originally commissioned by the former Department for Business, Innovation and Skills to evaluate the impact of the National Careers Service.

The National Careers Service has changed considerably during the five years since it was introduced by the Minister’s predecessor, the right hon. Member for South Holland and The Deepings (Mr Hayes). I had the benefit of discussions with him at the time, and he was very clear when it started that the National Careers Service would principally be for the over-24s. That process has changed. I am not necessarily criticising that, but the process has certainly migrated in an unplanned fashion. The National Careers Service website says that anyone aged 13 and over can have access to the data, and that adults aged 19 and over can have access to one-to-one support. The problem is that only 15% to 22% of the customers—again, I am taking statistics from a report that the Government have commissioned—were referred by Jobcentre Plus, while the remainder were self-referring. Does that not speak volumes about the lack of joined-up government between the Department for Education and the Department for Work and Pensions?

Ian Mearns: In some respects, my hon. Friend is actually being generous to the Government. I do not believe that the careers service as it existed has been decimated; I believe it has been laid waste by the Government’s policy since 2010. We really need to get back to youngsters having independent and impartial advice and guidance on their future career available to them. Without such independence and impartiality, we could unfortunately get back to having those with vested interests giving advice to young people. I remember the late Malcolm Wicks referring to this in the 1990s, when he said that much of the advice given to young people about their future careers was akin to pensions mis-selling because the service was packed with vested interests.

3.30 pm

Gordon Marsden: My hon. Friend makes a very important and valuable point, as he did earlier to the Minister, and we certainly need to think very hard about those things.

As I have said, the National Careers Service process has migrated substantially, which may not in itself be a bad thing. I genuinely want to know from the Minister what connectivity there is between the National Careers Service and the Careers & Enterprise Company if the coverage starts as early as age 13. I would really like to know what the connectivity is in that process.

The very disappointing fact is that, as the impact report says, researchers were “unable to identify a positive impact of the National Careers Service on employment or benefit dependency outcomes”.

Arguably, those outcomes are its main purpose. This is another example of why it is essential for the Government to act on the careers strategy, and of why their failure so far to do so makes Lords amendments 2 and 6 so important. With the expansion of apprenticeships and the addition of technical education to the institute, it will be even more important for students and apprentices to have all the information that they need to make informed decisions.

Young people who get the best careers advice in college or schools are more likely to be able to seek out the better apprenticeships. That is why I warmly welcome Lords amendment 2, Lord Baker’s amendment, which had our support and cross-party support. It would ensure that schools have to provide access to advice about apprenticeships. Why does that matter? It matters because, as my hon. Friend has said, knowledge in general is power, and unbiased knowledge is very important indeed. Incidentally, that is also why my hon. Friend the Member for Scunthorpe (Nic Dakin) introduced a ten-minute rule Bill to require schools to give access to their premises to representatives of post-16 education institutions to enable them to provide pupils with advice and guidance.

All of that is why Lords amendment 6 is also important. I am encouraged by the fact that the new chief inspector, Amanda Spielman, to whom I have spoken recently, is sympathetic to Ofsted making a much stronger case for ensuring that apprenticeships rate more highly in the information provided in schools. Incidentally, the Lords have already pointed out that that will require Ofsted to
have more resources; my noble Friend Lord Watson pointed that out on Report on 27 March. If we do not get integration between the Careers & Enterprise Company and the National Careers Service, what we ask Ofsted to do will not work. Just what is the Minister’s response to these arguments? Why are the National Careers Service and the Careers & Enterprise Company apparently working on different lines? If he does not want to accept Lords amendment 6, what guarantees can he give to this House or to noble Lords that the necessary work will be done?

John Pugh (Southport) (LD): I want to speak very briefly on the Government motion to disagree with Lords amendment 6 and Government amendment (a) in lieu, as much as anything else to probe what amendment (a) will achieve. As a preface to that, let me give an impression of what the noble Lord Storey sought to achieve with Lords amendment 6. We have all acknowledged during the course of the debate so far that careers advice is incredibly variable and has been for some considerable time. Lord Storey tried to set in place a mechanism for monitoring careers advice so that we know precisely how good or how bad, and how valuable or useless, it actually is.

In Committee stage in the Lords, Lord Nash described careers advice as always having been “pretty poor”. There was, of course, an Ofsted report in 2013 that established that three quarters of schools were not providing effective advice or, as the hon. Member for Gateshead (Ian Mearns) pointed out, impartial advice. It said that the guidance given to schools was not sufficiently explicit, employers were not engaging in many cases and the National Careers Service was not effectively promoted. A key conclusion of the Ofsted report was that schools’ advice should be assessed when taking into account general school leadership, or sector leadership in the case of further education—Lords amendment 6 also applies to the FE sector.

I think that the Minister accepts all that, and I know that he has produced a variation on Lords amendment 6. I would like him to satisfy me and the House that it complies with what the Lords intended in their amendment.

Robert Halfon: I thank the hon. Gentleman. Member for Southport (John Pugh) and the shadow Minister for their speeches. I understand that the hon. Member for Southport is stepping down. He is an experienced Member of the House, and I send him every good wish for the future.

To answer the hon. Gentleman. We are essentially accepting de facto Lords amendment 6, which was suggested by Lord Storey. We have just made it tighter for legal reasons and, in fact, stronger. Ofsted will now be required to comment on college careers offers in its reports. However, we accept the principle of Lords amendment 6.

I set out earlier the Government’s position that the majority of the Lords amendments serve to strengthen the measures in the Bill and ensure their success in practice. I urge hon. Members to accept all the amendments made in the Lords, with the exception of Lords amendment 1. As I explained earlier, that amendment is subject to financial privilege and I ask Members to reject it on that basis, while noting the work I have set out, which demonstrates our commitment to finding the most effective ways to address barriers and support the disadvantaged into apprenticeships.

The shadow Minister said, in essence, that we should put our money where our mouth is. It is worth remembering that we have 900,000 apprentices at the moment, which is the highest on record, and that 25% of apprentices come from the poorest fifth of areas. The Careers & Enterprise Company has more than 1,300 enterprise advisers going into schools, and they are set to target something like 250,000 students in 75% of the career coldspots in the country. The National Careers Service is there to give careers advice and CV advice, and to provide personal contact either face to face, over the telephone or on the internet. The bodies have different roles.

I ask Members to accept our amendment in lieu of Lords amendment 6, on which many noble Lords spoke. I spoke earlier of the positive activity at Derby College. It is by no means the only college taking active steps to provide high-quality careers advice to students. I have seen incredible work in my own college in Harlow and in Gateshead in the north-east of England. We want to ensure that all young people can access such support, and I ask Members to support that ambition by accepting the amendment in lieu.

Ian Mearns: I know that the Minister is determined and full of good intentions, but good intentions do not provide sound careers advice and guidance to young people who are in the system now. We need to see more urgency from the Government in backing up his decent intentions, to make sure that young people get the impartial advice and guidance they so deeply need as soon as possible.

Robert Halfon: Let me give the hon. Gentleman our intention. Given the financial climate, £90 million is no small sum of money to spend on careers, predominantly with the Careers & Enterprise Company, which has enterprise advisers going into schools. There is £20 million for mentoring services in schools. As I mentioned, enterprise advisers are going up and down the country to coldspots. The National Careers Service alone is getting more than £75 million this year to advise on careers. That is real financial backing for two very important services.

Ian Mearns: I am listening to the Minister. I was a member of the National Careers Service national association board prior to the invention of Connexions. I seem to remember that the national budget for careers at that time was something like £130 million. That was more than 15 years ago. In the current climate, the figures the Minister is talking about are inadequate.

Robert Halfon: Given the financial climate, the £90 million to be spent predominantly with the Careers & Enterprise Company and the £77 million that is going to the National Careers Service this year alone are sizeable sums of money. As I have said, we are developing a careers strategy. Obviously the election is occurring, but I hope very much that we will see careers with much more of a skills focus, and do much more work in schools on mentoring and on work experience.
I have said that the Bill is a Ronseal Bill. It is very much part of our reforms to create an apprenticeships and skills nation and to give millions of young people the ladder of opportunity to get the jobs, security and prosperity that they need. It is a Bill to ensure that technical education is held in the regard it deserves. In the unlikely event of a college insolvency, students will be protected. The measures in the Bill make vital changes to support young people to build the essential skills that our nation needs, and they provide the right support to enable young people to climb that ladder. Many Members on both sides of the House and in the other place have spoken in support of that ambition, and I take this opportunity to thank them for their ongoing commitment to the Bill and for supporting all our young people to reach their potential.

**Question put**, That this House disagrees with Lords amendment 1.

The House divided: Ayes 298, Noes 182.

**Division No. 197**

**[3.43 pm]**

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Technical and Further Education Bill

19 APRIL 2017

技术及高等教育法案

Be members of the Committee;

19 APRIL 2017

Tellers for the Ayes:

技术及高等教育法案

19 APRIL 2017

Tellers for the Noes:

技术及高等教育法案

19 APRIL 2017

Question accordingly agreed to.

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Ordered. That a Committee be appointed to draw up Reasons to be assigned to the Lords for disagreeing to their amendment 1;

技术及高等教育法案

19 APRIL 2017

That Robert Halfon, Michelle Donelan, Chris Heaton-Harris, Gordon Marsden, Henry Smith and Karl Turner be members of the Committee;
That Robert Halfon be the Chair of the Committee;
That three be the quorum of the Committee.
That the Committee do withdraw immediately.—
(Christopher Pincher.)
Committee to withdraw immediately; reasons to be
reported and communicated to the Lords.

Section 5 of the European Communities (Amendment) Act 1993

3.58 pm

The Chief Secretary to the Treasury (Mr David Gauke):
I beg to move,

That this House approves, for the purposes of Section 5 of the European Communities (Amendment) Act 1993, the Government’s assessment as set out in the Budget Report and Autumn Statement, combined with the Office for Budget Responsibility’s Economic and Fiscal Outlook and Fiscal Sustainability Report, which forms the basis of the United Kingdom’s Convergence Programme.

The legal requirement to give the European Commission an update of the UK’s economic and budgetary position—our convergence programme—means there is a welcome opportunity for a wider economic debate, should we want one. [Interruption.] Clearly, since last year’s—

Madam Deputy Speaker (Natascha Engel): Order. If Members leaving the Chamber do so a little more quietly, we can hear the Minister. Thank you.

Mr Gauke: Clearly, since last year’s convergence programme debate there has been a momentous change in the UK’s relationship with the European Union. The article 50 process is now under way and the United Kingdom is leaving the European Union. There cannot, as some suggest, be any turning back from that. In accordance with the outcome of the referendum, we are leaving the European Union and will make our own decisions, take control of the things that matter to us and seize every opportunity to build a stronger and fairer Britain.

Given our decision to leave, some Members might find it odd that we are debating the UK’s convergence programme here today. It is right that we should do so, however, because we continue to exercise our full membership of the European Union until our exit and because to do so is a legal requirement that we must take seriously. I should, however, remind the House that the content of the convergence programme is drawn from the Government’s assessment of the UK’s economic and budgetary position. This assessment is based on the spring Budget report and the Office for Budget Responsibility’s most recent economic and fiscal outlook. It is that content, rather than the convergence programme itself, that requires the approval of the House.

I should also remind the House that although the UK participates in the stability and growth pact, which requires convergence programmes to be submitted, we are required—by virtue of our protocol to the treaty opting out of the euro—only to endeavour to avoid excessive deficits. The UK cannot be subject to any action or sanctions as a result of our participation.

John Redwood (Wokingham) (Con): On that point, would my right hon. Friend like to comment on how much influence he thinks the convergence criteria and the deficit reduction requirements have had on successive UK Governments to drive more austerity and cuts?

Mr Gauke: In the seven years that I have been a Treasury Minister, I have not noticed the convergence programme having an influence on the decisions that
we have taken. We have taken decisions to reduce the deficit because we believe that that is in the long-term interests of the United Kingdom, rather than because of any requirements under the EU treaties.

Let me provide a brief overview of the information that we will set out in the UK’s convergence programme. Members should note that this does not represent new information; rather, it captures the Government’s assessment of the UK’s medium-term economic and budgetary position, as we set out in the spring Budget. It is fair to say that in March 2017, we were in a better position economically than many had predicted. Growth in the second half of 2016 was stronger than the OBR had anticipated in the autumn statement. In fact, the UK economy grew faster last year than most other advanced major economies, and employment remains at a record high. So, following a period of robust economic growth, record employment and a falling deficit, we sought to safeguard that economic stability in the Budget. That is particularly important as we prepare our country to leave the European Union.

The OBR forecasts that business investment will remain subdued as we begin the period of negotiation with our EU friends and partners, and it continues to judge that, in the medium term, growth will slow due to weaker growth in consumer demand as a consequence of a rise in inflation. Accordingly, putting the public finances in good order will remain vital for the foreseeable future.

Overall public sector net borrowing as a percentage of GDP is predicted to fall from 3.8% last year to 2.6% this year. This means that we are forecast to meet our 3% stability and growth pact target this year for the first time in almost a decade. Borrowing is forecast to be 2.9% in 2017-18 and then to fall to 1.9% in 2018-19 before reaching 0.7% in 2021-22, which will be its lowest level in two decades. The economic forecasts are broadly unchanged since the autumn, but the OBR has substantially revised down its short-term forecast for public sector net borrowing. As a consequence, we are within sight of bringing to a halt the increase in the national debt as a proportion of GDP. Debt is forecast to peak at 88.8% of GDP in 2017-18, and then to fall in subsequent years.

Beyond our fiscal rules to protect the public purse and prepare our economy, the Budget also set out a range of things that this Conservative Government will be doing to invest in our future. That includes giving our children the chance to go to a good or outstanding school that sets them up to succeed; helping young people across the country get the skills they need for the high-paid, high-skilled jobs of the future; and investing in cutting-edge technology and innovation, so that Britain continues to be at the forefront of the global technology revolution—three things that will be at the heart of our efforts finally to address the country’s long-standing productivity challenges.

The Budget also promised greater support for our social care system, with substantial additional funding so that people get the care they deserve as they grow older. The Budget works to strengthen our public services over the long term, too, in our determination to bring down the deficit and get the UK back to living within its means, and to fund our public services for the long term through a fair and sustainable tax system. The spring Budget, therefore, was one that made the most of the opportunities ahead by laying the foundations of a stronger, fairer and better Britain.

Following the House’s approval of the economic and budgetary assessment that forms the basis of the convergence programme, the Government will submit the convergence programme to the Council of the European Union and the European Commission, with recommendations expected from the Commission in May. The submission of convergence programmes by non-euro area member states, and stability programmes by euro area member states, also provides a useful framework for co-ordinating fiscal policies. A degree of fiscal policy co-ordination across countries can be beneficial to ensure a stable global economy, which is in the UK’s national interest.

The UK has always taken part in international mechanisms for policy co-ordination, such as the G7, the G20 and the OECD. Although we are leaving the EU, we will of course continue to have a deep interest in the economic stability and prosperity of our European friends and neighbours, so we will continue to play our part in this process while we remain an EU member and in other international policy co-ordination processes once we have left the EU.

The Government are committed to ensuring that we act in full accordance with section 5 of the European Communities (Amendment) Act 1993, and that this House approves the economic and budgetary assessment that forms the basis of the convergence programme.

4.8 pm

Peter Dowd (Bootle) (Lab): We find ourselves in a strange position. We are debating a motion to approve the Government’s programme for convergence with the EU at the start of an election campaign in the context of leaving the EU. That is an unusual set of circumstances, to say the least. Some see it as almost theological. There will no longer be a requirement for convergence, and the Conservatives have no idea how our economy might work post-Brexit, other than their plan for a bargain-basement deregulated tax haven. It is a simple, if flawed and dangerous, plan regardless of the position that people took in the referendum.
A complete lack of vision from the Government means that no one can be confident about what our economy will look like in just two years’ time. Labour accepts the referendum result, which is why we did not frustrate the triggering of the article 50 negotiations, but we will never support the chaos of a Conservative plan for Brexit that will potentially put our economy in danger. That does not mean being a “saboteur”, as suggested in some newspapers today; it means doing the job that we were sent here to do. Wealth concentrated in the hands of a tiny super-rich elite and corporations treating us like a tax haven is not particularly good, and it is not what people voted for.

We have heard much in the debate over the past few months about taking back control. We heard time after time that we will take back control, but we should not take back control and put it in the hands of a group of plottocrats while leaving most people across the country worse off year after year. When we take back control, it has to be shared by everyone, not just a few.

A Labour Government would deliver a final deal that reflected Labour’s values, ensuring a strong and collaborative future relationship with the EU, which the Minister mentioned. We would defend people’s rights and protections, preventing the race to the bottom that is feared. There is a clear choice between a better future for the whole country under a Labour Government and a bargain-basement tax haven under the Conservatives.

The Brexit course set by the Prime Minister will have huge repercussions for our country and our economy. In 2016, the UK exported goods and services to the EU totalling £548 billion, with imports totalling £585 billion. The EU accounts for 44% of UK exports of goods and services, and 53% of imports. Despite the Government’s laid-back approach to trade with the EU, a hard Brexit puts much of those exports and EU imports at risk. Sterling has already dropped by nearly 20% against the dollar since the UK voted to leave the EU, becoming the world’s worst performing major currency in October 2016. Many economists now suspect that the pound may depreciate even further as negotiations inevitably deadlock and begin to flounder.

When the Conservatives came to office, they committed to balancing the books by 2015, and they broke that promise. It is unequivocally a promise broken. They then put the date back to 2019-20, and again it was not delivered. Here we are, days away from the Dissolution of Parliament, without the Government making as much progress on the deficit as they promised. The Chancellor regularly says that it is a rolling target, but there is no such thing. He either has a target or he does not.

Under this Government, debt as a percentage of GDP has continually risen and now stands at 85%. How can that be a sign of a healthy economy, notwithstanding that the Minister has indicated it will start to come down? GDP growth per capita under this Government has not once surpassed the pre-crisis trend of 2.3%. In fact, growth has been revised down for 2016, 2018 and, now, 2019 and 2020. Again, that is hardly the sign of a strong economy.

In seven years, the Conservatives have borrowed £750 billion, and I remind people time and again that that is more than all Labour Governments combined. Since 2010, 10 of the Government’s 14 Budgets and autumn statements have seen an increase in forecast borrowing, and their record on borrowing can be summed up in two words: missed targets. Make no mistake that the Conservatives are the party of borrowing. Is it any wonder that the Conservatives borrowed so much when the public finances each year have huge gaping holes? This year, we saw the Chancellor’s attempt to hit self-employed workers with a rise in national insurance contributions, and the Conservatives’ U-turn on that measure left a £2 billion black hole in the projected public finances. How can we rely on the Conservatives’ rosy assessment of the economy when we know that the sums do not add up?

That feeds into the wider problem with the public finances under the Tories. Children are beginning to sit in crumbling schools, and across the country people are waiting ever longer to be seen by professionals in the NHS, which is undergoing the worst crisis in its history. Why do we have that sorry state of affairs? Because the Conservatives have sacrificed the services that everyone uses just to pay for £70 billion of tax cuts for corporations and the super-rich over the next few years. The Government have presided over the slowest recovery since the 1920s, with both economic growth and average earnings growth downgraded yet again. Despite falling unemployment, workers are suffering the worst decade of pay in 70 years. Rising inflation is now outstripping wage growth.

The Government have done little to address the scandal of chronic low pay and insecure employment, which is reflective of an economy that is not working as they claim. So their promise of a £9 national minimum wage has drifted downwards, while inflation is increasing the cost of living for everyone.

The Government’s assessment of the economy makes no mention of the continued economic imbalance in respect of the devolved nations and the regions. We simply cannot continue to have such an unbalanced and unequal economy. That comes back to the point I made at the start about the disparity in regional economic growth, which I see in my region and in many others.

John Redwood: So how much extra tax should the Government impose next year to deal with the budget deficit the hon. Gentleman is worried about?

Peter Dowd: I am sure we will have that debate during the general election process.

As I mentioned, this Government have pledged to take back control from Brussels, but what about control for the millions of people who live outside the M25? How can this Government square their desire for less interference from Brussels with the Secretary of State for Communities and Local Government not banning the Secretary of State for Communities and Local Government not batting an eyelid when banning local councils all over the country from charging £1 for fun runs in local parks? Is it really the role of the Secretary of State to meddle in local government park budgets? Have we come to that? Have we come to a British Secretary of State telling local authorities, “You can’t charge these people £1, you can’t charge them 50p”? That is ludicrous, which is we why have to take back control, so that when control comes back to this country it is pushed down.

It is all the more bizarre that the Secretary of State has taken that position, given that both he and his predecessors have cut local government support by as
much as 60% in some areas. Authorities have had not only huge cuts in their budgets, but interference on piddling amounts of money, such as £1 for park runs. It is pretty pathetic.

Ian Mearns (Gateshead) (Lab): My hon. Friend is making a powerful set of points. On the point about local government finance, it is all very well for the Government to withdraw revenue support grant, but at the same time they are not doing anything about the other side of the account: the council tax banding system. The Government are doing nothing to rebalance that system, which makes up local government revenue apart from the revenue support grant. If they do not rebalance that, things are grossly unfair. The RSG was brought in because a band D median did not exist for all parts of the country, and it certainly does not exist for the north-east of England, which is why we have required RSG from its inception in the early 1990s.

Peter Dowd: My hon. Friend makes a fair point. This Government have abandoned local government—apart from Surrey County Council.

We cannot have a fair and prosperous economy until all regions and cities have access to adequate funding and investment in infrastructure—until all regions and cities have the power to implement financial decisions at a local level without the constant heavy-handedness of a Westminster-obsessed Government. The referendum result in favour of leaving the European Union was a vote against not just so-called “unaccountable bureaucrats” in Brussels, but the lack of accountability of the Government here at home at those local levels. For many people in this country, the Government are alien and have no relevance to their lives. For many people, this place has no relevance to their day-to-day living; they see it as a bubble and, as we often see here, it is a bubble. The Government sit here in Westminster and Whitehall making decisions, and little consideration is given to the ramifications and the disastrous effect their policies have on ordinary people’s lives. That is why a post-Brexit Britain must look seriously at devolving economic powers to the cities and regions across the country. The Government can no longer pretend that we are a unitary state that can be ruled by diktat from London, given that we have a Parliament in Scotland, Assemblies in Northern Ireland and Wales, and a Mayor in London, and of course we will have the city region Mayors in Manchester, Liverpool and the West Midlands from next month. [Interruption.] The Minister says that the Government created them, and I completely accept that, but they have to give them significant powers and responsibilities. The Government have been dragging their feet in many regards on that.

Under seven years of Tory mismanagement, our economy has seen stagnant wages, slow growth and low productivity. I note that the Minister did not mention productivity once in his speech—[HON. MEMBERS: “Yes, he did.”] Okay, perhaps he mentioned it once. We have also seen excessive borrowing, rising debt and failed promises. The Chancellor has presided over an economy that has seen tax giveaways for the richest in our society, at the expense of those on middle and low incomes. The Government have drastically cut public services and failed to balance the books. If re-elected, the Conservatives would radically cut tax in a desperate bid to attract overseas investment and transform our country into a low-pay and low-tax economy.

The assessment of the economy presented by the Government does not account for their catastrophic record and failed economic targets, or for the huge black holes in public spending. It makes no assessment of what the UK’s post-Brexit economy will look like, nor does it acknowledge the economic difficulties ahead. I urge the House to reject the motion.

4.20 pm

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): It is a pleasure to make my final speech in the Commons before the general election. The electors of Kirkcaldy and Cowdenbeath will determine whether I return to make any speeches here in future.

I was intrigued by and enjoyed the opening remarks of the hon. Member for Bootle (Peter Dowd), who pointed out that it is rather curious how the Opposition subject: we are facing being dragged out of the European Union, yet we are discussing convergence. I knew this would be a tremendously popular debate—we need only to look around the full Benches to see how popular it is—so I took a leaf out of the Leader of the Opposition’s book and tweeted that I was going to be speaking on this important topic, in the hope that I would get the equivalent of “Mary from Rochdale” letting me know the key points I should raise. Only one person replied with a suggestion of what I should include in my speech, and it was: “Can you say hello to my Auntie Sadie in Balloch?” I could not possibly do that in a speech of such importance, but perhaps that clarifies how many of the things we debate in this House are very technical and difficult for the public to engage in. On a serious note, they are none the less very important.

The Minister talked about the OBR forecasts. Yesterday, I showed great prescience—or lack of it. Scott started to work for me on the day that the general election was declared. I gave him one task to prepare for this speech: I asked him to contact the Library and to find out how many independent evaluations had ever been done of the Treasury or OBR models of the UK economy. This morning, the Library staff got back to say that they could not find that any such evaluations had ever been undertaken. That is perhaps not surprising when we see some of the results of those models.

In following up, I asked the Library staff to look into how the OBR model was described by the OBR. They directed me to the OBR’s website, on which we find the wonderful statement that much of its model is based not on hard fact but on the judgment of those who use it. Different people might get incredibly different results using the same model. There will come a time when Governments of whatever shade are going to have to consider the way in which we understand and model the economy, and how far we can ever rely on forecasts of the type the House has been receiving for a good number of years.

This could obviously be a fairly wide-ranging debate but, thinking about the future, I thought I would make one or two remarks about issues that will still need to be addressed when we have exited the European Union. Exiting itself will not contribute anything; it will require the will of Government to do something. The Minister rightly mentioned the importance of business investment.
Last year, the House held a debate on quantitative easing—I seem to recall that the hon. Member for Bootle took part in it—that I think was slightly less popular, in terms of the numbers taking part, than this debate. None the less, it was interesting that so many of those who spoke in that debate talked about the problem that QE had created for investment. The assumption from the original essay by Friedman in 1969 was that introducing QE would lead to a rise in asset prices, the consequence of which would be to increase confidence in business and a significant increase in investment. We know that that has not happened, despite well over £600 billion of QE being introduced. It would be interesting to know how the Government, or the future Government, will tackle the rewinding of QE.

In recent days, senior bankers have made some very intemperate remarks about the business sector. I wish to point to one that was made just two days ago in the Daily Express by a senior executive from the Royal Bank of Scotland. He described as a “bunch of chancers” a group of small and medium-sized enterprises that were pursuing some reconciliation of the problems they experienced from the Global Restructuring Group and the Group of 8. I imagine any other investors talking about its customers as a bunch of chancers? Apparently, those customers were called that because they may have the audacity to go to the courts to seek redress. If Members look at the RBS accounts, they will see that RBS has tripled the amount of money that it has set aside for the hiring of lawyers to defend cases—I see a Member nodding. It expects to defend cases worth something in the order of £1 billion. Surely that says something about our banking culture which will need to be addressed.

One matter that I have been pursuing in this House is the issue of Scottish limited partnerships and other forms of limited partnerships that have been, particularly since 2008, subjected to use by international criminals, including, and perhaps particularly, those from eastern Europe, Ukraine, Russia and the like. The amounts involved now total many billions of pounds. About 10 days before recess, there was an urgent question on the latest money laundering scandal. When I questioned the Minister at the time, I pointed out that, at the heart of these scandals, lie these limited partnerships. Since 2008, 22,000 Scottish limited partnerships have been created. They are completely opaque; we have no idea who owns them. Many of them seek to operate in tax havens and to launder significant amounts of criminal assets.

John Redwood: Before he closes his remarks, do the hon. Gentleman and his party think that the EU is right to say that state debt should not be above 60% of GDP?

Roger Mullin: It is perfectly reasonable for the EU to make such a statement and to seek to have some control over debt. It is interesting to note that the Scottish Government can at least say today, all these years after the Scottish Parliament was created, that they have absolutely no debt. That is certainly something that this Government cannot claim.

Regardless of whether we were going to be in or out of the EU, this country—the UK and all its member nations—would still face major economic challenges that require will and intelligence to address. Surely that is the message that we should all be taking to our constituents as we face the future.

4.28 pm

Mr Gauke: As I stated in my opening remarks—as much as 30 minutes ago—following this debate, and with Parliament’s approval, the Government will inform the Council of the European Union and the European Commission of our assessment of the UK’s medium-term economic and budgetary position. That is based entirely on information and documents already presented to Parliament. Presenting that information through the submission of the UK’s convergence programme is a legal requirement under the EU’s stability and growth pact.

Let me pick up on a couple of points made by the hon. Member for Bootle (Peter Dowd). First, he made the case for greater devolution. I remind him that it is this Government who have put in place the new metro Mayors—no doubt he is spending much of his weekends and constituency Fridays campaigning for the Labour candidate for Mayor of the Liverpool city region. We also have elections in Manchester and the West Midlands. That was not created by the previous Labour Government; it was created by this Government, recognising the need for decisions to be made at local level and for real powers to be devolved to that level. I am surprised that he was so unwilling to credit the Government for what we have done on that front.

Secondly, the hon. Gentleman accused me of not mentioning productivity in my remarks, and he made comments about the Chancellor not discussing it generally. In fact, the Chancellor regularly comments on the need to improve our productivity, and in my remarks a little while ago I drew attention to the measures we are taking on schools, skills, and technology and innovation, which, as I said a few minutes ago, are at the heart of our efforts to finally address the country’s long-standing productivity challenges. It is very difficult to see how the Labour party’s policies, which would drive away business investment and discourage enterprise and innovation, would do anything other than weaken our productivity. If the hon. Gentleman wishes to fight the next few weeks on the subject of productivity, I for one would welcome that.

In the Budget, we continued to prepare this country for long-term prosperity, first and foremost by putting our economic stability first and by continuing to improve the state of our public finances, but we also set out meaningful investment in our future productivity and our current public services. This is therefore a plan that strikes the right balance between reducing our deficit, preserving fiscal flexibility and investing in Britain’s future. Those are the foundations of a stronger, fairer and better Britain. Those are the foundations of a strong and stable platform for the upcoming exit negotiations. That is the basis of the convergence programme we present to the European Union. On that basis, I am pleased to commend the motion to the House.

Question put.

The House divided: Ayes 298, Noes 191.

Division No. 198

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy

[4.32 pm]

Ansell, Caroline
Andrew, Stuart
Amess, Sir David
Andrew, Stuart

[4.32 pm]
Resolved.

That this House approves, for the purposes of Section 5 of the European Communities (Amendment) Act 1993, the Government’s assessment as set out in the Budget Report and Autumn Statement, combined with the Office for Budget Responsibility’s Economic and Fiscal Outlook and Fiscal Sustainability Report, which forms the basis of the United Kingdom’s Convergence Programme.

Alison Thewliss (Glasgow Central) (SNP): On a point of order, Madam Deputy Speaker. You may remember that I have previously raised the issue of having time to debate in the House the Government’s rape clause and two-child policy. The last time I raised the matter, the usual channels came back to me and assured me that time would be made available in a delegated legislation Committee for the rape clause to be debated. The final list of DL Committees has appeared in the Whips Office, and as far as I know there will now not be time, with the proposed election, for the rape clause to be debated anywhere in this House.

There are no third-party referrees in Scotland because the NHS and women’s organisations think that the guidance is not sound and are refusing to co-operate with it. Is there any recourse for me to raise this with the Government ahead of the election, to ensure that these very important issues get debated?

Madam Deputy Speaker (Natascha Engel): I think the hon. Lady has very successfully done so herself. As she can see, on the Treasury Bench is the Leader of the House, who will, I am sure, take up the matter with her. I thank her for the point of order and for giving me notice of it.
Jim Shannon (Strangford) (DUP): It is always a privilege to speak in this House on any issue, but on this occasion I speak about something I have wanted to raise for some time: the case of the four Ulster Defence Regiment men who were murdered at Ballydugan, outside Downpatrick.

Four men jump into a vehicle and head to the next part of their job. They have worked together for some time, and the craic is great as they journey through the beautiful countryside on an idyllic morning. Just as any of us might do on any given day, they leave behind wives, children and loved ones to do their job and earn their pay. There the similarity ends, however, as the atrocity unfolds.

This is an important issue, and I am sure that Members in the House will heed its significance. I declare an interest as a former member of the Ulster Defence Regiment. I served in it for three years, as did some of my colleagues on this side of the House. Other hon. and gallant Members in this House have served in other regiments, and I am pleased that they have made an effort to come to the Chamber as well.

On the morning of 9 April 1990, Private John Birch, Lance Corporal John Bradley, Private Michael Adams and Private Steven Smart, all members of the Ulster Defence Regiment, were murdered by the Provisional IRA in an attack on their mobile patrol on Ballydugan Road, Downpatrick. The four young soldiers, all in their 20s, were travelling as part of a two Land Rover patrol en route from Ballykinlar to Downpatrick when a 1,000 lb bomb placed in a culvert beneath the road—I repeat, a 1,000 lb bomb; imagine the magnitude of that—was detonated by command wire. The explosion was so powerful that it lifted the soldiers’ Land Rover 30 ft into the air and hurled it 30 yards into a field, killing them instantly and leaving a crater 50 ft long, 40 ft wide and 15 ft deep.

Those are the facts of what happened on that fateful morning. These are the faces of those whose lives were destroyed and whose family’s lives were torn apart, never to be the same. The men in the service of Queen and country, much like the officer on duty in this place last month, were simply doing their job and nothing else; there were no links to anything other than their desire to wear a uniform and their bravery in serving the community in Northern Ireland, which we salute.

I remember three of these men very well. Lance Corporal John Bradley, 25, of Cregagh, Belfast, was married with a two-year-old son and a three-month-old daughter. He had recently been promoted, having served four years with the Ulster Defence Regiment. He had served with the Royal Highland Fusiliers, and came from Port Glasgow in Renfrewshire. Private John Birch, 28, was married with a four-year-old son. He had joined the regiment in February the previous year, and came from Ballywalter, where I was raised. The fact of the matter is that I can remember when John Birch was born. His wife was expecting again. Private Steven Smart, 23, was from Newtownards, the main town of my Strangford constituency. He had served for 18 months in the regiment. His mother is dead, but his father is still living.

Sir Jeffrey M. Donaldson (Lagan Valley) (DUP): I thank my hon. Friend for bringing forward this Adjournment debate. I had the honour of serving in the 3rd County Down Battalion of the Ulster Defence Regiment, the same battalion as these four brave soldiers. Does my hon. Friend agree that, tragic as their deaths and their sacrifice are—the sacrifice of that regiment was immense—their legacy today is the fact that our children and grandchildren can walk the streets of Northern Ireland not having to look over their shoulder. That is because of the bravery of the men and women who served in the Ulster Defence Regiment, the Royal Ulster Constabulary and the other fine regiments that came to Northern Ireland—men and women who put their lives on the line.

Jim Shannon: I thank my right hon. Friend for his intervention. He is absolutely right: those who served in uniform in that regiment and other regiments in Northern Ireland deserve every recognition for what they did.

Private Steven Smart’s father Samuel still lives in Newtownards, and his sister lives in Donaghadee. Private Michael Adams, 23, who was also from Newtownards, had served with the UDR for seven months, having formerly served with the Royal Engineers. I served with him—I served for 11 and a half years in the Royal Artillery, with the Territorial Army—and I well remember when we were both on guard duty at the Magilligan camp. You used to get guard duty when you had done something wrong; I am not sure whether Michael or I had done something wrong on that particular day, but we were on guard duty. We had a radio in the sangar, and we were listening to some tunes, one of which was “Stand by Me”, a ’60s song. Tonight, I suppose all of us who are in this Chamber are taking the opportunity to do the very same thing, and to stand by them.

These are men that I knew well. These are men whose faces I recall right now. These are men whom I honour and respect today. These are men whose families I see: I saw the mother of one of them just the week before last, and her grief is still evident. These are men who deserve justice. These are men who were brutally murdered by cowardly scum who were not fit to lace their boots.

Ms Margaret Ritchie (South Down) (SDLP): I well remember that morning of 9 April 1990. It was 7.30 in the morning at the office—at that stage, I worked for my predecessor, the late Eddie McGrady—when we got a phone call from the BBC about what had happened. Our shock, our revulsion and our opposition was made quite clear on that day and on those following. Is the hon. Gentleman aware that, on a Sunday afternoon some two and a half weeks later, there was a peace demonstration from the car park in Lower Market Street in Downpatrick out to the scene of that terrible atrocity? That was done to illustrate clearly that this was not done in our name, and to illustrate our total opposition to and revulsion at all forms of violence and all forms of death and destruction via terrorism.

Jim Shannon: I thank the hon. Lady for her intervention. Yes, I was aware of that. It indicates the revulsion that there was in the whole of the community in Downpatrick and further afield.
David Simpson (Upper Bann) (DUP): My hon. Friend mentioned the mother of one of the victims and he has mentioned children. Sometimes we are inclined to forget about the families who are left all these years after such events happened. I am sure he will agree that we must keep them to the fore.

Jim Shannon: I thank my hon. Friend and colleague for that intervention. He is right that this debate is an opportunity to recall the bravery of the young men, but also to ask the Minister who is here to respond—I spoke to him beforehand—for some action. I will do that at the end of the speech and it is important that I do so.

The disgusting actions of what is estimated to have been the 16 man and woman team that planned, co-ordinated, carried out and helped to cover up the attack are remembered by all right-thinking people in the Province. I became emotional in a debate a few weeks ago and in this debate because we all recall the pain and suffering at the loss of a loved one, friends and colleagues, and we still carry that pain today. There are other Members in the Chamber who carry pain. I think of my hon. and gallant Friend the Member for Beckenham (Bob Stewart) and the gallant Minister, who served in uniform in Northern Ireland. We thank them for that.

Ian Paisley (North Antrim) (DUP): I thank my hon. and gallant Friend for giving way. Does he accept that the lives of the victims who are left behind—the mums, the dads, the brothers, the sisters, the children, the loved ones, the sweethearts—are defined by such events? Their lives are defined by “what happened to my life after I lost my loved one”. It is only in the definition of their victimhood that we will be able to heal and cure in some way that pain—when justice is achieved for those people. Hopefully, through my hon. Friend’s debate, we can open up a way to find justice and healing for the people who have been left behind.

Jim Shannon: I thank my hon. Friend and colleague for his thoughtful intervention and for those kind words.

Like too many people in the Province, I have been touched by the actions of men like the leader of the South Down Provisional IRA who was responsible for the murder of the four young UDR men at Ballydugan. That vile, evil, despicable excuse for a human was a man called Colum Marks. He was the IRA commander for South Down, and all the others involved in this. There was the person out on the road who told the people at Ballydugan that a Land Rover patrol was on its way. There was another person down the road who confirmed that. Another person left a 1,000 lb bomb. The next time hon. Members lift a 2 lb packet of sugar, they should multiply that by 500 to get the magnitude of the bomb left at Ballydugan. How long did it take them to put that bomb in that culvert at Ballydugan? They were seen doing it, by the way. The question I ask—the Minister knows this because I spoke to him beforehand—is why that visual evidence was not acted upon as it should have been to warn that UDR patrol and other patrols in the area.

Another person was picked up at the shopping centre—the hon. Member for South Down (Ms Ritchie) will know the area better than I do—and taken to a safehouse, where he showered and changed his clothes. The clothes were destroyed and he was moved to another house. Sixteen people were involved in the murders of those four UDR men. Colum Marks is the man who pushed the button and blew the four UDR men to smithereens. He was also the IRA commander involved in the murder of John Moreland—the hon. Lady will remember this—who was a coal merchant on the Flying Horse estate in Downpatrick. As he did his last delivery, he was attacked by two men and shot dead.

Colum Marks’s hands are red with blood. Let us be honest. This man was not a freedom fighter. He was a low-life, mentally deficient psychopath, with no human decency whatsoever. He was rotten to the core, contemptible, detestable and loathsome. He was a man with no good in him whatsoever; a man that should never have been born. That was the sort of man he was.

Ian Paisley: My hon. Friend is defining that person in a particular way and I agree totally with his definition, but does he also salute the gallantry of the people who stood up to that beast, and recognise that we won the war that they claimed to be fighting and the freedom they claimed to achieve? Today, we are administering British rule in Northern Ireland. There is no all-Irish state republic. The Brits—us—are still there, and we are not going anywhere else. Their death has at least sealed the fact that it has been a victorious and gallant death.

Jim Shannon: I thank my hon. Friend for his wise words. There are not enough adjectives to describe that loathsome person, Colum Marks, the officer commanding the IRA in South Down, and all the others involved in those murders and all the others during the troubles.
Nine people were arrested—I have read the historical inquiry report. One was charged with a minor charge and did a certain amount of time, but the person who killed the four UDR men was free, until one fateful day for him in Downpatrick. As he was setting up a horizontal bomb to attack and kill even more people in Downpatrick, he was caught in the act of trying to kill other UDR men and other police officers and shot. Justice was done in that he came to the end of his reign. It is pity it did not happen a wee bit earlier, before the four UDR men were murdered and all the other actions he was involved in.

That is the legacy left by Colum Marks, whereas the legacy left by Lance Corporal John Bradley, Private John Birch, Private Michael Adams and Private Steven Smart is one of honour, of sacrifice, of dignity, of strength and of great love, not only for their families but for their country. That is the legacy that I and my colleagues on both sides of the Chamber stand to protect and reiterate today. Let me be rightly understood—I am reiterating the point made by my hon. Friend the Member for North Antrim (Ian Paisley)—that Colum Marks and the rest of his abhorrent repugnant ragtag bunch deserve nothing other than the label of what they were: odious, filthy scum.

Bob Stewart (Beckenham) (Con): I speak for those of us who were in Northern Ireland in the Regular Army, including the Minister. Those of us who served in the Regular Army had incredible respect and affection for, and salute the gallantry of, every single member of the UDR, the Royal Ulster Constabulary and anyone who served the Crown in Northern Ireland. They were targets of terrorism. We salute them particularly because they lived and worked with their families around them. They had that huge threat of doing their duty with their families around them, whereas the Minister and I did not. We had huge respect for those who did that. I include the politicians of Northern Ireland, who were also under huge threat. I am sorry if my intervention was long, but I wanted to make that point from those of us who did not normally live in Northern Ireland.

Jim Shannon: I thank the hon. and gallant Gentleman for his intervention. I always look forward to his contributions, because they are always the wise words of a person who has served and done much for us in this Chamber and those from further afield. I know why his soldiers followed him: for his leadership, knowledge and command. We appreciate that very much and thank him for it.

During my time on Ards Borough Council I watched the families of the four brave soldiers murdered in their prime being re-traumatised by the repeated destruction of the memorial raised to honour their loved ones. Killing four brave UDR men was not sufficient for these evil people—they took a sledgehammer to smash the memorial outside Ballydugan. As an Ards councillor I was, with the help of the council, able to see the erection of a memorial in Newtownards to the four young men. Three of them came from the Ards Borough Council area and Lance Corporal Bradley came from Dundonald, which is just outside it. Unlike the Downpatrick memorial, the Ards memorial was not smashed with sledgehammers or desecrated by those with no respect or common decency.

Sir Jeffrey M. Donaldson: I thank my hon. Friend for giving way again. He has come to a important point. We hear a lot from those who are elected to this House, but do not take their seats about respect. We would like to see Sinn Féin give a bit more respect to the men and women who serve our country. We would like to see the armed forces covenant fully implemented in Northern Ireland to ensure that the families and veterans who serve this country and sacrifice so much are given the support they deserve. Let us see Sinn Féin step up to the mark and show respect for a change.

Jim Shannon: I thank my right hon. Friend for that intervention. Respect is something that is earned, and it is very much lacking from Sinn Féin.

Ms Ritchie: I thank the hon. Gentleman for very kindly giving way again. I say this ever so gently: would he and his colleagues agree that there is now a need for a resolution to the political talks process? One of the issues relates to legacy. I know that we perhaps come from different perspectives, but we all understand that many people lost their lives in very difficult and tragic circumstances. Does he agree that there now needs to be a resolution of the outstanding issues to allow the political institutions to be up and running in Northern Ireland and to provide for the people, rather than seeing a stripping and dilution of public services?

Jim Shannon: I thank the hon. Lady for her intervention. Yes, I do agree with that. It is important that we are committed to the talks process and the way forward. We just wish that all the participants, especially Sinn Féin, were of the same mind. There is a need for understanding and respect of other people’s traditions. We have committed to that as a party, and we wish very much that Sinn Féin would do the same.

At the time, I wanted to do all I could to help the families realise that their loss would never be forgotten or taken for granted. That is the reason for this debate, and everyone who has spoken today has expressed that thought very well. Steven Smart’s dad Samuel came to my office just last year and left me a large object wrapped up in newspaper. It turned out to be a blackthorn stick, which he presented to me. He had wanted to give it to me many years previously, but I had always refused and said, “No, Samuel, I am not here to receive anything. That is not the reason.” He said, “Well, Jim, I am not leaving here with it. It is for you.” I said, “Samuel, this is very important. It looks really well, with the motif of the Ulster Defence Regiment on the knuckle at the head of it.” He said, “I have two, one for me and one for you.” So Sam’s stick now has pride of place in my office.

I can only imagine the pain that has been felt for 27 years. Children have grown up without their fathers, mothers and fathers have been without their sons, wives without their husbands. I say this to them: I can only imagine how every glorification of terrorism that you have sat through has twisted the knife in your stomach. I know that this debate will be being watched in Northern Ireland.

Danny Kinahan (South Antrim) (UUP): The hon. Gentleman is making an excellent speech and some very good points. Does he share my view that we should also concentrate on mental health, think about how we can
look after all those families—and everyone else—and find a solution on which we can all agree as soon as possible.

Jim Shannon: That is certainly part of the issue. As my hon. Friend the Member for North Antrim (Ian Paisley) said earlier, there is trauma for the families who are left and the survivors among those who have served. Many Members who are present today have served, and it is always good to see them here.

I say this to the families: I can only imagine how watching the murderer of your child, father or spouse walk free from their sentence to carry out more crime has felt like coals being heaped on your head as you mourned. I can only imagine how you have cried for your loss, asked for justice and been ignored, while watching investigations and apologies apparently being handed out left, right and centre to those who came to the table with bloody hands. My right hon. Friend the Member for Lagan Valley (Sir Jeffrey M. Donaldson) has referred to that in a couple of interventions. I can only imagine what all that means, and so today I do what I can—all of us in the House do what we can—to highlight the issue.

Today I stand in the Chamber with my colleagues and friends on both sides of the House, and we declare again that we refuse to allow the rewriting of history to twist the ugly to try to make it beautiful, to make evil seem to be good, and to enable the unjustifyable to be thought of as in any way justified.

Tom Elliott (Fermanagh and South Tyrone) (UUP): I thank the hon. Gentleman for initiating the debate. We hear a great deal from members of Sinn Féin who call for the disclosure of Government documents. I think it is about time that there was some disclosure from members of Sinn Féin who were in the IRA—and from members of the IRA themselves—of why the Ballydugan Four were targeted, and why others were targeted in other atrocities. I think there is a lack of openness in that regard.

Jim Shannon: I agree with the hon. Gentleman. Indeed, the hon. and gallant Gentleman. He served in the Ulster Defence Regiment, like many of us who are in the Chamber, and wore the uniform of Queen and country. We thank him for that. As he says, we need Sinn Féin to step up and to recognise and understand the pain that we have suffered over the years in our community.

David Simpson: We talk about pain and disgust, and about the issue of disclosure. I am sure my hon. Friend will confirm that when it was disclosed that certain people had received “letters of comfort” when victims were still suffering, our party, and indeed the people of Northern Ireland, were totally disgusted.

Jim Shannon: I agree with my hon. Friend. That rankles with us all. I remember it very well, and I think those matters must be addressed.

We call on not simply the British Government and the Minister, whom we look to because he is very sympathetic and understanding about this issue, but the British people, to help us set the record straight and stem the current tide of political machinations that seek to turn history around with collusion and skulduggery, and seek to divert attention from the facts. Those facts are as I have described: a 16-man and woman team planting a bomb that was intended to wreak as much death and destruction as possible, the death of four men in their 20s, and the injury of 4 other UDR men and two civilians who happened to be passing by in a car.

That was not those people’s goal, however. They wanted more. They wanted more blood, more agony and more heartache, and they carried out more atrocities until they were halted. That happened when Colum Marks—mass murderer and multiple monster that he was—was dispatched in Downpatrick after his attempt to kill even more police officers. This was not a holy war; this was cowardice. This was not freedom-fighting; this was a wretched hatred at work. This was not a noble cause, this was ignoble, unprincipled butchery.

As time moves on, we reiterate our call from the DUP Benches and from across the Chamber for justice for these four UDR men. It is very frustrating to hear the calls for justice for everyone else; I and my party, and the Members in the Chamber today, want to ensure that those brave UDR men, and those who wore the uniform whether in the police or the Army, get justice as well.

Sammy Wilson (East Antrim) (DUP): Does my hon. Friend agree that justice will never be done if Sinn Féin and the IRA are allowed, through the legacy process, to rewrite history and present themselves as freedom fighters who had some just cause, rather than as terrorists who were simply out to subvert the wishes of the people of Northern Ireland to remain part of the United Kingdom?

Jim Shannon: I absolutely agree with my hon. Friend. People try to equate the two, but let us be clear: those in uniform were serving their Queen and country to maintain law and order; those who wore balaclavas and skulked around at night and pushed buttons on bombs and blew people to death are the murderers and the terrorists, and they have to be accountable for everything they have done. There can be no comparison or equation.

We seek justice for everyone, and that justice will not simply be found in the incarceration of every person involved in the bombing, from the bomb makers to the clothes washers—all 16 of them, every one of them who did a task in relation to this. Justice must also come through an end to historical fiction being accepted as fact.

Ian Paisley: Does my hon. Friend agree that the team involved in the action on the evening when Marks was dispatched, as he so colourfully put it, should be given medals for the service they did to our country in taking one of Ulster’s worst terrorist criminals?

Jim Shannon: I could not have put it better myself; to tell the truth, that is exactly how I feel. My hon. Friend is right: the day that evil, obnoxious, psychopathic multiple killer was put in the grave was a day when Ulster became a better place. I say that without any compunction whatsoever or any sympathy for that person for what happened. It would have been better if he had never been born and come into this world to wreak havoc and murder and mayhem and injury across the whole of the Province.
I seek justice for the four UDR men murdered at Ballydugan on 9 April 1990. The fact is that 27 years ago, in Holy Week, the most unholy act of villainous slaughter was carried out by men and women, some of whom are walking around today instead of paying for their crimes. I sincerely ask every person who is listening in the Chamber and the Gallery or watching on television to stop the re-traumatisation of victims of the troubles by accepting the rewriting of history. Let the legacy be of noble, honourable, upright, decent men who deserve the respect of being honourably remembered by the people they so sacrificially served. Those men were Lance Corporal John Bradley, Private John Birch, Private Michael Adams and Private Steven Smart.

We ask for justice for those four brave young men, and for their families who have lived every day with the trauma and the memories of losing their loved ones. All of us in this House remember their bravery, courage and sacrifice.

5.14 pm

The Parliamentary Under-Secretary of State for Northern Ireland (Kris Hopkins): I congratulate the hon. Member for Strangford (Jim Shannon) on securing this important debate. As has been mentioned, he is a former member of the UDR, as are the right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson) and the hon. Member for Fermanagh and South Tyrone (Tom Elliott). Many people have stepped up to be leaders in Northern Ireland for Fermanagh and South Tyrone (Tom Elliott). Many people have stepped up to be leaders in Northern Ireland. I pay my respects to those organisations. My hon. Friend the Member for Beckenham (Bob Stewart) put it absolutely correctly: we have huge respect for those people. We go back in regular service in the UDR and in the RUC. I pay my respect to them.

BoB Stewart: Cheshire—which is not in the south.

Kris Hopkins: My hon. Friend went back to Cheshire. The point is that we went back to our homes, to a safe place, while lots of people who served in the UDR and the RUC still lived in fear every moment of the day. I would like to express my condolences and sympathy to the families and friends of the young soldiers who on 9 April 1990 tragically lost their lives in that horrendous terrorist atrocity.

It is evident that, for many people, the legacy of Northern Ireland’s past continues to cast a dark shadow over the present. I am conscious that in approaching this issue we must recognise the terrible loss suffered by so many people during the troubles, in Northern Ireland and in other parts of the United Kingdom. Over the period of the troubles—broadly, from 1968 to 1998—around 3,500 people were killed, most though by no means all in Northern Ireland. Many were members of the armed forces, killed in the line of duty protecting the public and maintaining the rule of law. Thousands were also maimed or injured during the terrorist campaigns.

This Government have always been clear that we wholly reject any suggestion of equivalence between the security forces and those who carried out those terrorist atrocities. Terrorism was and is wholly wrong. It was never and could never be justified, from whichever side it came—republican or loyalist. No injustice, perceived or otherwise, warranted the violent actions of the paramilitary groups. The terrorist campaigns caused untold misery and suffering and left lasting scars, physical and psychological, in the wake of every atrocity that was carried out. The hon. Member for South Antrim (Danny Kinahan), who has now left the Chamber, mentioned the fact that mental health is a big issue. We need to support our veterans, and there is work being done to see what scope we have to offer that support and ensure that we give them good access to those services. I hope that, other side of the general election, we will be able to assure everyone who cares about our veterans that we are channelling them towards the support that they deserve and need.

As someone who served in Northern Ireland as a proud member of Her Majesty’s armed forces in the British Army, I witnessed at first hand the remarkable dedication, professionalism and courage of the armed forces and the officers of the Royal Ulster Constabulary. More than 1,000 members of the security forces lost their lives over the period of Operation Banner, the longest continuous military deployment in our country’s history. Awards and medals were mentioned earlier, and around 7,000 awards for bravery were made. Without the self-sacrifice of the security forces, their dedication and their gallant work to keep the people of Northern Ireland safe, the circumstances that enabled the peace process to take root would never have come about.

Dealing with Northern Ireland’s past is complex and difficult, and many victims and survivors are still suffering on a daily basis as a result of the troubles. It is clear that the legacy institutions as they are currently set up are not working for everyone. We have a duty to victims and survivors to adopt a comprehensive approach that provides a way forward for all of them. That is why the Government continue to believe that the Stormont House agreement institutions remain the best way forward for dealing with Northern Ireland’s past. I believe that these proposals will make the situation better for victims and survivors, and that they represent our best chance to prosecute terrorists for murdering soldiers and police officers, as well as other victims.

The historical investigations unit, which was proposed under the Stormont House agreement, has several important advantages over the current system in Northern Ireland. It will investigate deaths in chronological order, taking each case in turn. It will include in its investigations the many hundreds of murders by terrorists, including the murder of soldiers, such as that of 18 soldiers at Warrenpoint in 1979—the largest loss of life by the Army in a single incident in the troubles. Without reform of the current mechanisms, it is estimated that around 185 murders of soldiers will not be reinvestigated—not to mention the many murders of RUC officers. The HIU will also have a statutory duty to act in a balanced, proportionate, transparent, fair and equitable manner. The HIU will be time-limited, with an objective to bring an end to all investigations into the past within five years.

It would be inappropriate for me to comment on the case of the gentleman that the hon. Member for Strangford mentioned, but there is provision under the proposals that the right institutions can go in pursuit of new evidence, get to the bottom of things and pursue the
people who are responsible. I say to the hon. Gentleman—my hon. Friend—that if there is evidence, bring it forward and I will use all my offices to ensure that evidence is put in the right hands to be dealt with appropriately.

**Sammy Wilson:** Despite all that the Minister has said, does he accept that new evidence, or new ways of interpreting evidence, is now being used as a means to carry out what many regard as a witch hunt against members of the security forces who took out people like Colum Marks? That is where the anger and injustice are coming from in Northern Ireland. Many who served gallantly in Northern Ireland are being re-traumatised and now see themselves being used as some pawn in a politically expedient game to try to buy off Sinn Fein to get it back into government.

**Kris Hopkins:** I thank the hon. Gentleman for that intervention. I give him my reassurance that the route that I have just suggested will address that and give people confidence. I am a former soldier and I played by the rules. Many people played by the rules. Occasionally, there were individuals who made mistakes, for which they must be accountable, but we were part of the establishment. We had rules of engagement. We believed in the Geneva convention, which has a set of rules, and that is the difference.

I saw the veterans’ march that was on a few weeks ago, and Ulster Unionist MLA Doug Beattie, whom many Members here will know, was a guest speaker. He made many good points, but one of his key remarks was that if people break the law, they should face the law. There was a man who was campaigning for veterans, but he still recognised, as I do, that if individuals have broken the law, they need to be accountable, regardless of which side they were on.

**Ian Paisley:** I say gently to the Minister that I agree totally with that, but it does not address the point that my hon. Friend the Member for East Antrim (Sammy Wilson) made. In this particular case, the officer who dispatched Marks has been through three separate inquests. I know the chap personally: he was a friend of mine growing up. He has been through one ombudsman’s inquest, and now has hanging over him a second ombudsman’s inquest, on the basis of the most dodgy, fragile, fake evidence that has been produced. That will be disposed of quickly, but that is not the point. He will be dragged through that process again, and his wife and family will be traumatised by it. He and his team should have been given a medal that night. That is the honour that our state should give to these people, rather than dragging them through this process of constantly going over what they did.

**Kris Hopkins:** I understand the passion with which the hon. Gentleman talks. It is important that our response and the state’s response is balanced and proportionate.

**Bob Stewart:** I know that the Minister totally understands, but there is a real worry, as my hon. Friends on the other side of the House—they are really my friends—have said, about the proportionality of the investigations. Many people who carried out crimes seem to have had those crimes wiped clean or blown away, yet soldiers, policemen and others who carried out their duties using the yellow card rules and under the law seem to fear that there will be a knock on their door and that they will be dragged before a court for something that happened as long as 40 years ago.

The worry of the people sitting in this Chamber—I know the Minister understands it, because we have discussed it outside the House—is that our men and women who did everything right cannot sleep as well as others who did everything wrong.

**Kris Hopkins:** My hon. and gallant Friend is right that it is about being proportionate. As a man of justice who wants to see things put right, he will know that people who do something wrong need to be accountable for it. Under the Stormont House agreement, it is important that we have a model that is right for the victims and survivors. I appreciate the support of Northern Irish Members on reaching a conclusion. Part of that is a working mechanism of government in Northern Ireland in which a devolved institution can work effectively to bring justice and peace to these individuals.

I have outlined why the Secretary of State for Northern Ireland recently announced his intention to move to a public phase on the legacy bodies and why he and I have engaged intensively with political parties and victims’ groups to find a way forward on the outstanding issues. That approach has the potential to build greater confidence in the new bodies and resolve the remaining issues. It is clear that the status quo is not working well enough for victims and families. It is time to make progress.

The approach we are taking will ensure that our veterans are not unfairly treated or disproportionately investigated, and it will reflect the fact that 90% of the deaths during the troubles were caused by terrorists, resulting in so much pain and suffering. This Government remain unstinting in their admiration for the role that our armed forces played in ensuring that Northern Ireland’s future will ever be decided by democracy and consent, and we salute the brave soldiers and police officers who sacrificed so much to protect us.

I have responded to several debates of this nature, and I know they are difficult for those who speak and intervene. We have talked about the horrors that happened on that day and afterwards, and hon. Members have talked about being respectful to each other and working together today in a different place that is not 9 April 1990. I went to visit Downpatrick last week, and the vision we have of that terrible moment is thankfully not the place it is today. Down High School is an amazing place full of young people, and I visited tremendous voluntary groups and enterprises.

**Ms Ritchie:** As someone who was born, reared and educated in Downpatrick, I can say clearly to the Minister that Downpatrick’s was one of the first councils—this was back in 1973—to introduce and participate in a power-sharing arrangement at local government level, and that became the pioneer arrangement for the rest of Northern Ireland. Having talked to those pupils in Down High, and having met the staff and the people who participate in the projects at the Ballymote centre, located in the Flying Horse estate, does he agree that that is very much the view of Downpatrick that I and others want to see portrayed—an integrated place for a shared society?
Kris Hopkins: I do not want to get away from the subject of today’s debate, but it is important to reiterate something. The hon. Lady is right to say that people across the community there have come together and they live in a peaceful, cohesive place. There are always tensions and pressures around, but Downpatrick is a completely different place now from how it was before.

I want to finish on the following point. During my visit to Downpatrick, I went to the police station there, because at 2 pm on that day PC Keith Palmer was being buried. The funeral service was here and we were over there, and we had two minutes’ silence for him at the memorial inside the police station, where many, many people who lost their lives are listed. We should remember the people who have been lost, but as we do so we should also make sure we project the future of the Downpatrick of today: a beautiful place, full of some amazing people.

Question put and agreed to.

5.36 pm

House adjourned.
Oral Answers to Questions

ENVIRONMENT, FOOD AND RURAL AFFAIRS

The Secretary of State was asked—

Air Quality National Framework

2. Rachael Maskell (York Central) (Lab/Co-op): What steps she is taking to introduce an air quality national framework, which will be published shortly.

Andrea Leadsom: Let me be very clear: the Government are totally committed to cutting harmful emissions that worsen our air quality. We have made great progress already in the past decade, which is more than the Labour Government did. Emissions went up on their watch. We absolutely recognise that there is more to do and we will publish our proposals very soon.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I do not want to be intertemperate with the Secretary of State, but this is just so much pie in the sky. Every time she says that something will happen soon. When are we going to have our big natural environment report? When are we going to stop people being poisoned in our cities and towns like Huddersfield, and when are we going to see action—now, not next week, next month or next year?

Andrea Leadsom: I can absolutely assure the hon. Lady that the Government are looking at all possible areas both to reduce emissions of noxious substances such as nitrogen oxide and to ensure that we have good mitigation across the board to try to support ordinary working families.

Kate Green (Stretford and Urmston) (Lab): Will the Secretary of State consider a targeted diesel scrappage scheme that supports low-income families in particular? The opportunity to do so was missed in both last year’s autumn statement and the Budget.

Andrea Leadsom: I absolutely recognise the points that the hon. Lady is making. The UK is among 17 European countries, including France and Germany, that are not yet meeting EU emissions targets for nitrogen dioxide in parts of our towns and cities. To help to address this, the Government last year consulted on a clean air zone framework, which will be published shortly.

Danny Kinahan (South Antrim) (UUP): I am very concerned about people who bought diesel cars thinking that they were the best way forward. Will the Secretary of State discuss this matter with the Transport Secretary, the Treasury and the devolved Administrations to ensure that these people are not penalised? We need to find a way forward that looks after them.

The Secretary of State for Environment, Food and Rural Affairs (Andrea Leadsom): The UK has made significant progress in improving air quality in the past decade, with lower emissions of all five major air pollutants. However, the UK is among 17 European countries, including France and Germany, that are not yet meeting EU emissions targets for nitrogen dioxide in parts of our towns and cities. To help to address this, the Government last year consulted on a clean air zone framework, which will be published shortly.

Andrea Leadsom: It is a great shame that the hon. Gentleman is exactly right. In taking steps to reduce harmful nitrogen dioxide emissions, we have to take into account the impact on ordinary working families and businesses. As the Prime Minister made very clear, we completely understand that people bought diesel cars under incentives from the last Labour Government. They bought them in good faith and we need to ensure that they are not penalised for the actions they took.

Leaving the EU: Environmental Standards Regulations

3. Jeff Smith (Manchester, Withington) (Lab): Whether it is her policy to (a) retain and (b) strengthen existing environmental standards regulations after the UK has left the EU.
The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey): The great repeal Bill will ensure that the whole body of existing EU environmental law will continue to have effect in UK law. Over time, we will have the opportunity to ensure that our legislative framework is outcome-driven and delivers on our overall commitment to improve the environment within a generation. I can assure the House that the Government will continue to uphold our obligations under international environmental treaties, champion high standards in environmental protection and continue to seek to influence other countries to do so.

Jeff Smith: Ensuring that environmental regulations are introduced in the great repeal Bill is fine: that is very important. At least as important, however, is ensuring that those regulations are permanent. Will the Government commit themselves to placing no limit on the timeframe within which regulations will remain in place to protect our health?

Dr Coffey: The country decided to leave the European Union last year. We are trying to provide as much certainty as possible to ensure that regulations continue to exist as part of UK law, and, as a consequence, that will be the case. It concerns me that the hon. Gentleman thinks we are somehow going to rip up the rule book, because that is far from being the outcome. We want a better environment for our future generations, and that is what the Government will deliver.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): The Minister knows very well that the EU environmental regulations have been very helpful to people like me—and you, Mr Speaker—in holding the feet of HS2 to the fire when it comes to protecting our environment. Will she undertake not to allow any diminution in the protections that are afforded to areas of outstanding natural beauty, and to ensure that our exiting of the European Union does not hand HS2 a blank cheque enabling it to ride roughshod through our countryside?

Dr Coffey: My right hon. Friend will be aware that we launched our litter strategy recently. We know that a great deal of the litter that ends up in the marine environment comes from the land, and we must proceed with our work on that, because marine conservation is particularly important to us. We have continued to extend our blue belt, not only around the this country’s coastline but in overseas territories. As my hon. Friend pointed out, a general election will take place in the middle of the oceans conference, but I can assure him that the interests of the United Kingdom in providing global leadership will be well represented.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): While the great repeal Bill may bring short-term stability and a working statute book when the United Kingdom leaves the European Union, it remains to be seen whether this Government, or indeed future Governments, will take any action to erode the UK’s existing environmental policies. What assurances can the Minister give the constituents who have written to me expressing deep concern about environmental protections post-Brexit?

Dr Coffey: My hon. Friend will be aware that we launched our litter strategy recently. We know that a massive conference will be held on this subject, and that we want to be the first Government to leave the environment in a better state than the one in which we found it, and that is what we will do.

Mr John Spellar (Warley) (Lab): May I echo the call from my hon. Friend the Member for York Central (Rachael Maskell) for a national framework rather than ad hoc local decision making, especially given that emissions are currently declining? Will the Minister bear that in mind while she is working on the EU air quality regulations? In drawing up the framework, will she take account of all causes of air pollution, properly cost the alternatives—I am thinking particularly of the costs to drivers and the taxpayer—and urge the Government to stop demonising diesel drivers?

Dr Coffey: I think it fair to say—and we have said it at this Dispatch Box before—that when we are tackling air quality issues we must work with local communities, because the solutions will vary and there must be targeted interventions. I am afraid—well, I am not afraid—that our Government are not demonising diesel drivers at all. It was the Labour Government who introduced incentives for people to start using diesel. It happens to have been the current Mayor of London who stood at the Dispatch Box in his last year in the Brown Government and said that Euro V emission standards would solve the problem. We know that that is not the case, but we are clearing up the mess. Together, we can work across party lines to ensure that we have cleaner air for the people whom we all represent.

Mr Nigel Evans (Ribble Valley) (Con): One of the environmental standards that we can improve outside the European Union as much as inside relates to the state of the oceans. As the Minister knows, a massive amount of dumping of plastics is damaging sea life and coral wellbeing. A huge United Nations conference will take place between 5 and 9 June. Ministers will be busy doing other things, but what will this Minister do to ensure that the British voice is properly heard to ensure that something is done to clean up our oceans?

Dr Coffey: I can only continue to try to assure the House, and the hon. Lady’s constituents, that we made it very clear in the manifesto on which we stood in 2015 that we wanted to be the first Government to leave the environment in a better state than the one in which we found it, and that is what we will do.

Dr Paul Monaghan (Caithness, Sutherland and Easter Ross) (SNP): On 24 November 2015, the then Under-Secretary of State for Environment, Food and Rural Affairs, the hon. Member for Penrith and The Border (Rory Stewart), announced that the UK Government would ban lion trophy imports by the end of 2017. What progress has been made in that regard, and what reductions in trophy lion hunting does the Minister expect to be made following the review of international treaties when the UK has left the EU?

Dr Coffey: I did not quite catch the opening of the hon. Gentleman’s question, when he referred to something from 2015, but I assure him that all these imports are undertaken on a case-by-case basis and that we continue to work with other countries to ensure that we conserve
important species throughout the world. It is a key issue in which the UK is a global leader. We will continue to work with other countries and to have an influence.

Microbeads

4. Mrs Theresa Villiers (Chipping Barnet) (Con): What progress her Department has made on its plans to ban microbeads from certain products. [909661]

7. Sir Henry Bellingham (North West Norfolk) (Con): What the timetable is for the ban on microbeads in cosmetics and personal care products. [909666]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey): The consultation closed on 28 February and we are currently examining the responses. Our intention is to introduce legislation this year, with a ban on manufacturing expected to apply from 1 January 2018 and a ban on sales expected from 30 June 2018, as was outlined in our proposals.

Mrs Villiers: I strongly support the Government’s plans to ban microbeads in cosmetics and personal care products, but they account for probably only about 4% of the micro-plastics polluting our rivers and oceans. What are the Government doing to tackle the other types of micro-plastics which we want to stop polluting our oceans?

Dr Coffey: The consultation also sought to gather evidence on the extent of the environmental impacts of micro-plastics from other sources. We are reviewing the responses to that consultation, and any new evidence will be used to inform actions to protect the marine environment. I assure my right hon. Friend that we are critically examining the responses. Our intention is to introduce legislation this year, with a ban on manufacturing expected to apply from 1 January 2018 and a ban on sales expected from 30 June 2018, as was outlined in our proposals.

Sir Henry Bellingham: I was recently rummaging through my wife's collection of shampoos, and to my horror I found a plastic container of Olay anti-wrinkle, anti-ageing lotion, complete with exfoliating microbeads. Obviously, neither the Secretary of State nor her Minister would ever need to use such a product, but will the Minister get on the telephone to the chief executive of Procter & Gamble and tell him that selling that sort of product is completely outrageous and that it should be withdrawn from the market at once?

Mr Speaker: The leisure pursuits of the hon. Gentleman are truly extraordinary.

Dr Coffey: What I find extraordinary is that Lady Bellingham, who is a flawless picture, would even need these products. I am sure my hon. Friend will be buying flowers later today to make up for this.

It is fair to say that we are working with manufacturers now and a lot of them are already starting to remove these products proactively. That is good news, but we want to ensure that that avoidable pollution is taken out of our environment permanently.

5. Sir Edward Leigh (Gainsborough) (Con): What recent discussions she has had with her EU counterparts on the food and drink sector. [909663]

The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice): We regularly meet EU counterparts at Agriculture and Fisheries Council and at Environment Council. Food and drink issues are routinely on the formal agenda and are frequently discussed at informal bilaterals, too.

Sir Edward Leigh: The great and noble county of Lincolnshire is the bread basket of England and much of the food that we eat comes from that county. Glyphosate has been proved to be harmless by scientists. It is used by farmers in the safe production of wheat and the food we eat, so can the Minister assure me that once we regain control of our destiny its use will be reauthorized?

George Eustice: As my hon. Friend knows, the European Union is currently reviewing the use of glyphosate, but the European Food Safety Authority, the food safety agency for the EU, as well as the German authorities that led the work are very clear that it is a safe product. The UK has therefore consistently backed a position in line with the science to continue to authorize glyphosate.

Calum Kerr (Berwickshire, Roxburgh and Selkirk) (SNP): My first DEFRA question, on 18 June 2015, was on convergence uplift. Now, £230 million should have flowed to Scottish farming. Since then, the Minister has demonstrated an uncanny ability to procrastinate, which my children could only envy. However, this is not children’s homework or getting to bed on time; it is fundamental money that is important to Scottish farming and it is now a matter of trust. The Minister wants us to believe that we can trust this Government with post-Brexit UK policy. Where is that money? How on earth can Scottish farming trust this Government and the Tories?

George Eustice: The hon. Gentleman and I have discussed this a number of times, and he is aware that the review that we intended to carry out last year was delayed because of the referendum, which has clearly changed the context dramatically. We continue to have discussions with Scottish industry; indeed, just yesterday I met NFU Scotland to discuss future agriculture policy.

Dr Andrew Morrison (South West Wiltshire) (Con): What can be done to encourage the European Union to promote the processing of foodstuffs in developing countries? I am thinking particularly of olive oil and coffee, where the value added tends to be within the European Union.

George Eustice: The UK and indeed a number of other European countries have preferential trade agreements in place to support developing countries and give them tariff-free access to the European market. This is important to the development of some of those countries, and the issues that my hon. Friend raises are regularly discussed at the EU Agriculture and Fisheries Council.

Ms Margaret Ritchie (South Down) (SDLP): The fishing industry in my constituency is an important part of the food-processing sector. As part of the discussions with EU ministerial counterparts, what efforts will be
George Eustice: As the hon. Lady will know, there has been an issue with the voisinage agreement, a long-standing agreement between the UK and the Irish Republic. There had been an issue with the Irish courts on this, and I discussed it just a couple of weeks ago with the Irish Minister, when we also talked about the arrangements we might have after Brexit.

Victoria Atkins (Louth and Horncastle) (Con): Like my constituency neighbour my hon. Friend the Member for Gainsborough (Sir Edward Leigh), I have the honour of representing a constituency whose farmers feed the country. Will my hon. Friend the Minister work to ensure that farmers in Louth and Horncastle and beyond are not put at a disadvantage with their EU competitors when these exciting new trade deals are negotiated?

George Eustice: My hon. Friend represents an important farming constituency, and I reassure her that I worked in the farming industry for 10 years and am passionate about it. I have been going up and down the country in recent months meeting farmers to discuss their concerns. We have a fantastic opportunity now on leaving the EU to design a new agriculture policy that is fit for purpose.

Dr Eilidh Whiteford (Banff and Buchan) (SNP): Press reports earlier this week suggest that the Danish Government may press for restrictions on UK fish imports to the EU if the Danish fleet loses access to UK—mostly Scottish—fishing waters when the UK leaves the EU. That would have very serious implications for Scottish fish producers, who currently export in the region of almost half a billion pounds-worth of fish to the EU every year. What conversations has the Minister had with his Danish counterpart this week, and what solutions is he proposing?

George Eustice: As I said, I have regular meetings with all EU counterparts; indeed, I believe that the Danish Minister is planning a visit to the UK in the next few weeks, and I hope to meet him then. The hon. Lady should not worry about the opening positions that people might take in a negotiation: what matters is not what people ask for but what the UK Government are willing to grant. I simply say this: the Scottish fishing industry does not want to be dragged kicking and screaming back into the EU. It wants to leave the EU and the common fisheries policy; it wants to take control of our waters.

Dr Sarah Wollaston (Totnes) (Con): The fishing industry is vitally important to my constituency. Will the Minister update fishers there and around the UK about if, and when, the Government will trigger their intention to withdraw from the 1964 London fisheries convention?

George Eustice: My hon. Friend makes an important point: there is a 1964 London fisheries convention which has access arrangements for a number of countries. As we have made clear on numerous occasions, we are looking at this very closely, and, as the Prime Minister said just two weeks ago, we hope to be able to say something on this shortly.

6. John Howell (Henley) (Con): What progress her Department is making on opening up new markets for British farmers and food producers.

The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice): Since 2015, DEFRA has opened or improved terms for over 160 markets for agri-food commodities. Increasing access to markets is a priority set out in the food and drink international action plan. We work with industry to identify and prioritise new markets and increase export value.

John Howell: In my role as the Prime Minister’s trade envoy to Nigeria, I have recently invited the Nigerian agriculture Minister to come to the UK. Does my hon. Friend agree that it will be important to show him the whole of the value chain in agriculture, in which we do so well?

George Eustice: I commend the work that my hon. Friend does in building relations and important trading links with Nigeria, which is an important trading partner. It is also an important market for some fisheries products, including mackerel. I am delighted to hear that he has invited the Nigerian agriculture Minister here to see some of the great work that we do through the supply chain and some of the technology that we use to reduce waste in the supply chain.

Sue Hayman (Workington) (Lab): Does the Minister recognise that it is crucial to place the needs of the agricultural sector at the heart of the Brexit negotiations? Is it not clear that if the Government do not get their act together, a bad Brexit deal would leave British farmers and food producers facing the double whammy of cheap food imports and tariffs on their exports?

George Eustice: Access to the UK market is incredibly important for European countries as well. We export around £11 billion-worth of food and drink to the European Union, but we import some £28 billion-worth of food from the EU. That is why farming unions across the EU are telling their Governments that they must have a free trade agreement with the UK.

Sue Hayman: But how do the Government intend to deliver on these promises? The Country Land and Business Association is saying that the Government should admit that they cannot design a workable new agricultural policy in less than two years because DEFRA simply does not have the capacity to do so. The Government’s failure to reach an agreement could leave our farmers unable to compete at home and abroad. What specific guarantees can the Minister provide here today to rural communities across the country that farming subsidies and tariff-free trade will be guaranteed under a Tory Government?

George Eustice: We have some tremendously talented policy officials in DEFRA and in our agencies, and they have been working closely on the detail behind the design of future agricultural policy on some of those issues. The Prime Minister has made it clear that she is...
going to make an offer to the other European countries of a bold, ambitious and comprehensive free trade agreement.

**Martin Vickers** (Cleethorpes) (Con): One of the markets that farmers in northern Lincolnshire are hoping to expand is the production of crops that can be converted into bioethanol fuel. However, they are concerned about the Government’s commitment to this market. Can the Minister reassure them that this is a market for future expansion?

**George Eustice:** We see a role for bioethanol fuels, but we are also keen to ensure that we do not lose too much good agricultural land to biofuels. My hon. Friend will be aware that this is predominantly an issue for the Department for Transport, and I would invite him to raise it with that Department in the next Parliament.

**Jeremy Lefroy** (Stafford) (Con): As my hon. Friend the Member for Cleethorpes (Martin Vickers) has just pointed out, markets are not only country-based but product-based. The UK has a tremendous market for lactose-free milk, most of which is imported. What can we do to encourage UK producers to develop that product and manufacture it in the UK?

**George Eustice:** We have a strong dairy industry in this country, and there are lots of opportunities of that nature. We have established the food innovation networks, and we have the agritech fund and a number of other funds to support innovative product development of that kind.

**Leaving the EU: Food Prices**

9. **Mrs Emma Lewell-Buck** (South Shields) (Lab): What assessment she has made of the potential effect of the UK leaving the EU on food prices. [909669]

**The Minister of State, Department for Environment, Food and Rural Affairs** (George Eustice): Energy prices and exchange rates are the key drivers of change in agricultural commodity markets, and they affect all the countries in the world, irrespective of whether they are members of the EU. Following the sharp spike in food prices in 2008, they levelled off in 2014 and fell by about 7% over the following two years. In the past year, they have seen a modest increase of about 1.3%.

**Mrs Lewell-Buck:** I thank the Minister for his response, but the fact is that the Office for National Statistics is reporting a surge in food prices that is likely to continue. Children are returning to school hungry after the Easter holidays and elderly people are being admitted to hospital malnourished, but still the Government refuse to measure hunger and food poverty levels in this country properly. Is it not the case that they refuse to measure those things because if they did so, they would have to admit some culpability?

**George Eustice:** No, the hon. Lady is wrong; we do measure them. We have the long-standing living costs and food survey, which has run for many years and which includes a measure for household spending among the poorest 20% of households. I can tell her that household spending in those poorest households has remained steady at around 16% for at least a decade.

**Several hon. Members rose—**

**Mr Speaker:** Ah, yes: on the matter of food, I call Mr Marcus Fysh.

**Marcus Fysh** (Yeovil) (Con): Thank you, Mr Speaker. Farmers across the south-west are rightly very proud of the high-quality food that they produce, be it beef, lamb, milk and so on. What opportunities from leaving the EU does the Minister see to ensure that they get a fair price for that food in the future?

**George Eustice:** As my hon. Friend knows, we have recently had a call for evidence and a review of the Groceries Code Adjudicator. Representations have suggested extending its remit further up the supply chain, and we are considering those representations. The Groceries Code Adjudicator has made a good start to improving the relationship between producers and supermarkets in particular.

12. **Stephen Timms** (East Ham) (Lab): It is common in food processing plants for 70% of the employees to be EU migrants. It is not clear where their staff will come from in the future. Is the Minister committed to defending that sector in the Brexit negotiations, so avoiding price rises from that driver?

**George Eustice:** I can reassure the right hon. Gentleman that I have had regular meetings with food processors. Just two days ago, I had a meeting with the new president of the Food and Drink Federation, and this issue has been raised. According to the Office for National Statistics, some 30% of employees in the food processing sector are from other European Union countries. The Prime Minister has been clear that she wants to safeguard and protect the rights of the EU citizens who are here and that she would expect that to be reciprocated—and that that can be agreed early in the negotiations.

**Sir Desmond Swayne** (New Forest West) (Con): May I gently remind the Minister again of the paradox that we starve the poor by refusing to buy their food from them?

**George Eustice:** My right hon. Friend makes a very good point. As I mentioned earlier, we give preferential trade access to some developing countries: the African, Caribbean and Pacific countries are especially important in sectors such as sugar. It is important for them to develop those industries.

**Ivory Trade Ban**

10. **Pauline Latham** (Mid Derbyshire) (Con): When her Department plans to begin its consultation on banning the trade in ivory. [909670]

**The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs** (Dr Thérèse Coffey): My hon. Friend is right to raise the issue and I share her concerns. She will recognise that we want to get the proposals right, and we will consult as soon as we can.

**Pauline Latham:** Does the Minister agree that when the policy is in place rigorous enforcement will be one of the most vital elements?
Dr Coffey: I entirely agree with my hon. Friend: robust enforcement will be important to ensure that the rules are effective. She will recognise that the police and border agencies do an excellent job of enforcing the current rules. We will work with them on how best to enforce the new measures, but she will also recognise that our strategic approach to tackling the illegal wildlife trade is about enforcement, strengthening criminal justice and tackling demand, so that together we can help to solve the poaching crisis.

Seasonal Agricultural Workforce

11. Helen Whately (Faversham and Mid Kent) (Con): What recent discussions she has had with fruit and vegetable growers on the seasonal agricultural workforce.

The Secretary of State for Environment, Food and Rural Affairs (Andrea Leadsom): I very much enjoyed my visit to my hon. Friend’s constituency last week. It was a great pleasure to meet some of her growers, including those at Oakdene farm, to discuss seasonal labour. I am very aware of the horticultural sector’s concerns about labour supply issues. The Government plan to commission advice from the Migration Advisory Committee and to consult with businesses later this year.

Mr Speaker: The Secretary of State obviously had an agreeable excursion: I am very interested to hear about it.

Helen Whately: I thank my right hon. Friend for coming to Kent to visit one of my local fruit farms and listening to the growers who assembled there, especially as it was during the Easter recess. Can she give me an update on the discussions that she has had with the Home Office about introducing the much-needed seasonal agricultural permit scheme?

Andrea Leadsom: I visited not only my hon. Friend’s constituency, but that of my hon. Friend the Member for Maidstone and The Weald (Mrs Grant), so I had a lovely day in the county I grew up in. My hon. Friend the Member for Faversham and Mid Kent (Helen Whately) is right that this is an important issue. The Government have assessed the need for a pilot seasonal workers scheme, and have decided that the evidence shows that one is not needed. As I have said, the Migration Advisory Committee and a consultation with businesses later this year will seek to determine exactly what the need is, and the Government are committed to making a huge success of the food and farming sector as we leave the EU.

Topical Questions

T1. Sir Desmond Swayne (New Forest West) (Con): If she will make a statement on her departmental responsibilities.

The Secretary of State for Environment, Food and Rural Affairs (Andrea Leadsom): As this is the last DEFRA questions before the election, I remind the House of the Government’s twin ambitions for food, farming and the environment: to grow more, sell more and export more great British food; and for us to be the first generation to leave the environment in a better state than we found it. Only last week we published the first ever national litter strategy for England and announced a £10 million grant scheme to restore England’s iconic peatlands. We look forward to putting our case to the country.

Sir Desmond Swayne: What is my right hon. Friend doing to support our fisherman, in particular the under-10 metre fleet—that is 33 feet in English money?

Andrea Leadsom: I am glad that my right hon. Friend can still do the sums. The Government have taken several measures to make the inshore fleet more economically sustainable. For example, we have permanently transferred unused quota from over-10 metre vessels to the under-10 metre fleet, representing a 14% uplift to the under-10 metre fleet. We continue to top-slice the quota uplift, which is now more than 1,000 tonnes, in order to help the under-10 metre fleet.

Mary Glindon (North Tyneside) (Lab): Contrary to what the Minister of State said earlier, recent inflation figures reveal that food prices are rising at their fastest pace in three years, adding over £21 to the average household shopping bill in the last three months alone. When will the Secretary of State get a grip on a soaring cost of living that is affecting millions of families?

The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice): As I pointed out in answer to an earlier question, we saw the biggest spike in food prices in 2008 due to energy prices. Food prices fell by around 7% between 2014 and 2016. It is true that there has been modest increase over the last 12 months of 1.4%.

Mary Glindon: Rising food prices simply add to the burden on those with little money for food. The Food Standards Agency recently reported that one in four low-income families struggles to eat regularly, and the Equality and Human Rights Commission has shown that disabled people are more than twice as likely to live in food poverty. How much longer can the Secretary of State refuse to monitor and publish figures on UK food insecurity and food bank usage?

George Eustice: As I said earlier, we have always monitored spending on food through the living costs and food survey, and food spending among the poorest 20% has been stable at 16% for over a decade. This Government have put more people in employment than ever before, taking more people off benefits and giving them an income. That is how to tackle poverty.

T2. Sir Edward Leigh (Gainsborough) (Con): It is not just the coastal areas of Lincolnshire that are particularly prone to flooding. While the Government have invested record amounts in concrete defences, inland areas are also susceptible to flooding. What role can natural flood management play in protecting properties and people?

Andrea Leadsom: My hon. Friend is right to raise the importance of natural flood management, which I saw for myself on a recent visit to Leicester when I launched a £1 million competition for natural flood protection.
In the right place, it can absolutely help alongside more traditional measures. We are investing a total of £15 million to fund natural flood management schemes across the country, which will help to support many communities that are at risk of flooding, and we will continue to build the evidence.

T3. [909703] Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): The Secretary of State will surely have the good sense to join me in speaking up for the free movement of workers as the easiest way of avoiding horrendous labour shortages in the food and drink industry.

Andrea Leadsom: We have already addressed the issue of seasonal workers in the agricultural sector, and it is important that we assess the needs there. As for workers who already work and have made their lives in this country, the Prime Minister has said that it is absolutely her intention to ensure that those rights are protected, provided that the EU reciprocates. It is exactly right to look after British workers who have moved to the EU at the same time as protecting the valuable contribution that EU citizens make in the UK.

T4. [909704] Philip Davies (Shipley) (Con): In the interest of customer choice and transparency, is it not about time that all halal and kosher meat products were properly labelled at the point of sale? That would benefit those people who particularly want to buy such products, as well as those who particularly do not want to buy them.

George Eustice: My hon. Friend is a long-standing campaigner on that issue, which he and I have discussed on numerous occasions. The Government are committed to giving consumers as much transparency as possible and to improving labelling wherever we can. He understands that there are some difficulties—there is no single definition of halal or kosher, for instance—that make compulsory labelling complex. He is also aware that the European Union has been looking at the issue. Obviously, once we leave the EU there will be an opportunity for us to look at all these issues.

T5. [909705] Mrs Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con): Further to the question of my hon. Friend the Member for Gainsborough (Sir Edward Leigh), will the Minister please give my constituents across north Northumberland the reassurance they need that, should the European Commission choose not to follow the EFSA recommendation and decide to ban the use of glyphosate anyway, the UK Government will ensure its continued use remains possible in the UK regardless?

George Eustice: As I said in response to the earlier question, the evidence is fairly clear. EFSA has studied the matter, and it believes that glyphosate is safe. It has always been the UK’s position to follow the science and the evidence on pesticide decisions, which is why we support the reauthorisation of glyphosate. We will continue to have an evidence-based, science-based approach to these issues when we leave the EU.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Does the Secretary of State agree that we need good science, good technology and good innovation? What will she do about the fact that ChemChina has taken over Syngenta, a leading scientific research company largely based in my constituency but with research centres in Jealott’s Hill? Syngenta is the fifth leading innovation company in our country that the Chinese Government have absorbed—ChemChina is not listed on the stock exchange, even in China. What is she going to do about it?

George Eustice: The hon. Gentleman will be aware that pesticides and crop protection products are quite an integrated industry across the world. It is not uncommon for foreign-owned companies to be based and operating in the UK. We have some of the world’s best scientific expertise in this area, which is why companies choose to locate here.

T6. [909707] Wendy Morton (Aldridge-Brownhills) (Con): Littering and fly-tipping blight our countryside and often cause real problems for those, including farmers in my constituency, who have waste dumped on their land. Will the Secretary of State update the House on the steps the Government are taking to tackle that problem?

Andrea Leadsom: I am delighted that we launched our litter strategy for England on 10 April. The strategy will seek to cut the £800 million annual bill to taxpayers for cleaning up after litter louts. We have delivered on our manifesto commitment to let local councils fine small-scale fly tippers. We have also given local authorities the power to seize and crush vehicles that are involved in fly tipping, and we are ensuring that community payback is used to clear up litter and fly-tipped waste.

Kate Green (Stretford and Urmston) (Lab): Food processors in my constituency operate integrated processing, distribution and packaging plants across the UK and the Republic of Ireland. What assurances can Ministers give those companies that there will be no border restrictions that inhibit their operations between the UK and Ireland after Brexit?

George Eustice: As the hon. Lady knows, the Prime Minister has made it clear that she wants a bold, ambitious and comprehensive free trade agreement. We
are looking closely at the issue of border controls, particularly in respect of the border between Northern Ireland and the Irish Republic. We talk regularly to industry on the issue, and we have a meeting with some of the devolved Administrations later today in which we will be looking at precisely these sorts of issues.

Neil Parish (Tiverton and Honiton) (Con): Lamb is trading at significantly lower prices this year than it did last year at this time. New Zealand lamb comes in during the winter, when our lambs do not, and there seems to be too much New Zealand lamb in our major retailers and not enough British lamb. I would like the Minister to bring it to the attention of the major retailers that British lamb should now be in the shops, which should not be packed with New Zealand lamb.

George Eustice: My hon. Friend makes an important point. At Easter, people really want to buy high-quality west country, Welsh and Scottish lamb, and indeed lamb from every part of the United Kingdom. We faced an issue this year, in that prices were actually very good during the winter, which meant that a number of sheep producers decided to sell their lamb early and so there has been less British lamb available at this time of year.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Will the Secretary of State be pushing for a total ban on ivory sales in the 2017 Conservative manifesto, equivalent to the unrealised pledge in the 2015 manifesto?

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey): As I outlined to my hon. Friend the Member for Mid Derbyshire (Pauline Latham) earlier, we are working carefully on the proposals and we hope to publish a consultation in due course.

Dame Caroline Spelman (Meriden) (Con): Further to the question from my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton), we in the west midlands are seeing a terrible spate of fly-tipping on a commercial scale, including of hospital waste and household waste. May I ask the Minister seriously to help the farmers with the costs of deterring these serious criminals from dumping such hazards on their land?

Dr Coffey: I thank my right hon. Friend for that answer. Can he tell the House whether the Public Accounts Committee has actually looked at this issue?

Pauline Latham: I thank my hon. Friend for that answer. Can he tell the House whether the Public Accounts Committee has actually looked at this issue?

Sir Edward Leigh (Gainsborough) (Con): I can inform the House that the NAO published an investigation into the cancer drugs fund in September 2015, which set out the facts relating to the fund to inform consideration of what had been achieved. The NAO’s investigation followed up on a number of concerns raised during the earlier work on progress in improving cancer services. The investigation found that all parties agreed that the fund was not sustainable in its form at the time, and that NHS England was proposing a new arrangement for the fund. It also noted that NHS England did not have the data to evaluate the impact of the existing fund on patient outcomes.

Pauline Latham: I thank my hon. Friend for that answer. Can he tell the House whether the Public Accounts Committee has actually looked at this issue?

Sir Edward Leigh: I can indeed. This is a very serious matter that everybody wants to improve, so the Public Accounts Committee followed up on the National Audit Office investigation and recommended that the Department of Health and NHS England make better use of their buying power in order to pay a fair price for cancer drugs and improve data on patient outcomes. The NAO also followed up on several related issues in an April 2016 report. It recommended that the Department and NHS England should, in collaboration with the National Institute for Health and Care Excellence, consider affordability and ensure best prices for high-cost drugs.

Jim Shannon (Strangford) (DUP): The findings show that although 40 cancer drugs were available through the cancer drugs fund in 2013-14 and 2014-15, some 71% of patients were covered by the 10 most common drugs. Does the hon. Gentleman agree that surely that...
indicates a need to move those 10 drugs on to the NHS list? Does he believe those findings have had any effect on Government policy on cancer drugs and the cancer drugs fund?

Sir Edward Leigh: Which drugs are approved by NICE is of course not a matter for the Comptroller and Auditor General, but I hear what the hon. Gentleman says. He makes his point well and I am sure the House has heard it.

Mrs Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con): I would like to ask the Second Church Estates Commissioner, my right hon. Friend the Member for Meriden (Dame Caroline Spelman), what the Church of England is doing to help to protect churches throughout Northumberland from the theft of metal from their roofs.

The Second Church Estates Commissioner (Dame Caroline Spelman): Mr Speaker, do you wish me to reply to the question? The Chairman of the Public Accounts Commission cannot respond to it.

Mr Speaker: I rather thought that the hon. Member for Berwick-upon-Tweed (Mrs Trevelyan) was posing a supplementary to Question 1, which was the basis upon which I called her. Never mind; it is not a great sin.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op) rose—

Mr Speaker: I have a feeling that the hon. Member for Huddersfield (Mr Sheerman) has an insatiable appetite, and there is no change there.

Mr Sheerman: Thank you for that compliment, Mr Speaker.

Is the hon. Member for Gainsborough (Sir Edward Leigh) aware of the real challenge, which has been brought to my attention by the excellent team at Huddersfield royal infirmary, that it is rare cancers that are the problem because they are very expensive to develop drugs for? There is a special case to be made for the treatment of and supply of drugs for these rare cancers. Is the hon. Gentleman aware of that minority group?

Sir Edward Leigh: I am aware of that group, and the hon. Gentleman makes an important point. We all hear in our constituency surgeries the heart-rending cases of people who are denied life-saving drugs. I assure the hon. Gentleman that the Comptroller and Auditor General and the Public Accounts Committee are fully aware of this issue and are going to continue to put pressure on the Government with regard to the cancer drugs fund to ensure full transparency so that we are always aware of the problems and can assure affordability for all our citizens.

CHURCH COMMISSIONERS

The right hon. Member for Meriden, representing the Church Commissioners was asked—

Religious Dress and Symbols: Workplace

2. Sir David Amess (Southend West) (Con): What assessment the Church of England has made of the implications of the European Court of Justice ruling of March 2017 on wearing religious dress and symbols in the workplace.

Sir Edward Leigh: Eventually that will indeed be a matter for the NAO. We are currently at a very early stage of our work: we are simply ensuring that all Departments, particularly the Department for Exiting the European Union, have their tackle in order for this monumental task. I am sure that all Government Departments will do it most efficiently.
Mr Speaker: The hon. Member for Coatbridge, Chryston and Bellshill (Philip Boswell) is a member of this important Commission and therefore we ought to hear from the fella.

Philip Boswell (Coatbridge, Chryston and Bellshill) (SNP): Thank you, Mr Speaker. I should declare an interest, as I sit on both the Public Accounts Committee and the Commission itself. Further to the question of the hon. Member for South East Cornwall (Mrs Murray), I asked the Comptroller and Auditor General of the National Audit Office what concerns he had about the additional workload on his Department as a result of Brexit. He has many concerns, as intimated by the hon. Member for Gainsborough (Sir Edward Leigh), but said that he needs to know the details of the Brexit deal on the table before he can properly ascertain the impact. Is the hon. Gentleman confident that we will know the detail of this Brexit deal in 18 months’ time?

Sir Edward Leigh: The hon. Gentleman is leading me astray. As Chairman of the Public Accounts Committee, which is charged with the budget of the National Audit Office and its work programme, I am not sure whether I am qualified to comment on the nature of the negotiations. I can give an assurance that the Comptroller and Auditor General believes that that is now a fundamental and really important part of his work. There is so much that could go wrong with efficiency in Government Departments in this task, and we will be keeping a beady eye on matters. With the hon. Gentleman's help on the Commission, we will ensure that the Comptroller and Auditor General has adequate resources to ensure that the interests of taxpayers are protected.

CHURCH COMMISSIONERS

The right hon. Member for Meriden, representing the Church Commissioners was asked—

Marriage: Preparation and Aftercare

4. Andrew Selous (South West Bedfordshire) (Con): What steps the Church of England takes to monitor the number of marriages recorded and the extent and quality of marriage preparation and marriage aftercare provision within each parish. [909696]

The Second Church Estates Commissioner (Dame Caroline Spelman): I must pay tribute to my hon. Friend for his long-standing support of the institution of marriage. I am very pleased to tell the House that, since he last asked this question in 2011, the Church of England has launched the successful new initiative, “Your Church Wedding”, which is designed to increase the profile of church weddings, highlight the possibility for those seeking to be married, and offer more consistent marriage preparation and aftercare.

Andrew Selous: I am very grateful for that answer, but the fact is that marriage rates have unfortunately declined in recent years. I know that my right hon. Friend will agree with me that there is nothing inevitable about that, given that for a decade, between 1962 and 1972, they rose. As this is a real social justice issue, with the decline in marriage rates having a particularly significant impact on lower-income families, will the Church appoint a bishop to promote healthy marriage, with the aim of spreading best practice in every single parish across the country?

Dame Caroline Spelman: I genuinely believe that this new initiative will spread best practice. I am sure that all bishops regard themselves as a bishop for marriage. However, there is no doubt that there has been a decline in church weddings, and that is in part due to the fact that there has been liberalisation of the legislation around where couples can get married. None the less, we should celebrate the fact that they want to get married. I will finish with one good new trend: women over 65 are getting married in increasing numbers.

Mr Speaker: It is always useful to have additional information. We are most grateful to the right hon. Lady.

Number of Vocations

5. Sir Desmond Swayne (New Forest West) (Con): What assessment the Church of England has made of recent trends in the number of vocations. [909698]

Dame Caroline Spelman: The number of people selected for training for ordained ministry within the Church of England has been stable for some time. However, the age profile of serving clergy means that larger numbers are retiring, leading to an overall decrease in the number of active clergy. The Church seeks to address that by increasing by 50% the numbers training for ordained ministry: an increase from about 500 to 750 by 2020.

Sir Desmond Swayne: That is an A* answer, but how can we do even better?

Dame Caroline Spelman: Quite simply, we need to make it easier for people who feel the call to enter ministry to do so more flexibly. The Church offers not only a three-year residential course to become an ordained minister, but part-time peripatetic provision. As a result of the apprenticeship levy, resources will be available to the Church for people to learn on the job. That should make it a whole lot easier for people to enter ministry.

Mrs Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con): Does my right hon. Friend believe that the number of vocations would be improved if the Church of England did more to protect its churches in Northumberland from metal theft, which leaves young ordinands with a lot of logistics to deal with when they should be focusing on their parishioners?

Dame Caroline Spelman: I must congratulate my hon. Friend on her ingenuity in raising the very important and serious matter of metal theft—an ordained minister cannot practise without a roof on their church. This is a serious problem. The Church of England offers guidance, and I refer hon. Members to the ChurchCare website. There is a range of metal substitute products that can be used even on listed buildings. Currently, there is a pilot system for marking lead, which is designed to help scrap metal dealers so that they can identify when stolen goods are being presented to them. This is a
serious matter, and we are working closely with Government Departments to try to make it harder for the criminals to impede the desire of those who wish to minister in the Church and to make sure that the roof stays on.

**Marcus Fysh** (Yeovil) (Con): I welcome that news, and the initiatives on raising the number of clergy vocations. Stealing metal from church roofs is indeed an unfortunate vocation. What are we doing in the Yeovil area specifically to stop such theft?

**Dame Caroline Spelman**: I do not have information on Yeovil specifically, but advice is available on the Church’s website for every diocese—unfortunately, every diocese is affected by this serious crime. In addition to the deterrents I outlined in my previous answer, there is a system for fixing or locking lead—perhaps I should not give it away in the House, because then the criminals will know about it. It is pertinent to my constituency, where that system was used after the second theft of lead from a church roof. The deterrence means that even in the dead of night it is possible to catch evidence of the crime taking place. I recommend the Church’s website.

**Christian Communities: Africa**

6. **Diana Johnson** (Kingston upon Hull North) (Lab): What recent representations the Church of England has received on the Christian communities in Egypt, South Sudan and northern Nigeria.

**Dame Caroline Spelman**: As this is likely to be the last question today, Mr Speaker, please allow me to congratulate the parliamentary unit of Church House on the splendid way in which they have briefed me throughout my two years as Church Estates Commissioner, for none of us can be complacent about returning to our existing posts after the general election.

This is a serious question. The Church of England and the offices of the two archbishops are in regular contact with the Church in Egypt, South Sudan and Nigeria directly through the Anglican Communion Office. They are most concerned about the recent attacks in Egypt, where on Palm Sunday 44 people died at St George’s church in Tanta.

**Diana Johnson**: The 2017 World Watch report by Open Doors states that persecution increased for the fourth year in a row during 2015-16, with murders of Christians in places such as Nigeria and Egypt, as the right hon. Lady mentioned. What practical measures can the Church offer to communities in such countries?

**Dame Caroline Spelman**: I attended that Open Doors event here in Parliament, where a Nigerian pastor spoke movingly about the violent persecution of himself and his congregation in northern Nigeria. With regard to Egypt, I am pleased to say that Bishop Mouneer has secured intensive security measures for the Christian Church in Egypt, including emptying the streets around churches and cathedrals of cars, and putting extra police on duty to protect worshipers before services begin.
Persecution and Detention of LGBT Citizens: Chechnya

10.33 am

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op) (Urgent Question): To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on allegations of persecution and detention of LGBT citizens in Chechnya, Russia, and on what discussions the Government have had with their counterparts on the issue.

The Minister for Europe and the Americas (Sir Alan Duncan): The arbitrary detention and ill-treatment of over 100 men in Chechnya because of their sexual orientation is of deep concern to the UK. Credible reports suggesting that at least four people have been killed and many have been tortured are particularly shocking. Statements by the regional Government in Chechnya that appear to condone and incite violence against LGBT people are despicable.

We condemn any and all persecution, and call on the authorities promptly to investigate and ensure that perpetrators of human rights abuses are brought to justice. That would be in accordance with international human rights commitments adopted by the Russian Government to respect the human rights of all individuals.

The Minister of State, my noble Friend Baroness Anelay of St Johns, released a statement on 7 April outlining the Government’s concern at the reports and called upon the Russian authorities promptly to investigate and ensure that perpetrators of human rights abuses are indeed brought to justice.

The Foreign Secretary has expressed his serious concerns through social media. Officials from the British embassy in Moscow reiterated those concerns directly to the Russian Government on 13 April, and we are working with international partners in Russia as part of wider lobbying efforts. The EU made a statement on behalf of member states at the Permanent Council of the Organisation for Security and Co-operation in Europe on 6 April, and the UK permanent representative to the Council of Europe delivered a statement on behalf of the UK in the Committee of Ministers on 19 April.

Stephen Doughty: Thank you for granting this urgent question this morning, Mr Speaker.

I praise the Minister for his sincerity on this issue, which he takes very seriously, and for his comments. This is truly a shocking anti-gay campaign, involving over 100, and possibly several hundred, men. I praise the non-governmental organisations and journalists in Russia, the UK and elsewhere who have brought this issue to public attention. We are talking about detention, beatings, abuse and electric shock treatments, and—I do not say this lightly—some have talked about gay concentration camps. We have also heard of at least four killings.

The LGBT community in Cardiff South and Penarth has repeatedly raised this issue with me, and PinkNews tells me that its petition on it is its most signed ever. LGBT Labour wrote to the Prime Minister on this issue last week; sadly, it did not get a reply, and the matter was just passed on to the Foreign Office. There have also been representations from MEPs from all parties.

President Putin already has a record of persecuting the LGBT community. He also takes a keen interest in Chechnya, so is he turning a blind eye, or is he complicit in the actions of President Kadyrov? Let us remember that President Kadyrov’s spokesman said that you cannot detain people who simply do not exist.

Shaun Walker of The Guardian expressed the horrors we are seeing. He described the situation of an individual who, at least once a day, had metal clamps attached to him that “sent powerful electric shocks through his body. If he managed not to scream, others would join in, beating him with wooden sticks or metal rods” and demanding “to know the names of other gay men he knew in Chechnya.”

If we had any doubts about the brutality of this regime towards the LGBT community, we need not have them any longer.

I praise the Minister’s sincerity on this issue, but I have to ask why it has taken the Foreign Secretary so long to speak out—a tweet simply is not enough. We have also not heard clear condemnation from the Prime Minister. Has she or the Foreign Secretary spoken directly to the Russian or Chechen Governments? Have they called in the Russian ambassador? Does the Foreign Secretary now regret his cancelled trip to Moscow, where he could have raised these atrocities in Chechnya, not to mention those in Syria? Was the issue raised in the G7 discussion about sanctions on Russia? Will the Minister say more about what is being done to co-ordinate with EU colleagues and the United States on this issue?

The Foreign Secretary tweeted that the situation was outrageous, but the Foreign Office has referred questions on whether we will provide refuge to people fleeing this horrendous persecution in Chechnya to the Home Office. As yet, there is no clarity, and I hope the Minister can provide some.

Sir Alan Duncan: Let me say at the outset that I applaud the hon. Gentleman for raising this topic, and I hope it is one around which the House can unite without any party politics, because the strong, united message he is calling for is exactly the one we should be sending.

The actions in these reports are utterly barbaric. One of the most disgusting things I have seen is a Chechen security source stating that these arrests are part of what he called a preventative clean-up. That followed a request by an LGBT group called Gay Russia simply for licences for gay pride parades in the North Caucasus—the group had not yet even applied for a permit in Chechnya.

Human rights groups report that these anti-gay campaigns and killings are orchestrated by the head of the Chechen republic, Ramzan Kadyrov. He has carried out other violent campaigns in the past, and this time he is directing his efforts at the LGBT community. Sources have said that he wants the community eliminated by the start of Ramadan. Such comments, attitudes and actions are absolutely beyond contemptible.

I assure the hon. Gentleman and the House that the Government fully condemn this action. We do use all engagement with Russia to make our voice clear, and I did so, personally, with the deputy Foreign Minister of Russia, Vladimir Titov. I met him two or three weeks ago, including on 19 April, and the UK delivered a statement on behalf of member states at the Permanent Council of the organisation for Security and Co-operation in Europe on 6 April, and the UK permanent representative to the Council of Europe delivered a statement on behalf of the UK in the Committee of Ministers on 19 April.
ago, and we spoke about general human rights matters, but also about Chechnya. I hope the House will be fully united in giving the strongest possible siren message to Russia, and to Chechnya in particular, that this kind of activity is beyond contempt and not acceptable in the world in which we live.

Mr Nigel Evans (Ribble Valley) (Con): May I pay tribute to you, Mr Speaker, for the support that you have given to the LGBT community ever since you have occupied the Chair and prior to that?

It is absolutely right that this issue should be raised here, as it has been determined that we have more openly gay Members of Parliament in this Parliament than anywhere else in the world. I was asked in 2010 why I came out. It was partly to send a signal to other people who were troubled about their own sexuality to give them hope and confidence—to say that if people like us can be open about our gayness, then hopefully they will be able to take from that some form of moral support that may help them to do likewise.

We have made fundamental changes around the rest of the world in looking at climate change, for example. We made massive advances when we brought countries together on that issue. Can we not do the same on LGBT issues so that we can have LGBT change throughout the world? May I suggest to the Minister that one area that might be worth a lot of attention is the Commonwealth, where some of the countries that are part of our family of nations have slid back on LGBT rights? Will he place some concentration on that and show that the British Government are going to lead the way on LGBT change throughout the world?

Sir Alan Duncan: Indeed. One of the other strong messages as we approach a general election is that candidates in any party will be able to stand and be openly gay without being in any way ostracised by their own party, or indeed, we hope, any part of the electorate. That in itself sends a strong message to the world. It is a great tribute to the House and our democracy that over the past 15 years or so we have seen all parties have gays sitting on these green leather Benches. Whatever the outcome of the election, long may that continue. I also hope that that will be reflected in the Commonwealth in the years to come, as my hon. Friend suggests. We must campaign within Commonwealth countries to make sure that they do not fail to reflect the standards that we in the House reflect with regard to the LGBT community.

Emily Thornberry (Islington South and Finsbury) (Lab): May I add my thanks to you, Mr Speaker, for granting this urgent question today? I thank my hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty) for bringing such an important matter to the House and speaking so eloquently. I also thank the Minister for his response and pay tribute to you, Mr Speaker, for the support that you have given to the LGBT community ever since you have occupied the Chair and prior to that.

However, there is no room for complacency. This appalling and disgusting prejudice still represents official policy in some parts of Europe, and we must do something about it. In recent days and weeks, we have heard reports from Russian LGBT organisations and human rights NGOs documenting the most terrible abuse, and we have all read them with great distress. This is nothing short of officially sanctioned policy from the Chechen authorities, but the Russian Government, who bear ultimate responsibility for their citizens’ safety, appear to be looking the other way, and that is scarcely any better.

A week ago, LGBT Labour wrote a letter to the Prime Minister in which it asked particularly that she “meet with the Russian Ambassador as a matter of urgency to demand answers; and to ensure that the Foreign Office is doing all it can with the Russian Government, and our European and international partners, to free those who have been detained and to shut the camps down.”

We are speaking today with a strong and unified voice. However, while I applaud, of course, the right hon. Gentleman’s raising the matter as deputy Foreign Secretary, it needs to be escalated. I hope that as a result of this urgent question we get an undertaking from the Government that it will be raised at a much higher political level. This is a matter that Prime Minister should take an initiative on—she should call in the Russian ambassador and demand some answers.

Sir Alan Duncan: I thank the right hon. Lady for her tone. I had actually forgotten about the Hitchens article—I am not sure that I want to be reminded of it—but at least I can take pleasure in the fact that now I am but one of many on the Tory Benches. I hope that my statement can be seen as reflecting the Prime Minister and the entire Government’s personal condemnation of the situation. I note the right hon. Lady’s wish to see the issue raised to a higher level of political comment.

In another of the most contemptible elements of this whole issue, a representative of Chechnya’s Council on the Development of Civil Society and Human Rights, Kheda Saratova, who is supposedly charged with the task of upholding human rights in the republic, has said that she would not accept an application for help from a gay person, because the persecution of gay people should not be condemned in Chechen society, even if a person is killed by their own family. The LGBT community in Chechnya is at risk not just of persecution by the Chechen authorities, but of falling victim to so-called honour killings by their own family members. They are not safe inside Chechnya and, as I said earlier, what is happening in that republic is beyond contemptible.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): I agree entirely with the Minister’s condemnation of this terrible occurrence. Building on the remarks of my hon. Friend the Member for Ribble Valley (Mr Evans), may I ask the Minister whether he is aware that, although many Members, including me, will be unable to attend next week’s plenary part-session of the Parliamentary Assembly of the Council of Europe, because of the general election, some of our colleagues will be there? Will he have a word with Ambassador Christopher Yvon to see whether the matter could be raised, for example, in the free debate during next week’s plenary
part-session? It is important that the matter is raised continually in an international environment, to put more pressure on Russia and the Chechen authorities.

**Sir Alan Duncan:** The Council of Europe is a very important voice for the expression of wider continental opinion. I will certainly convey to our ambassador my right hon. Friend’s wishes, which I sense are also the wishes of the entire House.

**Hannah Bardell** (Livingston) (SNP): The scenes and stories emanating from Chechnya are beyond comprehensibility and utterly sickening, and we share the sentiments expressed by others. Although we may still have many challenges on LGBTI equality in the UK, we are fortunate that we have come a very long way and, in having that greater freedom, we absolutely must use our voices, whether we are members of the LGBT community or not. We must say, loudly and clearly, that we condemn this horrific brutality.

For the Chechen authorities not only to deny the attacks, but to claim, incredibly, that no gay people exist in their province is at best extraordinary and at worst deceitful. We fully endorse Amnesty International’s call to action to protect those at risk in the region, and the UK Government can do more to protect LGBTI people around the world. The Scottish National party manifesto called on the UK Government to establish the position of a special envoy to promote the rights of LGBTI people around the world. The Scottish National party manifesto called on the UK Government to establish the position of a special envoy to promote the rights of LGBTI people around the world as an integral part of UK policy. Will the Minister consider that for his party’s forthcoming manifesto? May I also appeal to him and his colleagues to act on our proposals and put all the pressure he can on Chechnya and Russia to stop these abhorrent abuses and the persecution of gay men and the wider LGBT community? We cannot stand idly by and let this happen. Those facing abuse must know that we care and that we are standing up for them.

**Sir Alan Duncan:** I am pleased to say that I broadly agree with the hon. Lady and that all that she wishes to see us do is enshrined across the board in our Government policy, including through the Department for International Development, the Home Office and our foreign policy, and so it will remain. In that sense, I think we should all be envoys in what we do internationally. Indeed, Foreign and Commonwealth Office officials in Russia regularly meet LGBT activists and attend LGBT events, such as QueerFest and the Side by Side film festival in St Petersburg, and we can provide visible support. We have also provided support to organisations such as Stonewall and helped to facilitate Sir Ian McKellen’s visit to Russia last year, during which he met LGBT activists in Moscow, St Petersburg and Yekaterinburg. I think that his powerful messages about UK values resonated, at least with Russia’s next generation.

**Sir Desmond Swayne** (New Forest West) (Con): Is there an element of reversion to type here, in that it was always a feature of totalitarian regimes to vilify minorities as a matter of routine political management? Equally, it was typical of the former Soviet Union to identify any person who posed a political threat, to brand them as gay and to detain them in a mental institution.

**Chris Bryant** (Rhondda) (Lab): This reminds us that those of us who are gay are phenomenally lucky in this country. I remember meeting an 83-year-old lesbian activist in Russia in 2009. I asked her how she got a way with it, and she said, “I think President Putin thinks that women don’t have sex after the age of 80. How wrong can you be?”

The serious point is that we should pay tribute to those who are standing up at the risk of their own lives, and I am glad that the Government are acting on that, but is this not all part of a piece? President Putin appointed Kadyrov as President in Chechnya, and he was elected with 98% of the vote—that does not seem at all bizarre, does it? He and Putin have both repeatedly abused human rights. They have used violence to excess, and they have always resorted to violence, even when they have had the opportunity to use a peaceful means to provide a solution. Will the Government make sure that people who engage in such activity, and those who are involved in the murder of British people working in Russia, do not enter this country?

**Sir Alan Duncan:** I think that an 80-year-old activist gives us all a bit of hope in this world. Having just turned 60—

**Chris Bryant:** You didn’t!

**Sir Alan Duncan:** Oh yes, I did—[Interruption]—and I know I do not look it.

Much more seriously, what the hon. Gentleman says is absolutely right. This is part of a wider picture across Russia, although I say again that Chechnya appears to be the worst example. Within the constraints of our ability to influence what happens in any country, we have to speak loudly and collectively, and we must be brave and courageous. At a diplomatic level within the country we will do our utmost to continue to put pressure on the regime and ensure that it understands that in the modern world, this kind of activity is barbaric, and that it can no longer be allowed to continue.

**Mr Speaker:** If memory serves me correctly, the right hon. Gentleman’s birthday was 20 days ago.

**Tom Brake** (Carshalton and Wallington) (LD): I start by thanking the Minister for his very forceful statement. On behalf of the Liberal Democrats, I have written to the Russian ambassador. I echo the calls made by other Members today for the UK Government to call in the Russian ambassador and ask him, in particular, what will be done to protect the journalists who were involved in leaking this story. Clearly they, as well as the LGBT community, are now at risk. Finally, have any lessons been learned since the G7, where our Government unfortunately failed to secure sanctions against Syria and Russia, about how to improve co-operation to ensure that action is taken against Chechnya at an international level?

**Sir Alan Duncan:** I think the right hon. Gentleman has deviated slightly from the collective tone of the House. As I think he will appreciate, what happened at the G7 was in response to fast-moving events following the gassing of people in Syria.
As I said a moment ago, on the issue of gay rights in Chechnya or, indeed, anywhere else in the world, we need to speak with one voice not only in this House but by working together with other countries and NGOs. We must make sure that the world collectively homes in on the likes of Chechnya, and Russia more generally, and makes it clear that they are completely out of step with the rest of the world and that they will, over time, lose all credibility and become increasingly derided. It is high time for them to grow up and understand what the modern world is all about.

Paul Flynn (Newport West) (Lab): I congratulate my constituency neighbour, my hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty), on exposing the latest manifestation of the barbaric treatment by Russia of the people of Chechnya for over a decade. I pay tribute to Lord Judd, the Council of Europe rapporteur for many years, who reported fearlessly on the terrible things happening in that country. We entirely support the opposition, which should be worldwide, but we should reflect on the fact that this terrible activity is spreading. One reason for that is the fact that there is now less pressure on countries to improve their human rights, because they do not have the incentive of joining the European Union, which demands high standards. We are, sadly, going back to barbaric treatment not just in Chechnya but in many other countries, including Turkey.

Sir Alan Duncan: I am happy to join the hon. Gentleman in paying tribute to the noble Lord Judd for all the efforts he has made over the years, but I say again that it is for all of us to work collectively across parties, across countries and across all organisations to ensure that the simple rights for people, which should never be denied them, are upheld in all countries across the world.

Mr David Winnick (Walsall North) (Lab): Considering how this may be misrepresented abroad, particularly in Russia, is it not important to emphasise that this is first and foremost a matter of human rights, and certainly not a matter confined only to those who happen to be gay? Is it not interesting that this is being discussed 50 years after the House of Commons changed the law on homosexuality? If there is a debate in July near the 50 years after the House of Commons changed the law on homosexuality? Is it not interesting that this is being discussed in Russia, is it not important to emphasise that this is first and foremost a matter of human rights, because they do not have the incentive of joining the European Union, which demands high standards. We are, sadly, going back to barbaric treatment not just in Chechnya but in many other countries, including Turkey.

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Sir Alan Duncan: The way the hon. Gentleman is going he will be here in another 50 years’ time. He makes a very valid point about the importance of promulgating the truth. When we hear absolute, blatant propaganda, we should not shy away from robustly countering such lies. For instance, Kadyrov’s spokesman has called reports of persecution and murder absolute lies themselves. Indeed, as we heard earlier, he added that “there are no gay men in Chechnya” and that “You cannot detain and persecute people who simply do not exist”.

Even worse, he went on to say that if they did exist, their own relatives “would send them somewhere from which there is no returning.” It is the use of language like that that appears to condone the outright murder of someone simply because of their sexual orientation. That is utterly unacceptable and condemns them in the eyes of the decent world.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): I thank the Minister for his statement. I am delighted to be called to speak. My concern is not just as a member of the LGBTI community, but in the broader sense of the profound impact of social, economic and political impoverishment on all Chechen society. Whether we like it or not, Kadyrov has in some terms the fundamental support of his nation, as a region of the Russian Federation. How we undermine that is through investment in foreign aid to tackle human rights abuses across the world. Will the Minister commit now, on the Floor of the House, that in fighting for LGBTI rights and other human rights in places like Chechnya, his foreign aid budget will not change after the general election?

Sir Alan Duncan: We should all commit to fighting prejudice wherever we find it. I hope that, in the election on 8 June, that will be one of the views we all hold as we present ourselves to the electorate. The hon. Gentleman raises a deeper point, which is that the House needs to understand foreign affairs, to take an interest and to debate countries such as Chechnya. I hope that early in the next Parliament the opportunity will present itself, so that the arguments we are beginning to hear today can be made even more loudly after 8 June.

Nick Thomas-Symonds (Torfaen) (Lab): The House rightly speaks with one voice in condemning the abhorrent acts in Chechnya, but this is not the first time the Russian Government have been found wanting when it comes to human rights. They need to be constantly reminded that they should honour their international human rights obligations. How can we ensure that other countries are similarly robust in explaining that to the Russian Government, not least because those members of the LGBT community in Chechnya must be feeling so insecure at the moment?

Sir Alan Duncan: We work through all collective European and other organisations, and, of course, through the United Nations more widely. Because we speak frankly, we have had a rather scratchy relationship with the Russians recently, but we will not shy away from raising these issues both frankly and forcefully. I can assure the hon. Gentleman that we will maintain a policy of robust engagement with the Russians, and that it will include matters of this sort.

Stewart Malcolm McDonald (Glasgow South) (SNP): All Glasgow weeps at this news, and when I return there later this afternoon there will be a vigil in George Square at which politicians and ordinary people will express their horror at what is happening in Chechnya.

I must disagree with some of my colleagues, in that I see no need for this matter to be escalated to the Foreign Secretary. I think that the Minister is a very capable Minister, and a deeply thoughtful Minister.

I echo the comments of my hon. Friend the Member for Livingston (Hannah Bardell). Is it not time for us to join countries such as Canada in having an envoy on LGBT rights who will report directly to the Prime
Minister? I also echo what was said by my hon. Friend from Clydebank and—in the context of the Commonwealth—by the hon. Member for Ribble Valley (Mr Evans): now is not the time to cut the foreign aid budget.

Sir Alan Duncan: I thank the hon. Gentleman for his kind words—unusual, I have to say, during this particularly fervent political period, but deeply appreciated nevertheless. I am contemplating their inclusion, in quotation marks, in my election address.

I note what the hon. Gentleman said about an envoy. It is not for me to say what our policy will be on that, but my personal observation is that a dedicated envoy is not always as effective as action by all Ministers across the board, and, indeed, by all Members of Parliament. If that is in the hon. Gentleman’s manifesto, however, we will let the people decide.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I congratulate my hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty) on raising this important human rights issue. May I add a word of caution about complacency? We have a united voice in the House of Commons, but when I paid an official visit to part of the European Union, towards the east, I found disturbing evidence of the lingering influence of attitudes of this kind, so we should not be complacent. I was particularly worried when I saw examples of some pretty virulent propaganda in Austria. We should be on our guard wherever this kind of human rights rears its ugly head.

Sir Alan Duncan: I think we should take those as serious words of wisdom from a senior Member of the House. We must always look at our own supposed allies to make sure that they have not got—let us call them diluted views. The hon. Gentleman is absolutely right to point out that Europe, for starters, must be united if we are to make our voice clear and resonant in the wider world.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Having tabled an early-day motion on this very subject earlier in the week, I am grateful to the hon. Member for Cardiff South and Penarth (Stephen Doughty) for securing the urgent question and to you, Mr Speaker, for permitting it. Will the Government assure us that members of the LGBTI community in Chechnya will be granted asylum in the United Kingdom should they flee and seek refuge on our shores?

Sir Alan Duncan: I have to tell the hon. Lady that that is primarily a Home Office matter, and a matter for the proper workings of asylum legislation.

Patrick Grady (Glasgow North) (SNP): In February, the Foreign Secretary announced the £700 million empowerment fund to come from the aid budget to project soft power and human rights. How is that fund being used to promote LGBT rights and equal rights campaigners and to support civil society in Chechnya and elsewhere? May I echo the points of my hon. Friend the Member for West Dunbartonshire (Martin Docherty-Hughes) because the Minister has not yet confirmed the Government’s commitment to the 0.7% aid target? This is precisely a demonstration of why that target is so important.

Sir Alan Duncan: The hon. Gentleman makes proper reference to the empowerment fund, for which, I understand, bids are currently in play. Given the election, I imagine that that process will be forestalled slightly, but I am confident that within many of those bids there will be programmes designed for the promotion of human rights in many of the countries at which the fund is directing its efforts.

Greg Mulholland (Leeds North West) (LD): I pay tribute to the amazing work of Yorkshire ME Sanchez, which is based in Leeds and first brought these appalling abuses to my attention. The abuses are chilling, horrific and evil, but also a clear breach of international law. What discussions has the Minister had not only with EU partners but with the United Nations to look at an initiative to stamp out this appalling persecution, wherever it may happen?

Sir Alan Duncan: Those discussions take place regularly in all the forums in which we are represented. More often than not, it is the UK that is in the lead in designing initiatives and statements that echo exactly the opinions that the hon. Gentleman just stated.

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): The appalling treatment that LGBT people face in some countries makes it all the more important that officials here making decisions on sexual orientation-based asylum cases get them 100% correct. Will the Minister at least make representations to the Home Office that no asylum case should ever be refused solely on the basis that a person can return home and hide their sexuality?

Sir Alan Duncan: I undertake to convey the comments of the hon. Gentleman, and indeed this entire exchange, to the Home Secretary.

Martin Docherty-Hughes: On a point of order, Mr Speaker.

Mr Speaker: Points of order should really be raised after the business question. Does it relate to the urgent question? No. The hon. Gentleman is such a patient fellow. We can always hear from him later. In fact, there will be a great sense of anticipation in the House as to what he is planning to raise.
Business of the House

11.7 am

Valerie Vaz (Walsall South) (Lab): Will the Leader of the House please give us the forthcoming business?

The Leader of the House of Commons (Mr David Lidington): The business for next week will be as follows:

Monday 24 April—Consideration of a business of the House motion, followed by all stages of the Northern Ireland (Ministerial Appointments and Regional Rates) Bill, followed by, if necessary, consideration of Lords amendments.

Tuesday 25 April—Committee of the whole House and remaining stages of the Finance (No. 2) Bill, followed by consideration of Lords amendments to the Health Service Medical Supplies (Costs) Bill, followed by, if necessary, consideration of Lords amendments.

Wednesday 26 April—Motion to approve a Ways and Means resolution on the Digital Economy Bill, followed by consideration of Lords amendments to the Digital Economy Bill, followed by consideration of Lords amendments to the Criminal Finances Bill, followed by, if necessary, consideration of Lords amendments.

Thursday 27 April—Consideration of Lords amendments.

The House may also be asked to consider any Lords messages that may be received. The House will not adjourn until Royal Assent has been received to all Acts.

Since this is probably going to be the last weekly business statement in this Parliament, may I take the opportunity to thank the staff of the House for the service that they provide to every one of us throughout the Parliament, and to wish them the opportunity to put their feet up a bit over forthcoming weeks?

Secondly, I wish particular good fortune to those hon. Members on both sides of the House who have decided that they will not seek re-election. Each of them has brought particular experiences and interests of their constituents during their years here, and I place our thanks on record.

Valerie Vaz: I thank the Leader of the House for giving us the business for the very last week of this short and eventful Parliament; I will save my further thanks for the end of my response. This was an eventful Parliament, not least because of the death of PC Keith Palmer, Leslie Rhodes, Aysha Frade, Kurt Cochran and now Andreea Cristea, as well as the injury of many others.

As the dean of Southwark cathedral said at the memorial service for PC Keith Palmer, they died in the shadow of the clock that counts the minutes, the hours and the years of our lives. And, of course, our beloved colleague Jo Cox should have been fighting this election. We need to remember them as we campaign, during the election, years of our lives. And, of course, our beloved colleague PC Keith Palmer, they died in the shadow of the clock that counts the minutes, the hours and the years of our lives.

The Government therefore appear to be speaking for the 52%, while Her Majesty’s Opposition will balance the views of the 52% and the 48% and speak for the country. The confusion lies within the Prime Minister’s party, not within the Opposition. Of course the Government want a general election, because they need a new manifesto.

Firstly, I wish particular good fortune to those hon. Members on both sides of the House who have decided that they will not seek re-election. Each of them has brought particular experiences and interests of their constituents during their years here, and I place our thanks on record.

The Prime Minister wants stability and to strengthen her hand in the negotiations, but blames the opposition parties for calling a general election. This is about her dithering and confusion, and watching her back. First, what an arrogant alleged statement it is that she should presume to know the outcome of an election. Secondly, what have her Government been doing for the last nine months? Thirdly, can the Leader of the House confirm that if the Government win, we will not enter into a rolling programme of snap elections during the negotiations?

The Prime Minister wanted to trigger article 50 without a vote, but the courts said that we live under the rule of law and that Parliament should have a say—this is a democracy, not a dictatorship—and there has been silence from the Government since July 2016. Her Majesty’s Opposition called for a White Paper on the Government’s plans for Brexit in October 2016, but there was silence until a speech in Lancaster House, not this House.

Mr Speaker, I do not know what the matter with the Government is; they seem to be afraid of you and of making statements in the House. I find you very personable—except when you say “Order, order.” Only later did the Government set out their 12 points of principle. Finally, a White Paper was published in February. Her Majesty’s Opposition insisted on a final vote on the deal and forced the Government to agree, because we are a representative democracy. As the Prime Minister sat in front of the great portrait of Robert Walpole to sign the letter to Donald Tusk, President of the European Council, she forgot to mention Gibraltar, one of our overseas territories, where 96% of people voted to remain—no wonder she forgot to mention them.

The Government therefore appear to be speaking for the 52%, while Her Majesty’s Opposition will balance the views of the 52% and the 48% and speak for the country. The confusion lies within the Prime Minister’s party, not within the Opposition. Of course the Government want a general election, because they need a new manifesto. Every day the Government break a manifesto pledge. There was no mention of lifting the cap on grammar schools in the 2015 manifesto; that became Government policy, and it is now stalled by opposition from all sides of the House. An increase in national insurance contributions for self-employed workers was ruled out of the manifesto, but then became Government policy, and then there was a U-turn. The manifesto said nothing about doing no harm to the vulnerable, yet their cars are being taken away as they wait for their personal independence payment assessments; many hon. Members have written on behalf of their constituents to stop the vulnerable losing their only mode of transport before they can appeal the decision.

This is a dithering, confused Government who cannot make a decision for the good of the country, so may we have a final debate next week on what leadership and stability really look like? We on this side of the House say it looks like this: for children, it is protecting Sure Start and free school meals for all primary school children; for students, no increase in tuition fees; for working people, a £10 minimum wage that will lift them out of poverty, not the living wage of £7.50; for society, investment in our public services, with local authority grants that are based on the need to protect local services, such as police forces and libraries, not special deals for special friends; ensuring small businesses thrive by preventing late payments; supporting those who care for others by an increase in carer’s allowance; for the end of my response. This was an eventful Parliament, may I take the opportunity to thank the staff of the House for the service that they provide to every one of us throughout the Parliament, and to wish them the opportunity to put their feet up a bit over forthcoming weeks?
country needs. No dithering, no confusion, just clear vision and strong leadership. Her Majesty’s Opposition, in government, will work for a tolerant, fair and dynamic United Kingdom.

I should like to echo the Leader of the House in thanking all the House staff for their brilliant support. I should like to thank you, Mr Speaker, and your office, and the Leader of the House, his erstwhile deputy and his office for all their help. I also thank my office and everyone who has made my job easier, including my Chief Whip, who tells me to cut out the jokes. Tomorrow will be Her Majesty the Queen’s 91st birthday. She shares her birthday with my hon. Friend the Member for Gateshead (Ian Mearns), for whom it will be a significant day. I hope he will not mind my saying that it will be his 60th.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): And me!

Valerie Vaz: Oh, it is the right hon. Lady’s birthday as well! I will not say what her age is. [Interruption.] She is 21, as are we all. I echo the Leader of the House’s thanks to those Members who are standing down. They have given their lives to public service, and we thank them all. Finally, I should like to say that it has been an absolute privilege to be the shadow Leader of the House.

Mr Lidington: I associate myself with the hon. Lady’s final gracious words, and with her tributes to those who lost their life in the recent terrorist attack and to our late colleague, Jo Cox. I hope that it will not be long into the life of the new Parliament before the permanent memorial to Jo can take its place in the House of Commons. I know that that will be welcomed and supported by every Member of this House and of the next House of Commons. I join the hon. Lady in wishing many happy returns to Her Majesty, to the hon. Member for Gateshead (Ian Mearns) and to my right hon. Friend the Member for Chesham and Amersham (Mrs Gillan). As my right hon. Friend’s constituency neighbour, I can tell her that whatever number might be appended to her years, nothing can diminish her vigour or her commitment to working on behalf of her constituents. Like her, I have always enjoyed and appreciated my relationship with our other constituency neighbour, the right hon. Member for Buckingham (John Bercow). Indeed, following the last boundary change, I became an elector in the Buckingham constituency, and I now have a particular interest in the outcome there.

Chris Bryant (Rhondda) (Lab): Did you vote for him?

Mr Lidington: If the hon. Gentleman peruses Mr Speaker’s previous election material, he might find the answer that he is seeking.

The hon. Member for Walsall South (Valerie Vaz) asked me a number of questions. I have to say that, when it comes to Gibraltar, her Front Benchers have a very short memory. People in Gibraltar have not forgotten how the last Labour Government tried to sell that territory down the river, or how they sought a joint sovereignty agreement. That proposal was rejected by the people of Gibraltar by a margin of well over 90% in a subsequent referendum.

The hon. Lady made a number of assertions about policies that I am sure will be debated in the country in the weeks to come. I simply say that all of us in this House, whatever political perspective we bring to these matters, want the kind of public services in which we can take pride, and which work effectively for our constituents who are vulnerable and in need of help. It is the belief of this Government and this party that the foundation for effective public services is a strong and growing economy. Under the plans put forward by the Leader of the Opposition, any chaotic Government of his would be incapable of funding public services, because they would bankrupt the British economy, raise taxes on ordinary working families and pile yet more public debt on to the next generation—a betrayal of young people.

The hon. Member for Walsall South said that she looked forward to the Leader of the Opposition being in a position to form a Government, but we know that three quarters of her parliamentary colleagues had no confidence in his ability to continue as the leader of the Labour party. Few Labour Members of this outgoing Parliament will be able to say with a straight face that they really have confidence that the Leader of the Opposition should be entrusted with the government and leadership of this country.

Several hon. Members rose—

Mr Speaker: Order. Pursuant to what the Leader of the House said about our late and esteemed colleague, Jo Cox, I advise the House that the memorial to her had been scheduled to be installed in the Chamber next month. That date fell within what will now be the start of the new Parliament.

Mrs Gillan: Notwithstanding my advanced years, I appear to have gained no more wisdom, because I wish to ask the Leader of the House for a debate on my and his favourite subject, and no doubt yours, Mr Speaker: High Speed 2. We need an emergency debate on HS2 next week, because in evidence to the Transport Committee yesterday, the boss of HS2, David Higgins, indicated that its failure to consider conflicts of interest led to the fiasco of its key contractor, CH2M, withdrawing from a £170 million contract. I want to know who will take responsibility for that, especially as this is a massive project—the largest infrastructure project in this country. We need to examine whether senior management are fit for their roles and should be in charge of such large amounts of taxpayers’ money at a time when we will be away from this place and unable to scrutinise them. May we have an emergency debate on HS2 next week?

Mr Lidington: My right hon. Friend is right to pursue this matter of great importance to her constituents and mine, and those in other constituencies along the proposed route. The failure of due diligence that Sir David Higgins acknowledged should not have happened. I am glad,
and all such projects for which he has responsibility.

Pete Wishart (Perth and North Perthshire) (SNP): I thank the Leader of the House for announcing the business for next week and the abrupt and premature ending of this Parliament. This will almost certainly be the last business questions for this Parliament, and I think I am the only shadow Leader of the House who has lasted the full two years. It has been a pleasure to work with the Leader of the House and the hon. Member for Walsall South (Valerie Vaz). I shall give my thanks at the end of my contribution.

May we have a big shout out to all the Members who will compete in the London marathon on Saturday?

Chris Bryant: It is on Sunday.

Pete Wishart: It is at some time over the weekend. My hon. Friend the Member for Livingston (Hannah Bardell) has the distinction of being the first Scottish National party Member to compete in the London marathon. I pity her political opponents when she laps them on the leaflet run during the election campaign.

Before the House rises, we must have an urgent statement on the status of all the Conservative Members of Parliament under police investigation for electoral fraud. Up to two dozen Conservative MPs face the possibility of being prosecuted in the middle of the election campaign. The public deserve to know what will happen under those circumstances. Will it be possible for those Members to continue as candidates in the general election if those prosecutions happen? With the first charging decisions to be made on 20 May, many people suspect that that is the real reason for this snap election. We need to hear from the Leader of the House whether that played any role in the Government’s determination of the election date.

May we have a debate about debates and a Prime Minister who seems fearful to participate in the television variety? It was the Prime Minister who unilaterally called this election, but she will not debate the issues with her political opponents, and it is right that all the broadcasters are considering empty-chairing her so that the maximum embarrassment is heaped upon her.

Lastly, I wish all Members of Parliament—well, nearly all Members of Parliament—a good election and pay tribute to those who are standing down. I thank the staff, who have served us diligently over the course of the past two years, and you and your office, Mr Speaker. I also want to echo the words of the hon. Member for Walsall South (Valerie Vaz): as we leave today, we will remember Jo Cox and wish that she was out there on the stump with us, fighting for her re-election. It is so tragic that that has been taken away from this House.

Mr Lidington: I join the hon. Gentleman in wishing every success both to his colleague the hon. Member for Livingston (Hannah Bardell) and to all colleagues from all parties as they make their final preparations for the London marathon on Sunday. I am sure that the hon. Gentleman is right to suggest that their marathon training will serve them all in good stead for the seven weeks that now beckon us all—seven weeks that may give the rest of us the opportunity to wear out some shoe leather, although I suspect not quite as much as those who are competing on Sunday. I hope, too, that all those Members are successful in raising large sums of money for the various charities that they are supporting.

The hon. Gentleman made a serious point about the police investigations, and I want to reiterate what the Prime Minister said yesterday. We stand behind all our candidates at the forthcoming election, who will be out campaigning for a strong, stable Government in the national interest. A number of police forces have conducted investigations, many of which have been dropped. It is right that such matters are investigated properly, but the battle bus was directed by the national party, as was the case with other political parties, and we are confident that individual colleagues acted properly.

Mr Bernard Jenkin (Harwich and North Essex) (Con): May I commend my right hon. Friend for being an exemplary Leader of the House? He is widely regarded as someone of impeccable integrity and has conducted his office impeccably during this Parliament, and I hope that nothing will change.

May I also draw the Leader of the House’s attention to and put down a marker about Select Committee staffing? We have wonderful staff who work incredibly hard, but Committee specialists tend to change too often. That does not happen in the Library, where specialists sometimes remain in post for a decade or more. It would strengthen the role of Select Committees if we could look at changing the nature of staffing, rather than put up with the current turbulence. I appreciate that that is something for the next Parliament, but I wonder whether he could leave something on his file to remind him when he gets back.

Mr Lidington: I am grateful to my hon. Friend for his kind remarks. Clearly, there is a balance to be struck between the value of continuity that he describes and the need to ensure that individuals have the opportunity to develop their careers in service through a variety of difference experiences and occupations. However, I will make a note, and I am sure that the Leader of the House—whether it is I or somebody else who has these duties when the new Parliament assembles—will want to take a close look at the matter.

Ian Mearns (Gateshead) (Lab): The Backbench Business Committee has concluded its business for this Parliament, and I am grateful to the Leader of the House because we have had our full allocation of Back-Bench time in the Chamber in this Session.

We have half a dozen outstanding debate applications lying unheard and, if it is all right with the Leader of the House, I will ask our Committee Clerk to write to his office to seek an airing for those debates in the new Parliament, possibly before the new Backbench Business Committee is established, as happened in the current Parliament—general debates were scheduled by the Leader of the House’s office. Some of the subjects could possibly be debated in that time.

I place on record my thanks to the members of the Committee. The ever-presents: the hon. Members for Harrow East (Bob Blackman), for Paisley and Renfrewshire
North (Gavin Newlands) and for Bury North (Mr Nuttall), and my hon. Friend the Member for Birmingham, Yardley (Jess Phillips). The later arrivals: the hon. Members for Torbay (Kevin Foster), for Hazel Grove (William Wragg) and for Witney (Robert Courts). The members who departed in this Parliament: the hon. Members for Wellingborough (Mr Bone) and for Kettering (Mr Hollobone). And those who had more than cameo appearances for a brief time: the hon. Members for Aldridge-Brownhills (Wendy Morton) and for Central Suffolk and North Ipswich (Dr Poulter).

And I thank you, Mr Speaker. That is me done for this Parliament.

Mr Lidington: I thank the hon. Gentleman and the members of his Committee for their sterling work during this Parliament. Backbench Business allows Members on both sides of the House to raise issues of importance to our constituents that might not be the subject of Government legislation. I take careful note of his point about the scheduling of general debates in the next Parliament, which I will consider carefully.

Mr Charles Walker (Broxbourne) (Con): Today I will desist from eviscerating Veolia, but I hope, electorate willing, to be returned on 8 June to pursue this appalling company on the Floor of the House. Shortly after that, Mr Speaker, I will ask you whether you have received the apology you requested from the company a few weeks ago for misleading me, as the hon. Member for Broxbourne.

Does the Leader of the House agree that, early in the next Parliament, the Procedure Committee needs to revisit Standing Order No. 122A to ensure that it reflects the reality of contested elections for Select Committee Chairs and the expectation of the House that those elected into such roles will serve the full term of the Parliament in which they are elected?

Mr Lidington: I am grateful to my hon. Friend for giving me notice of his question, which gave me the unexpected opportunity to study Standing Order No. 122A and the associated Standing Orders of the House. I concede that the Standing Orders relating to the election of Select Committee Chairs are capable of being construed in a number of different ways. It seems to me that the way forward is for the Procedure Committee in the new House of Commons, when it is constituted, to take the issue away, to examine the current Standing Orders, to consult across the parties in the House and to come back with recommendations in due course.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Mr Speaker, I thank you and the Leader of the House for making it clear that we will remember Jo Cox at the earliest possible opportunity. We all wish that she could be on the campaign trail with us. I will be on the campaign trail but will not be returning to the House, so I thank you, Mr Speaker, and everyone here for the 20 years that I have been privileged to represent Birmingham, Edgbaston. It has been a privilege.

The next Parliament has a very difficult task. The Government have to implement the will of the people, as expressed on 23 June 2016. The Opposition have to scrutinise the Government in a constructive but, nevertheless, relentless way to ensure that we get the best deal.

Finally, I paraphrase Nancy Astor: I will miss the House, but I will miss the House more than the House will miss me.

Mr Lidington: The right hon. Lady is characteristically gracious and self-deprecating in her remarks. Those of us who have served with her in this House will remember her and her contributions for a very long time.

Henry Smith (Crawley) (Con): I appreciate that we have very little time left in this Parliament but, nevertheless, I request that consideration be given to a debate on the additional £10 billion that the Government have committed to the NHS until 2020. It is certainly starting to see results in my constituency, with the opening of new units at Crawley hospital.

Mr Lidington: I am grateful to my hon. Friend for raising this point, and I join him in welcoming these new units. It seems to me that the commissioning authorities and the trusts in his part of the country have taken advantage of the record Government spending on our NHS to reconfigure services in a way that will provide better services for his constituents and those in neighbouring constituencies in Sussex in the future.

Vernon Coaker (Gedling) (Lab): Let me try again with the Leader of the House: is it possible in the next few days to have an urgent debate about the appalling state of our roads? In Nottinghamshire, there is a £320 million backlog on road repairs and some of the roads in my constituency are simply shocking. The Government’s response is to give the county council £14 million, but it will take 30 years to repair all of the roads at that rate. This is not good enough and the Government need to do something about it.

Mr Lidington: The Government set aside £23 billion for infrastructure in the autumn statement and we are investing a record £15 billion on road schemes. The amount we are spending on roads includes allocations to local authorities to fill in potholes and carry out other essential road maintenance, as well as providing for central Government spending on motorways and trunk road schemes. But I come back to the point I made to the hon. Member for Walsall South (Valerie Vaz): the ability of any Government to provide for increases in public expenditure of the kind that the hon. Gentleman is seeking rests upon the capacity of our economy to create wealth and increase employment. The policies that I am afraid his party are espousing in this general election campaign will impoverish our economy and saddle future generations with debt.

Mark Pritchard (The Wrekin) (Con): May we have a debate on hospital services in Shropshire? Will the Leader of the House join me in welcoming the recent comments by Simon Wright, the chief executive of the Shrewsbury and Telford Hospital NHS Trust, that the women’s and children’s unit—the paediatrics unit—at the Princess Royal hospital in Telford is now safe and that new services such as cancer care patient services will be introduced over the coming months? Is that not more evidence that the NHS is safe in Conservative hands, both locally and nationally?
Mr Lidington: I very much welcome that news from Telford and Shrewsbury. It is important that these detailed decisions about the configuration of services are taken at local level and driven by the assessment of those in charge of our NHS locally about what is needed for their particular communities. One set-up will not work equally well in every part of the country, and there does need to be local sensitivity, and I am really pleased that that is what seems to be happening in Shropshire.

Paul Flynn (Newport West) (Lab): The reputation of politics was rock bottom, but now it is subterranean, as we have done nothing to reform the deep corruption at the heart of our political system by doing nothing about lobbying and the revolving door. What the country needs is a leader of integrity—a man who is not mired in corruption and is not dedicated to seeking office in order to gain insider knowledge that can then be prostituted to the highest bidder upon leaving office. We need a man who is different from what we have had, and that is what the country is looking forward to. When can we investigate the activities between previous Ministers and Electricité de France and Blackstone investments? These are unresolved problems, where we have people leaving this House honoured but then having the consolation of vast salaries of up to £650,000 for a part-time job. This does not honour politics—it drags politics down into the gutter. What we need is a new Prime Minister of probity and integrity.

Mr Lidington: As always, the hon. Gentleman speaks with passion, and in this case on behalf of the 25% or so of Labour MPs who support the Leader of the Opposition. He may not have meant it in this fashion, but I think he was being extremely unfair to successive Prime Ministers from both the main political parties in this country, and to the people who have served in their Governments, who have, after leaving office and membership of this House, gone on to work in other capacities in our country. Whether Conservative, Labour or Liberal Democrat, these are men and women who have things to offer and, subject to the various codes and rules that apply, it is right that when they leave office, and particularly when they leave membership of the House of Commons, they should be free to pursue new avenues.

Sir David Amess (Southend West) (Con): The right hon. Member for Birmingham, Edgbaston (Ms Stuart) is wrong: she will be missed by the House.

Will my right hon. Friend the Leader of the House find time for a debate on the persecution of Christians around the world? Two weeks from today, the voters of Renfrewshire will elect a new council administration, but although the Scottish National party will offer a 50:50 gender split among its candidates, only 29% of Labour and a shameful 17% of Conservative candidates are women. If the Leader of the House is doubly fortunate to be returned to both the House and his current role, will he endeavour to schedule a general debate on this subject early in the new Parliament?

Mr Lidington: The Government could not have been clearer about our wish to encourage more women to take part in public life, not only through seeking membership of the House of Commons and local authorities but through many other forms of public service. Successive leaders of my party have worked hard to promote that, not least my right hon. Friend the Prime Minister. My party, unlike the hon. Gentleman’s, has a woman leader both in Holyrood and at Westminster.

Philip Davies (Shipley) (Con): The right hon. Member for Birmingham, Edgbaston (Ms Stuart) has been an outstanding Member of Parliament. Her successor, whoever they may be, has an incredibly difficult act to follow.

Will the Leader of the House confirm that the Prisons and Courts Bill has been abandoned for this Parliament and will have to start its passage through the House again in the next Parliament? Can he tell us which Bills will be going through the rather grubby process of the wash-up, which is a rather unsatisfactory way to pass laws?

Mr Lidington: The Bills that were introduced to this House quite late in the current parliamentary Session and which received carry-over motions so that they could be debated in what would have been the third Session of this Parliament, including the Prisons and Courts Bill, will fall. I referred in my statement to some of the measures that we will be addressing during the wash-up period next week. As my hon. Friend knows, though, discussions are going on through the usual channels about how to handle particular pieces of legislation; I do not want to prejudice the outcome of those discussions.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Mr Speaker, may I thank you and the Leader of the House for your kind remarks about my neighbour and friend, Jo Cox? Jo will be in all our minds as we fight this election. She was a radical and a reformer. She cared about this House, but she was discontent with it because she thought it was not as accountable as it could be in this modern age. Can we think about that during this election period? When we come back, may we have an early debate on that? I say that to whoever is on the Front Bench over there—I quite fancy the job of Leader of the House myself. [Interruption.] There is no ageism here, Mr Speaker. Seriously, may we have a serious debate about how we make this place more accountable? Many of my constituents find that the call for an early election has got in the way of accountability. People like me who wanted to stay in the European Union accepted the will of the people, but want to fight like mad to make sure we get a good deal. If we can
have the money for our public services that was mentioned, surely we should have a good deal. This House is now in a weaker position to make sure that that happens.

Mr Lidington: I simply do not see the connection between there being a general election and this House being in a weaker position. I would have thought that the fact that we had a House of Commons charged with a new mandate from the people to carry through the referendum outcome meant there was greater strength of purpose in this House and indeed on the part of the Government in going forward to what will be very challenging negotiations. There is absolutely no doubt in my mind about the utter determination of my right hon. Friend the Prime Minister to secure the best possible deal for all the people of every part of the United Kingdom at the end of those negotiations.

Andrew Selous (South West Bedfordshire) (Con): Will the Government make time for a statement on North Korea? Although security concerns there are currently uppermost in many people’s minds, will the Government convey the concern of many of us in this House that the policy of the Chinese Government of returning refugees and escapees from North Korea to the North Korean regime to near certain death or lifetime imprisonment, sometimes going on for three generation of their families, is not something that many of us in this House want to be silent about?

Mr Lidington: My hon. Friend makes a very cogent point. The Government are concerned that China continues to regard North Koreans fleeing the Democratic People’s Republic of Korea as economic migrants rather than treating them as refugees under the terms of the 1951 UN convention. As we all know, the scale of human rights abuses in North Korea is too severe for the international community, including China, to ignore. We have repeatedly called on the Chinese authorities at the very least to respect the fundamental principle of non-refoulement that is built into the United Nations convention, and we did that most recently at our regular UK-China human rights dialogue.

Karin Smyth (Bristol South) (Lab): I recently met the father of toddler, Harry Studley, whom hon. Members may remember was shot in the head with an air rifle in south Bristol last July. Harry’s dad has impressed me not only with his resilience in the face of adversity—he told me that Harry is doing well—but with his determination that, as a nation, we should learn something from this incident. May we have a debate about what measures the Government can put in place to improve air rifle safety—for example, the introduction of compulsory trigger locks on these lethal weapons?

Mr Lidington: First of all, may I wish Harry a full recovery and express my best wishes to those caring for him and treating his injuries? The Government keep the legislation and misuse of air weapons under review. At present, we have no plans to ban or license them. The vast majority of people using air weapons do so safely and responsibly. High-powered air weapons do require a firearms licence and even low-powered air weapons are subject to a range of controls, including restrictions around their sale. A small minority of people tragically misuse air weapons in England and Wales—sometimes in the way that the hon. Lady describes—but by introducing a further set of controls we would divert police resources from controlling the other higher risk firearms, such as rifles and shotguns, which is an area where the police should give priority.

Mr Nigel Evans (Ribble Valley) (Con): I am sometimes asked by constituents who have watched our proceedings on television whether we really hate one another. They see us shouting across the Dispatch Box and ask, “What are they like after they’ve done battle?” I then explain the reality, which is that sometimes I have more difficulty with Members on my own side than with those sitting opposite.

Chris Bryant: Name names!

Mr Evans: You know who they are, and they know who they are.

The reality, of course, is that we build lasting and enduring friendships with Members from all parties, and none more so than the right hon. Member for Birmingham, Edgbaston (Ms Stuart), who leaves an enduring legacy in the work she did on Brexit, and to whom I am grateful. Given your end-of-term latitude, Mr Speaker, I hope that you will allow me to say: I will miss you, Gisela, and I wish you well for the future.

As far as future debates are concerned, it would not be business questions if I did not mention that there is an issue with potholes in Ribble Valley—I will spend the next seven weeks looking at them as I drive around visiting towns, villages and hamlets. I hope that as part of our imaginative manifesto for the future, we can consider allowing district authorities to bid for some of the money made available by central Government so that we can fill those potholes.

Mr Speaker, I wish you and all the parliamentary staff well for Dissolution and in all the hard work that will be needed to prepare for the new Parliament.

Mr Lidington: My hon. Friend makes the point that it is sometimes quite difficult for people outside this House, many of whom see only the moments of high drama on their TV screens, to understand that we all come to this place with an equal electoral mandate, and with passionately held political views about how best to make things better for the people we represent, but actually there is a certain amount of camaraderie that transcends party political differences, and friendships that are built across party lines over many years.

On my hon. Friend’s policy point about Ribble Valley, the idea of having a system for additional bids from local authorities is an interesting one. I will ensure that it is placed in the incoming Transport Minister’s in-tray after the election.

Danny Kinahan (South Antrim) (UUP): The Leader of the House did not clarify the point about 2 May, so perhaps we could have some more information on that. Is he aware that the families of the victims of the Hyde Park bombings have been denied legal aid to fund their civil action against the chief suspect? Will he meet the Members and peers who support the victims’ campaign?
in order to consider the Government making exception funding available so that justice, which they have been denied for 35 years, can be delivered?

As an Ulster Unionist, may I associate myself with all the remarks that have been made in thanking all those who have helped us over the period we have been here? It is particularly good to hear that we are remembering Jo Cox. The strength of her husband has been quite fantastic. I wish all the best to those Members who are standing down. I wish to share an Irish blessing—it is such good wording—with all Members for when they are knocking on doors:

“May the road rise up to meet you.
May the wind be always at your back.
May the sun shine warm upon your face;
the rains fall soft upon your fields, and until we meet again, may God hold you in the palm of His hand.”

Mr Lidington: I think the whole House warmed to the hon. Gentleman’s concluding comments. I join him in his salutes to Brendan Cox, who has shown the most inspiring courage and fortitude over the months since Jo’s murder, but who has also spoken out fearlessly in defence of democracy and human rights and against extremism, at a time when he must have been under the most appalling personal stress.

On the hon. Gentleman’s specific point about legal aid, I think that implicit in his question was the fact that these decisions are taken at arm’s length from Ministers, but I will ask the Minister responsible for the legal aid system to make contact with him and other interested colleagues in both Houses. On his point about Tuesday 2 May, although the working assumption at the moment is that the House will not be sitting, that day is available should it be needed to ensure that business is completed. By law, the Dissolution of Parliament must take place one minute past midnight on Wednesday 3 May, so Tuesday will be the last day on which Members of this Parliament and their staff will have access to their offices in the House of Commons.

Wendy Morton (Aldridge-Brownhills) (Con): I was somewhat disappointed and dismayed to hear that Walsall Borough Council has declined to take part in the Government’s pilot scheme on voter identification measures at polling stations. Is the Leader of the House aware of any advice for presiding officers at the forthcoming local and mayoral elections and at the general election to deter personation at polling stations?

Mr Lidington: The Electoral Commission does provide such guidance to returning officers and their staff, including those running polling stations. The handbooks from the commission specifically include a procedure for dealing with personation and guidance on dealing with other issues. I am disappointed to hear that Walsall Council does not wish to follow best practice, and I hope it might reconsider following my hon. Friend’s representations.

Greg Mulholland (Leeds North West) (LD): The coalition Government introduced a £173.5 million fund for a modern public mass transit system in Leeds, and I was delighted that this Government stuck to that commitment. With the election, of course, that has been thrown up in the air, so may I ask the Minister what will happen? Can he assure me that when this place is not sitting there will be proper scrutiny of Leeds City Council’s unambitious and poor plans for spending that money?

Mr Lidington: First, there will be elections in Yorkshire—certainly in the Greater Leeds area—this year. The processes for the auditing and scrutiny of expenditure within Government will also continue, and Ministers will remain in office. What there will not be until the new Parliament assembles is the opportunity for Members of this House to raise cases where they think money has not been spent to best effect. However, we are talking of a matter of only seven weeks, so it will not be long before Members representing Leeds and every other part of the country can raise such points.

Peter Heaton-Jones (North Devon) (Con): May I echo what my hon. Friend the Member for Crawley (Henry Smith) said in welcoming the Government’s increased investment in the NHS? I also acknowledge what the Leader of the House said about the need for local decision making on health service matters. None the less, I seek his reassurance that in the next Parliament we will have the opportunity properly to scrutinise any proposed changes that result from NHS England’s sustainability and transformation plans. As he will know—I have raised this in the House before—there is considerable concern about services at North Devon district hospital in my constituency. The concern is that any proposed changes might be rather hastily imposed by local health service managers. Will he assure me that we will have an opportunity to scrutinise these matters?

Before I sit down—it seems I have the privilege of being the last Conservative Member to ask a business question in this Parliament—may I echo the comments that have been made about our colleague Jo Cox? Mr Speaker, may I also thank you, your staff and the staff of the House for helping to run the business of the House so smoothly? Long may it continue.

Mr Lidington: I am grateful to my hon. Friend. I can assure him that the next House of Commons—in this Chamber, in Westminster Hall and in the Health Committee when it is re-established—will have the opportunity to consider sustainability and transformation plans as they come forward in all parts of the country. Any such plan has to meet four tests for service change: it must be supported by GP commissioners, be based on clinical evidence, demonstrate public and patient engagement, and consider patient choice. The NHS organisations involved are obliged to consult the local authority’s health overview and scrutiny committees on any proposals for substantial changes to local health services. Those committees can make a formal objection to such a substantial service change and then refer the decision to the Secretary of State for a decision—and the Secretary of State is of course, like all Ministers, accountable to this House.

Natalie McGarry (Glasgow East) (Ind): With your indulgence, Mr Speaker, before I ask my question I would like to put on record my sincere thanks to the hon. Members for Weaver Vale (Graham Evans) and for Glasgow North West (Carol Monaghan) for assisting me when I was unwell yesterday. I also extend my thanks to the wonderful Commons staff and to the medics for their usual excellent care.
In Culture, Media and Sport questions on 16 March, the hon. Member for North Ayrshire and Arran (Patricia Gibson) and I asked the Minister responsible about our long campaign for caps on the ruinous stakes for fixed odds betting terminals, and we were assured that a long-promised announcement by the Government would be made in the spring. Will the Leader of the House commit today to keeping this firm commitment before the Dissolution of Parliament?

Mr Lidington: No, I cannot promise that, because once a general election has been announced the normal rules on Government purdah start to apply fairly promptly, and they will certainly apply from the end of this week. This is a matter for the Cabinet Secretary rather than for Ministers. While Ministers will be free in the next 24 hours or so to make a number of statements, as soon as the purdah rules come into play, which I am expecting to happen tomorrow, the Government machine is prohibited from making such announcements because it must maintain impartiality during an election period.

Mr Chuka Umunna (Streatham) (Lab): We all know that to ensure that constituents can get better paid, better quality jobs and that our businesses can compete better abroad, we must ensure that our people have the right skills. It is a disgrace, therefore, that in my area we are facing further savage cuts of beyond £20 million per year to our local schools. Before Parliament is dissolved, may we have a statement from the Education Secretary on why this Government are pulling the rug from under our young people and taking us back to mid-1990s levels of Tory underinvestment in our schools? Our young people deserve better.

Mr Lidington: First, I point out to the hon. Gentleman that the number of pupils attending schools that are rated by Ofsted as “good” or “outstanding” has risen since 2010 to the highest level ever—some 89% of pupils attend such schools—and the number of individual schools that meet those standards is also at a record high. He chose not to mention this Government’s commitment to 3 million good apprenticeship starts. Nor did he mention this Government’s renewed focus on technical and vocational education, which is absolutely essential if we are to give young men and women the opportunities that he, like me, wishes to see them enjoy.

I think that behind the hon. Gentleman’s question was an attack on the proposed new funding formula for schools, but it has long been the case, argued by Members of Parliament on both sides of this House, that it was not tolerable to continue with a situation in which almost identical schools in different geographical areas could find that one school received half the money per pupil that the other, comparable school was receiving. As he knows, the new funding formula is the subject of a public consultation that has just closed. The Secretary of State is considering what her response should be, and she will come forward with proposals in due course.

Chris Bryant (Rhondda) (Lab): The Leader of the House referred to Gibraltar. May I remind him that Gibraltar has a Labour Government, and we in Rhondda certainly know that any Labour Government is always better than a Tory Government?

Rather than that, however, I want to ask the Leader of the House why the Government have broken their promise, in that Minister after Minister has said that if the Opposition demand a debate and a vote on secondary legislation, there will be a debate and a vote, but for the past two years successive Leaders of the House have repeatedly refused to allow us a debate and a vote. In particular, dozens of our constituents, many of them with severe mental health problems, are worried about the changes to personal independence payments and concerned that the changes are going to go through without any debate or any vote. They are absolutely furious. Why will the Leader of the House not stand up now and say, “Yes, we’re going to have a debate and a vote next week”?}

Mr Lidington: The hon. Gentleman knows that an election has been called, and that makes a difference to the allocation of time for business, particularly as we have to make provision—I think that this is agreed across the House—for emergency legislation in relation to Northern Ireland, which will take time that might otherwise have been available for other purposes.

On personal independence payments, if the hon. Gentleman looks at what is actually going on, he will see that the number of successful appeals against PIP decisions is only 3% of cases that have reached a decision, and that the number of people with mental health conditions who are getting additional help under PIP is significantly higher compared with the disability living allowance. PIP represents a big improvement on the previous situation.

Finally, the hon. Gentleman is on very dangerous ground in praying in aid the Chief Minister of Gibraltar, because all political parties in Gibraltar detested and resented the previous Labour Government’s proposals for their territory.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): May I echo the comments made about our colleague and friend, Jo Cox? Of course, Jo was a huge champion of international development. Although I am pleased that there will be a memorial to her here in the Commons, one of the greatest memorials would be for all parties in the upcoming election to recommit to the cross-party agreement on 0.7% for international development. It would be a great tragedy if that was abandoned.

Jo was also a great champion of the situation of older people in this country. We have a surprise general election, so I wonder whether we could have a surprise Government statement in the next few days on righting the historic injustice facing the WASPI women and so many other pensioners across the country, including Allied Steel and Wire workers in my constituency, who have been led down paths that have resulted in them not receiving what they expected to receive in their retirement.

Mr Lidington: It will be important, as we leave the European Union, that the United Kingdom is even more outward looking on the world than it is already. I am certainly proud of the way in which we use our very generous aid programme to give humanitarian assistance to people in need in parts of central and eastern Africa, and to people both inside Syria and who have taken refuge in neighbouring countries.
On the state pension age increase for women, transition arrangements are already in place and the previous Government committed more than £1 billion to lessen the impact of those changes. No one will see their pension age change more than 18 months compared with the previous timetable. The problem with what the hon. Gentleman seeks is that to reverse the Pensions Act 2011 would cost more than £30 billion, and neither he nor his party has any plan as to how they would find that money.

Kirsten Oswald (East Renfrewshire) (SNP): Six innocent UK military veterans, including Billy Irving, remain in jail in India. The Foreign Secretary has still not met their families. This Government have been in a tizzy over Brexit and have not been focusing on those men, and now this cynical Tory election means that their perilous situation slips even further down the priority list. These military veterans deserve better, so in the time left what are the Government going to do to get Billy and his colleagues home where they belong with their families?

Mr Lidington: The hon. Lady has raised that case before, so she knows that the Prime Minister has raised the case of the Chennai six with Prime Minister Modi of India; that Foreign Office Ministers and our high commissioner in New Delhi have raised the issue many times with their Indian counterparts; and that representations continue to be made to the Indian high commissioner here in London. The case is with the judicial system in India, which is a mature democracy, and we will continue to make all representations possible on behalf of those men. We are certainly not giving up and it is wrong for the hon. Lady to suggest in any way that we have done so.

Anna Turley (Redcar) (Lab/Co-op): South Tyneside commissioners announced a fortnight ago that the Marske medical centre, which serves more than 5,000 people in the village, many of them elderly, will close at the end of June. NHS England has provided emergency GP cover for the last year after Danum Medical Services, the company that previously ran the centre, went into liquidation. Not a single bid has been received—what a damming indictment of this Government’s market approach to healthcare.

I have written to ask the Secretary of State for Health to step in urgently on behalf of patients who rely on the service. Will the Leader of the House bring the matter to the urgent attention of the Secretary of State?

Mr Lidington: We are not going to be shy of publishing the national shipbuilding strategy, but I refer the hon. Gentleman to the answer I gave to the hon. Member for Glasgow East (Natalie McGarry) about the impact of purdah rules. I suspect that the hon. Gentleman and his party would be the first on their feet to complain if we had announcements coming out of Whitehall during a general election campaign; he would argue that those announcements were designed to help a Government seeking re-election.

Bill Esterson (Sefton Central) (Lab): The Conservative Government in London spent £7 per person on transport projects in the south-east for every £1 per person spent in the north. Meanwhile, schools in Sefton face a cut of £518 per child and the loss of nearly 500 teachers. Before the election, can we have a statement about whether the people of Sefton Central have been let down by the Government and why they have had such appalling treatment?

Mr Lidington: If the hon. Gentleman looks back to as recently as the autumn statement he will find that £13 billion of infrastructure investment was reserved for northern England. I could list some of the projects—improved connections to Manchester airport, £317 million for the Tyne and Wear metro and so on—that benefit northern cities and regions directly. In his question to me, he ignored the fact that investment in London can actually bring direct benefit to centres outside London. The Crossrail trains are being built in Derby, providing jobs there, and components for London buses are made in Falkirk and Ballymena. All parts of the United Kingdom are benefiting from that programme of Government investment.

Chris Stephens (Glasgow South West) (SNP): On a point similar to that made by my hon. Friend the Member for Argyll and Bute (Brendan O’Hara), can we have a statement before Dissolution on the procurement of Type 26 frigates? The best shipbuilders in the world—the workforce of the Govan shipyard—have waited for two years for work to start on those frigates. As a minimum, if we are not to receive a statement, will the Leader of the House ensure that the Ministry of Defence writes to me with an update?

Mr Lidington: I will draw the hon. Gentleman’s concern to the attention of Defence Ministers. As I think I have said at this Dispatch Box before, the Government hope that steel cutting can begin on that programme as soon as possible. He will know that two carriers—the two biggest warships ever built for the Royal Navy—are being constructed in Scotland as we speak.
Kate Green (Stretford and Urmston) (Lab): Following the official opening last month of Carrington power station in my constituency, which was attended by the Under-Secretary of State for Business, Energy and Industrial Strategy, the hon. Member for Hereford and South Herefordshire (Jesse Norman), a number of north-west businesses remain unpaid following the liquidation of the project contractor, Duro Felguera UK, by its massive Spanish parent. I am sure you will agree, Mr Speaker, that it is disgraceful for our local businesses to lose out on a major infrastructure project that contributes to our national energy security. Will the Leader of the House arrange for an urgent statement to be made next week on the support that can be made available to those businesses, particularly during Dissolution?

Mr Lidington: It is clearly important that businesses, particularly small businesses, are paid in full and on time within the terms of their respective contracts. As the hon. Lady knows, if a liquidation is involved, a particular legal regime kicks in. If she would like to let me have some details, I will send them on directly to the Minister with responsibility for energy.

Diana Johnson (Kingston upon Hull North) (Lab): In the remaining days of this Parliament, can we please have a debate about the northern powerhouse? London gets 10 times as much per head of population to spend on transport as do Yorkshire and the Humber; schools in my patch face cuts of up to £400 per pupil; our NHS, under its sustainability and transformation plan, is set to see cuts of £328 million; the council budget has been slashed by 50%; and we have the smallest number of police officers in Humberside since the 1970s. Can we please have a debate on what the Tories have against Yorkshire, and against Hull in particular?

Mr Lidington: If the hon. Lady looks at the record, she will see that large sums of money—I have already mentioned the £13 billion for transport in the autumn statement—are being allocated to Yorkshire, the Humber and other parts of northern England, and that more than 60% of the increase in private sector employment since the 2010 general election has been in parts of the United Kingdom outside London and the south-east. She will see that Yorkshire and Humberside are benefiting from the sound economic policies that the Government are pursuing.

Steven Paterson (Stirling) (SNP): Yesterday, the Prime Minister said that in the coming election she would be “out there campaigning in every part of the United Kingdom”.—[Official Report, 19 April 2017; Vol. 624, c. 669.]

Perhaps there will be a statement on that. May I helpfully suggest that she visit the Stirling constituency, where the presence of a hard-Brexit, hard-right, pro-austerity Prime Minister will do the SNP the world of good when it comes to winning the campaign?

Mr Lidington: I know that my right hon. Friend the Prime Minister is looking forward with relish to coming to Scotland and making the positive case for a Conservative Government. She is also looking forward to pointing out that after 10 years of SNP stewardship, there has been a decline in the national health service in Scotland and standards in Scottish schools are being overtaken by those in schools in England, Wales, Poland and Estonia.

Hannah Bardell (Livingston) (SNP): I am proud to be part of a finit Caledonian flash in this, the last business questions of this Parliament. I hope that on Sunday there will be more of a Caledonian flash: everyone has a sprint to the election, but some of us have a marathon to run. I wish the other 30 Members of the House of Commons who are taking part well in their endeavours. It is one of those occasions on which we put politics aside, and we will stand together and run together for our local charities. First and foremost, as Members of Parliament, we are there to stand up for and represent our local charities and organisations.

I will be representing and raising money for Jak’s Den, in memory of Jak Trueeman, a young man who died of a very rare form of cancer around the time of my election in 2015. His mother Allison Barr and his sister Aimie do a huge amount of work in my local community. I will also be raising money for and representing the Michelle Henderson Cervical Cancer Trust. Michelle was in the year below me at high school, and she very sadly died a number of years ago of cervical cancer. Her work is continued by her father Willie Henderson, the famous Scottish footballer. Running the marathon will be a very proud moment for me, and I wish all who are running in it well.

Mr Lidington: I reiterate the good wishes I expressed earlier to the hon. Lady and others who are competing in the marathon on Sunday and I salute the work of the charities she is supporting.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Many of my constituents will be affected by recent changes to welfare policy brought about by the Government. Given that they will soon be left without a Member of Parliament for over a month due to purdah, will the Leader of the House make provision next week for urgent business to reverse these iniquitous changes until after the general election?

Mr Lidington: No. The Government’s changes to welfare policies have contributed towards a significant growth in employment, which is at record levels. That includes a big increase in the number of disabled people in work. They are now gaining the dignity and self-respect they want to have through their participation in the labour market. At the same time, we have increased and protected the benefits received by the most disabled people in the United Kingdom.

Patrick Grady (Glasgow North) (SNP): May I first echo the comments of the convener of the Backbench Business Committee and ask for clarity on whether there will be debates in Westminster Hall next Thursday? If not, will the business be carried over? The Leader of the House said a few moments ago that we are all elected with an equal mandate. Well, even Margaret Thatcher recognised that the return of a majority of Scottish National party MPs from Scotland would be a mandate to take forward our policies on independence, yet the current Prime Minister does not seem to respect
the mandate of the Scottish Parliament to give Scotland a choice. May we have a debate on which Prime Minister was right?

Mr Liddington: The mandate given by the people of Scotland in 2014 was for Scotland to remain in the United Kingdom. I wish the hon. Gentleman and his party would respect that.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): Our families sacrifice a lot for all of us to be in this House. Over this Parliament, the family of Jo Cox gave the ultimate sacrifice. Personally, I know that I could not undertake this role without the love and support of my husband John and my family. I am sure every Member in this House would say the same about their spouse and family.

On 27 March, the Prime Minister stated to the staff of the international development team in East Kilbride: “Because of the work you do...this United Kingdom and the values at its heart is one of the greatest forces for good in the world today.”

Will the Leader of the House intimate whether there will be a debate in the House after the general election to ensure that this and any future Government retain their commitment to spending 0.7% of GDP on international development aid and do not push it into the budget headings of other Departments?

Mr Liddington: The hon. Gentleman knows that the 0.7% target is calculated by reference to the OECD’s definition of overseas development expenditure. That definition is confined not purely to expenditure programmes controlled by the Department for International Development, but to Government spending that meets the OECD criteria. I can assure him that, if the Government are re-elected, there will continue to be a strong United Kingdom commitment to an active and generous policy of international development. It is right that we continue to help the poorest and most vulnerable people in the world. It is also right that we contribute towards the better governance and long-term stability of countries at risk, because that helps us to tackle some of the broader international problems that we in the United Kingdom and our European neighbours face.

Stewart Malcolm McDonald (Glasgow South) (SNP): It is good to follow our answer to Arthur Scargill, Mr Speaker—with a bit of Glasgow finesse no less.

It has been some two years since I was elected to this Parliament. I have to say that at the start of it I did not think that, two years in, we would have left the European Union and I would be on my second Prime Minister. Hopefully, in a few weeks’ time, I will be on my third Government. They say a week is a long time in politics. Over the time that the right hon. Gentleman has been Leader of the House I have asked him about many issues, but for the past six months I have consistently raised the issue of jobcentre closures in Glasgow. Given what he has said to other colleagues with regard to other Government announcements, would I be right in thinking that he expects Glaswegians to go to the polls not knowing which jobcentres his Government intend to close?

Mr Liddington: Since the hon. Gentleman is wishing for a change in Government, he is confirming that his party wishes to prop up the right hon. Member for Islington North (Jeremy Corbyn) as the leader of a putative coalition or minority Government. It is good to have that confirmation on the record.

On the hon. Gentleman’s point about the provision of jobcentres in Glasgow, as he has heard me say before, Glasgow has a greater concentration of office space for jobcentres than any other major city in Scotland. We have seen proposals from the Department for Work and Pensions to rationalise the estate in Glasgow so that his constituents and others in Glasgow can have a better-quality service. All necessary expert staff will be concentrated in a smaller number of locations, which will be fully accessible to his constituents.
Points of Order

12.26 pm

Martin Docherty-Hughes (West Dunbartonshire) (SNP): On a point of order, Mr Speaker. Thank you very much for indulging the hon. Member for West Dunbartonshire. During the urgent question, my hon. Friend the Member for Glasgow South (Stewart Malcolm McDonald) intimated that I represent my home town, the great borough of Clydebank. I am sure you will be very well aware, Mr Speaker, that I not only represent my great home town, the borough of Clydebank, but the ancient borough of Dunbarton and of course the mighty Vale of Leven. I am delighted to say that I will be standing for re-selection and, hopefully, re-election as the Member of Parliament for the greatest constituency in this House, West Dunbartonshire.

Mr Speaker: Lest any of us were unaware of the sheer extent of the hon. Gentleman’s reach, whether physical or metaphorical, such concerns have been comprehensively allayed by his—I use this term non-pejoratively—opportunistic attempt to raise a bogus point of order. We are grateful to the hon. Gentleman. Gentleman.

Stewart Malcolm McDonald (Glasgow South) (SNP): On a point of order, Mr Speaker. It is not related to the previous point of order.

Mr Speaker: It is very reassuring to know it is unrelated.

Stewart Malcolm McDonald: Breaking with all convention, I think this actually is a point of order, Mr Speaker. The crux of my question to the Leader of the House concerned Government announcements and purdah. I have no idea whether there will be an announcement on which jobcentres they intend to close. Could you advise me, Mr Speaker? Is there anything to stop the Government making that announcement between now and the dissolution of Parliament?

Mr Speaker: No.

Dawn Butler (Brent Central) (Lab): On a point of order, Mr Speaker. I seek your guidance on the Prime Minister’s statement yesterday to the House, in which she stated that “leaving the election to 2020 would mean that we would be coming to the most sensitive and critical part of the negotiations in the run-up to a general election. That would be in nobody’s interests.”—[Official Report, 19 April 2017; Vol. 624, c. 685.]

If we had stuck to the fixed term for this Parliament, the general election would have been in 2020. The negotiations, therefore, would not have been in the run-up to the election. They would have finished. Does the Prime Minister need to explain to the House that her plans for negotiating our exit from the European Union will go beyond those two years, as promised to the House?

Mr Speaker: I think there is a degree of linguistic licence available to, and sometimes deployed by, Members in all parts of the House, including those who sit on the Treasury Bench and on the Opposition Front Bench. If the Prime Minister felt the need to clarify her remarks she could do so, but I have no sense that she feels any such need. I hope the hon. Lady will understand if I say that I do not think this is a matter into which it would be proper for me to intrude. It is substantially a matter of interpretation and debate. The hon. Lady, with some skill, has used her opportunity to flag her concern and it is on the record. I know how persistent a terrier she is, so if she is dissatisfied doubtless she will pursue the matter.
EU Referendum: Lessons Learned

PUBLIC ADMINISTRATION AND CONSTITUTIONAL AFFAIRS COMMITTEE
Select Committee Statement

Mr Speaker: We now come to the first Select Committee statement. In a moment I shall call the Chair of the Public Administration and Constitutional Affairs Committee, Mr Bernard Jenkin, who will speak on his subject for up to 10 minutes, during which no interventions may be taken. At the conclusion of his statement, I will call Members to put questions on the subject of it, and to do so briefly. I will then call Mr Jenkin to respond briefly to those questions in turn. Members can expect to do so briefly. I will then call Mr Jenkin to respond briefly to those questions in turn. Members can expect to be called only once. I reiterate that interventions should be brief and, should be brief. Front Benchers may take part in questioning.

12.30 pm

Mr Bernard Jenkin (Harwich and North Essex) (Con): I am grateful to the Backbench Business Committee for giving me time to present PACAC’s 12th report of this Session, which is entitled “Lessons learned from the EU Referendum”, and which is still topical in so many ways. We shall be producing further reports at the fag end of the current Parliament—including, on Monday, a report on the Advisory Committee on Business Appointments—but I fear that there will be no opportunities for them to be presented on the Floor of the House before the Dissolution.

The referendum on our membership of the EU and the vote to leave by a margin of 52% to 48% represents one of the most momentous political events in our politics for decades. It has already had, and will continue to have, far-reaching consequences, and it will shape the destiny of our country. PACAC’s report, published last week, seeks to draw out some important lessons to be learned from the EU referendum in relation to the purpose of referendums and how they should be conducted. It builds on the work of our predecessor, the Public Administration Select Committee, whose report on the Scottish independence referendum was published in the last Parliament. We hope that both reports will be regarded as required reading for anyone who plans a major referendum in the future.

PACAC argues that referendums are appropriate for resolving questions of key constitutional importance that cannot be resolved through the usual medium of party politics. However, it also argues that the system is less satisfactory in the case of what might be called a “bluff call” referendum which—as happened last June—is used by the Government to try to close down an unwelcome debate. Future Parliaments and Governments must consider the potential consequences of promising referendums, especially when, as a result, they may be expected to implement an outcome that they opposed.

PACAC argues that referendums should be limited to matters that are in some way of fundamental or constitutional importance and lend themselves to binary questions, and to instances in which the consequences of both possible outcomes are clear. That is not least because referendums still create a tension in our parliamentary system of government. Although we are becoming used to direct democracy, it contrasts with our constitutional traditions and culture of representative democracy. Direct democracy, as we have just learned, can be a shock to the system, particularly when most of the elected representatives disagree with the result. The forthcoming general election is all the more necessary because it will heal that rift, and will translate the direct mandate from the EU referendum into a representative mandate for a new Government and Parliament.

That, however, is the point of a referendum. It is a new way of challenging entrenched opinion, just as the Anti-Corn Law League overturned agricultural protection and the campaigns to widen suffrage and to open our economy to free trade challenged the establishment in previous centuries. Today, people are educated and have direct access to the information. Voters are therefore more capable of deciding individual questions for themselves, and less willing to accept wisdom handed down from on high.

PACAC also considered the conduct and delivery of referendums in the future. It found that Government fears that the purdah restrictions provided for in section 125 of the Political Parties, Elections and Referendums Act 2000 would impair the conduct of government were groundless. The Committee recommends that those restrictions, which are vital to the fair conduct of referendums, should be extended to cover the full 10 weeks of a referendum period, as recommended by the Electoral Commission. It is something of a testament to Select Committees that we succeeded in persuading the House of Commons to prevent the Government from altering the purdah rules in advance of the referendum. We also recommend that the rules be updated to reflect the digital age. We support the Law Commission’s proposals to consolidate the law regulating the conduct of referendums.

As for the administration of the referendum, the evidence gathered during PACAC’s inquiry suggests that while it was not without some faults, the referendum was on the whole run well. PACAC commends the Electoral Commission. It is something of a testament to Select Committees that we succeeded in persuading the House of Commons to prevent the Government from altering the purdah rules in advance of the referendum. We also recommend that the rules be updated to reflect the digital age. We support the Law Commission’s proposals to consolidate the law regulating the conduct of referendums.

One of the most significant problems was the collapse of the voter registration website just hours before the registration deadline on 7 June. The Government attributed that to “unprecedented demand”. More than 500,000 online applications to register to vote were recorded on 7 June alone. According to the Electoral Commission, the problems that led to the website’s crash were aggravated by a large number of duplicate applications: 38% of applications made during the campaign were duplicates, and there was no way of checking online whether an application was a duplicate. PACAC supports the Electoral Commission’s recommendation that the Government develop an online service to enable people to check whether they are already correctly registered to vote, which would be invaluable in preventing the website from collapsing again in the future. Such websites should be better tested for resilience.

The media devoted a great deal of attention to our having raised the possibility that the website collapse had been caused by a cyber-attack. Whether or not that can be proved is not the point; it is important to be aware of the potential for foreign interference in referendums or elections, responsibility for which is actually being claimed by some countries, and attacks experienced by...
others. Permanent machinery for monitoring cyber-security in respect of elections and referendums should be established.

Lessons relating to the protection and resilience of IT systems against possible foreign interference must also extend beyond the technical. Our understanding of cyber is predominantly technical and computer-network-based, but Russia and China use a cognitive approach based on an understanding of mass psychology and how to exploit individuals. In my capacity as Chair of PACAC, I shall be writing to the Intelligence and Security Committee to raise the issue of cyber-security in the EU referendum, and to ask whether it will be following up on PACAC’s concerns. Today, however, I am encouraged by reports that the National Cyber Security Centre will be advising political parties on the matter during the forthcoming election campaign.

PACAC also again looked at the role played by the civil service during the referendum. We expressed concern that the manner of the presentation of some Government reports, particularly those from the Treasury, and the decision to spend £9.3 million on sending a leaflet to all UK households advocating a remain vote, were inappropriate and undermined public confidence in civil service impartiality. PACAC reiterates the recommendation made by its predecessor, PASC, that there should be a new paragraph in “The Civil Service code” to clarify the role and conduct of civil servants during referendums. It currently contains no reference to referendums.

Finally, we looked at the degree of contingency planning that was made in respect of a possible leave vote. In the run-up to the 1975 referendum, according to the contemporary accounts, Whitehall prepared for a possible UK exit from the common market with a “fairly intensive” programme of Cabinet Office-led contingency planning. PACAC was alarmed to learn that in the run-up to the EU referendum last June, the Government’s official position was that there would be no contingency planning. The only exception was planning in the Treasury to anticipate the impact of a leave vote on the UK’s financial stability.

PACAC was relieved to learn that work was undertaken within the civil service on the potential implications of a leave vote, albeit without the knowledge of Ministers and despite their explicit instructions. There was a secret away day. Civil servants should never have been asked to operate in a climate in which contingency planning was officially banned, and the Government should not have shirked their constitutional and public obligation to prepare for both possible outcomes. PACAC recommends that, in the event of future referendums, civil servants should be tasked with preparing for both eventualities, as they do in the case of general elections.

It is essential for referendums to be well run, to be conducted fairly, and to command public trust and confidence. PACAC therefore hopes that the Government will heed our recommendations so that the country will be ready for any further referendums in the future.

Let me take this opportunity to thank the House, but more particularly my Committee and its dedicated staff, for the privilege of serving as Chair of PACAC in the current Parliament.

Jon Trickett (Hemsworth) (Lab): Thank you, Mr Speaker, for the fairness you have always shown me in this and previous Parliaments.

The report is clear: the referendum was called to call the bluff of the Brexiteers, civil service neutrality was clearly jeopardised and, as the Chair of the Committee said, there was no preparation for the vote to leave. Is not it obvious that the referendum was held not in the national interest but in the governing party’s interest? Now, with 30 of its MPs under investigation, we are having an election, instead of focusing on the outcome of the referendum. Paragraphs 102, 103 and 104 of the Committee’s report should concern the House—and, in fact, the whole country. We have not done enough to secure our systems for either referendums or elections. In the Chair’s view and the view of his Committee, are our systems strong enough, at the time of a snap general election, in the event of a concerted cyber-attack, to which the report refers, by a foreign power or from some other source? Even at this late stage, does he think that there is anything that we can do to strengthen our systems’ resilience?

Mr Jenkin: I am grateful for the hon. Gentleman’s question. I will not tangle with all the things that he raised, but we have a pretty resilient system. The fact that the vast majority of votes cast are pencil or pen marks on bits of paper that are physically counted means that it is basically an impossible system to hack. What we need to be aware of is the vulnerability of electoral registers and systems. The dispersal of our electoral register among different electoral authorities is another source of resilience: there is not one system to hack. However, we need to be aware of what certain countries might want to be seen to be doing—what they might want to be seen to be attempting to influence the result of, or want to be thought to influence the result of. I do not think that any country influenced the result of the leave vote in the EU referendum. I do not think that the result in any election in any major country would have been altered, but we need to understand why certain countries are doing this and what psychological effect they are trying to create by attempting these things, and we need to be alert to the vulnerability of our systems.

Sir Greg Knight (East Yorkshire) (Con): I congratulate my hon. Friend and his Committee on a comprehensive report. I agree with the remarks from the Opposition on cyber-activity. Does he agree that we need much better monitoring of cyber-activity as a matter of urgency, not just for referendums but for elections generally?

Mr Jenkin: I do. We made a specific recommendation that a new body be established to monitor cyber-activity in relation to referendums and elections. However, I emphasise that we are in a much stronger position than countries that have electronic voting or single population registers. I have confidence in our system, although we need to be more alert in order to maintain public confidence; that is the main point.

Ronnie Cowan (Inverclyde) (SNP): I am a member of the Committee, so there is plenty I could say about the report, but I will respect your wish, Mr Speaker, for us to keep comments and questions short. The most important line in the report is perhaps that there should be “careful and restrained use of the machinery of government”—
for example, of the civil service and the purdah provisions. Will the hon. Gentleman join me in encouraging the UK Government to trust the devolved Administrations and allow them to organise and run their referendums without external interference from this place?

Mr Jenkin: It is a fact—I make no comment on it, as an impartial Chairman of my Committee—that referendums are constitutional matters and therefore are reserved to the United Kingdom Parliament. I recognise that there is some demand for a new referendum in Scotland, but even the Good Friday agreement says that there should not be a referendum more than once every seven years. There needs to be a respectable interval between referendums, otherwise they just become meaningless. How many times in the European Union have we seen another referendum called when the first gave the wrong result? I do not put the Scottish National party in that category, but calling referendums too often is actually a contempt for democracy.

Patrick Grady (Glasgow North) (SNP): Was there any discussion in the Committee about the franchise for the referendum? If 16 and 17-year-olds and EU citizens had been allowed to vote, we might have had a very different result. They will be allowed to vote in the Scottish council elections in two weeks, but they will be denied a vote in the UK general election about four weeks after that. Would it not be appropriate to have consistency, and for the franchise to be as wide as possible?

Mr Jenkin: I ask the hon. Gentleman: why stop at 16? Why not 14 or 12? These are subjective judgments made by different bodies in different parts of the constitution. That franchise is a devolved matter; it is a matter for the Scottish Parliament. Personally, I favour maintaining the status quo in the UK.

Paul Flynn (Newport West) (Lab): Does not the hon. Gentleman agree that our system for referendums and elections is more vulnerable to invisible manipulation and corruption than at any time since 1880? The great weakness of the report is that it ignores the evidence provided, principally by the journalist Carole Cadwalladr, on the use of botnets, artificial intelligence and algorithms to influence millions of voters. The evidence is there from the United States and from this country. Under-the-counter systems are being used that we do not understand; they seek to trawl through websites to get information and subsequently influence voters. We are trying to deal with tomorrow's systems and tomorrow's high technology with regulations that are long out of date.

Is not it likely that in the coming election there will be more manipulation, that there could well be cyber-attacks, and that we cannot trust these results, because what is happening is under the counter and the Electoral Commission has no tools to deal with it in the way it should? We should not have a general election without finding out the truth about the manipulation that has taken place here, in the US and possibly in other countries that we do not know about. We have not heard about that from GCHQ; we should have heard from it. It has reported on what has happened in the US, where there were cyber-attacks and manipulation. That could well have happened here; we do not know because we have not asked.

Mr Jenkin: With respect, I have asked that question, and I feel I have been rather brushed off by Ministers, perhaps on the advice of officials who are perhaps not as knowledgeable as the Committee is about the technicalities, algorithms or indeed the cognitive approach taken by some of the countries with which the Committee has made itself familiar. I am always grateful for the hon. Gentleman's contributions to the Committee—I think he is our longest-serving member—but personally I do not agree that this threatens the credibility of our elections. In 1880, one of my predecessors in North Essex conducted his election with his wife walking behind him down the high street handing out gold sovereigns. We have come a long way since that kind of corruption in elections, but we need to be alert to the things that the hon. Gentleman draws attention to, and to be ever more alert to the fake news that appears on the internet and is designed to manipulate people's expectations.

Greg Mulholland (Leeds North West) (LD): I pay tribute to the hon. Gentleman and to the work of the Committee. I was proud to be a member of its predecessor Committee, the Public Administration Committee, in the previous Parliament. Who knows, if there are more colleagues on the Liberal Democrat Benches in the next Parliament, as I am sure there will be, perhaps we will qualify for a place on the Committee.

Clearly, the consequences of the referendum, whatever view people take, were not properly considered. Planning was not done and the referendum Act was very shoddy and ill considered. It need not have been. Does the hon. Gentleman think that we need more clarity, and perhaps even legislation, to avoid that kind of thing and such a political referendum being organised in future, without planning?

Mr Jenkin: I think there is always an advantage in what one might call a post-legislative referendum, or a referendum on a proposal on which a White Paper is produced. The devolution referendums in 1997 were both premised on pretty well developed Government policy. One might even pay tribute to the Scottish National party and say that at least it produced a comprehensive document. The leave campaign did produce 600 pages explaining what leave might look like, but the Government had done no preparation, and it is for the Government to prepare for the outcome of a referendum that the Government initiated. I agree with the hon. Gentleman, and perhaps he will join us on the Committee again; I miss him.
Prison Reform: Governor Empowerment

JUSTICE COMMITTEE
Select Committee Statement

Mr Speaker: We now come to the second Select Committee statement. In a moment I shall call the Chair of the Justice Committee, Mr Robert Neill, who will speak on his subject for up to 10 minutes, during which no interventions may be taken. At the conclusion of his statement, I will call Members to put questions on the subject of the statement, and to do so briefly. I will then call Mr Neill to respond briefly to those questions in turn. Members can expect to be called only once. I reiterate that interventions should be questions, and should be brief. Front Benchers may take part in questioning.

I call the Chair of the Justice Committee, Mr Robert Neill.

12.50 pm

Robert Neill (Bromley and Chislehurst) (Con): I thank the Backbench Business Committee for giving me the opportunity to present the Committee’s 12th report of 2016-17. It is a pleasure to work with Committee colleagues on this report and a number of other ones. Like the Public Administration and Constitutional Affairs Committee, we propose to issue a set of reports at the end as a wash-up to highlight the work we have been doing in a number of areas. This report touches in particular on a key issue in relation to the Government’s prison reform programme: governor empowerment.

It has become apparent from the Leader of the House’s statement that the Prisons and Courts Bill will be lost in the Dissolution of Parliament. I see that the Under-Secretary of State for Justice, my hon. Friend the hon. Member for East Surrey (Mr Gyimah), is on the Treasury Bench, and I hope that if our party is returned, we will get an opportunity to present the Committee’s 13th report of 2016-17. I have been visited HMP Wormwood Scrubs. It is hard for prisons and probation services to do in a number of areas. This report touches on a number of other ones. Like the Public Administration and Constitutional Affairs Committee, we propose to issue a set of reports at the end as a wash-up to highlight the work we have been doing in a number of areas. This report touches in particular on a key issue in relation to the Government’s prison reform programme: governor empowerment.

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to recruit people when they are in competition with jobs such as loading luggage at Heathrow which pay more. Greater flexibility in the way in which we reward and remunerate our prison staff to reflect local jobs markets will be important. We will continue, if in a position to do so, to visit prisons across the country to inform our work. I hope that the new Committee will, when it is reconstituted, make a priority of visiting one of the reform prisons to see exactly how progress is being made.

All governors will be held to account through performance agreements that they sign with the Secretary of State. A third of those agreements were meant to be in place at the start of this month, but at the time our report was published the Prison Governors Association had advised its members not to sign the agreements, and it is not clear whether any actually have been signed. We need clarity on that.

Those agreements are based around four performance standards tied to the purposes of prisons included in the Prisons and Courts Bill, which we welcome. Setting out a statutory purpose for prisons is good, and the approach is broadly right. The four standards are public protection, safety and order, reform and rehabilitation, and preparing for life after prison.

The Government say that the Secretary of State can intervene if governors do not perform well against those standards, but it is not clear from the evidence we heard what that intervention means, what shape it would take, and how it would recognise that the performance of prisoners as they left prison, for example, could not be wholly controlled by any one governor, as people often pass through a number of establishments during their time in prison. Also, performance will be influenced by what happens once people have gone through the gate, as it is termed, into rehabilitation in the community.

We will need to know how that will be calibrated to make sure that the whole of the prisoner journey is properly reflected and that accountability is placed in the right place, rather than in a more general and unhelpful way.

Initially, the Government announced that they would publish league tables showing prisoners’ performance against these standards, and I welcome the Minister’s comment in evidence to us that the Government “will not publish league tables; we will make the data on prison performance available...We will not rank prisons from the best performing to the lowest performing based on their performance. It is about data.”

That is a sensible approach, and we commend him for it. We think that that phrase perhaps set more hares running than was necessary, but we applauded a systematic and constructive use of data and hope we will see more information from the Government as to how the data are to be analysed and used in informing the development of policy.

We also welcome the fact that the Minister is reviewing those policies to enable governors to adopt their own approaches. I know that changes are planned for the prison regulations. A great many of the prison rules are now quite antique, and we hope that we will have updates in those areas soon. It has been emphasised to us that governors with the new powers should work closely with other service providers in the local community, including their local probation services. I hope that that will be kept under review. I was impressed that the then governor of Wandsworth had turned up to meet the chief executive of his local council to see how they could work together. We need more initiatives of that kind.

I commend the report to the House, and I should like to thank all my colleagues on the Select Committee and our staff for the support that they have given me throughout this Parliament on the constructive and enjoyable work that we have done together.

Richard Burgon (Leeds East) (Lab): I should like to pay tribute to the Chair of the Select Committee, the hon. Member for Bromley and Chislehurst (Robert Neill), not only for his work on this report but for all his work as Chair of the Committee, of which I was briefly a member. Many of the Government’s plans for prison reform might not now reach fruition. Their much heralded Prisons and Courts Bill will fail. Does the hon. Gentleman agree with me and my Labour colleagues that rather than calling a general election, which the Prime Minister believes to be in her interest, the Government would have done better to stick to the task of fixing the prisons crisis?

Robert Neill: I do not think that it is an either/or, but I appreciate the spirit in which the hon. Gentleman always approached his work on the Select Committee. One sadness is that we have lost a number of Committee members from the Opposition party as a result of Labour’s rolling reshuffle. I have welcomed each of them on their promotion to their Front Bench, and I wish them a long tenure in their current positions. I do not think it is a problem that we are having an election. Personally, as a Conservative I welcome it, and I hope that we will come back with a mandate, that the Government and the Select Committee will be swiftly reconstituted, and that we can get on with the job of prison reform. Whatever the outcome of the election, I know that members of the Committee from both sides of the House will want to continue to make the case for that reform, on which the hon. Gentleman and I agree in principle.

Andrew Selous (South West Bedfordshire) (Con): Does my hon. Friend agree that governor autonomy is a necessary but not a sufficient condition for prison reform? Does he also agree that, just as an outstanding chief constable, headteacher or hospital chief executive can make a significant difference to their institution, so governors such as Ian Bickers at Wandsworth are already making a huge difference?

Robert Neill: That is absolutely right. As we consider the issues around safety and other matters that attract the headlines, we sometimes forget that much good work is being done in prisons, and that a great deal of dedication is being shown. It is important that we should have a roll-out of the best, but it has not always been consistent in the past. We also need a management framework that empowers and enables those governors who want to push the envelope and push the margins to do their very best. They need to have the confidence that they can do that in a system that will support them managerially and financially. There are opportunities for this in the reform programme, but we need more details of how it is to be achieved in practice.
Govembr empowermen should support a number of aspects of our prisons, including ensuring that they are safe and secure, that they are decent and that they offer support and assistance. Does he agree with the evidence suggesting that very large prisons housing more than 1,200 prisoners, which the Government are now planning, are less likely to achieve those standards and more likely to create greater challenges and pressures for governors?

Robert Neill: That issue has been raised in evidence, and there are differing views on the impact of larger or smaller units. I pay tribute to the hon. Lady for her work and support, and for her immense knowledge in this area. Whatever the size and nature of an establishment, it is critical that there should be a proper relationship between staff and prisoners. One of the biggest problems is that there is often an insufficient sense of such a personal interface, and that can breed a sense of alienation. I personally do not have a hard and fast rule about size.

The important thing is that however a prison is organised, it must be possible to build long-term relationships between staff and prisoners. That is why staff retention and morale are critical in creating the climate and atmosphere that enable people to be constructive in their time in prison, rather than falling into some of the other diversions, which can create difficulties.

John Howell (Henley) (Con): I too want to raise the question of governor empowerment. I had the opportunity to discuss this with the governor of HMP Huntercombe in my constituency when I visited it recently. Does my hon. Friend agree that dealing with the risk of increased prisoner complaints which the Committee identified is actually within the control of the prison, as is happening at Huntercombe?

Robert Neill: I thank my hon. Friend for his contribution and for his work on the Committee, which has been tireless. Huntercombe is a good example of a prison where the governor is managing within the existing arrangements. We need to see more of that. We should not assume that everything has to be driven from the centre, although minimum standards must be adhered to in a system of complaints management that everyone, including prisoners, can have confidence in. Good governors can and do make a difference, but they must be confident that they have the support of the system and the management of the service in doing that.

Manchester, Gorton (Writ)

1.6 pm

The Leader of the House of Commons (Mr David Lidington): I beg to move,

That, following the House’s decision on Wednesday 19 April that, in accordance with section 2(2) of the Fixed-term Parliaments Act 2011, there should be an early parliamentary general election, together with the Prime Minister’s announcement that she will advise the Sovereign to appoint Thursday 8 June as the polling day so that Parliament will be dissolved on Wednesday 3 May, and in the knowledge that the by-election in the Borough Constituency of Manchester, Gorton, has been set for Thursday 4 May, Mr Speaker convey to the Clerk of the Crown the desire of this House that he do issue a writ of supersedeas to the writ issued on Tuesday 28 March for the said election.

The motion before the House provides for the by-election in the constituency of Manchester, Gorton, which was originally set for 4 May, to be cancelled in the light of the decision of this House yesterday to trigger an early general election. As the House will recall, that by-election was called to elect a Member to serve in the present Parliament. As this Parliament will be dissolved before the by-election date, it would clearly be otiose to go ahead with the by-election in those circumstances. An election for the Manchester, Gorton, constituency will take place as part of the general election on Thursday 8 June. As I said to the House on Tuesday, there is no statutory provision for the cancellation of a by-election, although there are various precedents. It is for the acting returning officer to cancel the by-election. The motion before the House provides certainty to the acting returning officer, at her request, by endorsing a new writ to supersede the original one.

The motion therefore requests you, Mr Speaker, to convey to the Clerk of the Crown the desire of this House that he issue a writ of supersedeas to the writ issued on Tuesday 28 March for the by-election. This will put beyond any doubt the authority of the acting returning officer to cancel the by-election process that is currently under way. I understand that this approach has the support of the other political parties in the House, as it avoids unnecessary expense and uncertainty for the candidates involved.

1.8 pm

Valerie Vaz (Walsall South) (Lab): I thank the Leader of the House for moving the motion. I agree wholeheartedly with the course of action that is being taken. It is the only possible course of action, given that there is to be a general election on 8 June.

Question put and agreed to.

BILL PRESENTED

NORTHERN IRELAND (MINISTERIAL APPOINTMENTS AND REGIONAL RATES) BILL

Presentation and First Reading (Standing Order No. 57)

Secretary James Brokenshire, supported by the Prime Minister, Mr David Gauke, the Attorney General and Kris Hopkins, presented a Bill to extend the period of time for making Ministerial appointments following the election of the Northern Ireland Assembly on 2 March 2017, and to make provision about the regional rate in Northern Ireland for the year ending 31 March 2018.

Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 171) with explanatory notes (Bill 171-EN).
Backbench Business

State Pensions: UK Expatriates

1.9 pm

Sir Roger Gale (North Thanet) (Con): I beg to move,

That this House notes the detrimental effect that the Social Security Benefits Up-rating Regulations 2017 will have on the lives of many expatriate UK citizens living overseas with frozen pensions; and insists that the Government take the necessary steps to withdraw those Regulations.

As chairman of the all-party parliamentary group on frozen British pensions, and with cross-party support, I move this motion on behalf of some 550,000 UK citizens living in countries overseas whose pensions have been frozen at the point at which they left the United Kingdom, in some cases many years ago.

Those people paid taxes and national insurance contributions in Britain throughout their working lives, and elected to move abroad in retirement to be close to family and friends, or simply through personal choice. On the basis that—as my hon. Friend the Member said in November—entitlement to state pension is based on a person’s national insurance contribution record, they paid their way and are entitled to receive their state retirement pension uprated and in full.

Let me make it clear from the start that this is a matter not of cost but of moral responsibility. It is a duty that has been disgracefully shirked by successive Governments of differing political persuasions since the mid-1960s. It is past high time to recognise that an injustice has taken place and to take a modest step, which I shall detail shortly, to redress a wrong that has been a running sore for too long. The motion calls on the Government to withdraw the social security benefits uprating regulations that effectively exclude overseas pensioners from pension uprating in all countries but those with which the UK has an historic, arbitrary and illogical reciprocal agreement.

My hon. Friend the Minister knows of the illustrious precedent for the motion. In 1998, a similar prayer against the Social Security Benefits Up-rating Regulations 1998 was tabled. It was signed by the then Opposition Chief Whip, now Lord Arbuthnot; my right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith), a former leader of the Conservative party and distinguished Secretary of State for Work and Pensions; the then leader of the Conservative party; now Lord Hague; my right hon. Friend the Member for Hitchin and Harpenden (Mr Lilley), another former Secretary of State; and the then shadow Leader of the House, now Baroness Shephard.

All those years ago, the party of which I am proud to be a member recognised the need to right a wrong inflicted on those who, in many cases, have served their country in the armed forces, the foreign service and many other walks of life, and who have, collectively and severally, paid their way. We are now—and I trust will remain—in government, so we have the opportunity finally to address and put to rest a debt of honour that must be paid.

I quote a UK pensioner living in Rayong, Thailand:

“I am resident in Thailand, where I retired nearly 8 years ago, and my State Retirement Pension remains at the same level as when I left, because Thailand, unlike the Philippines, for example, is not a country where pension increases are paid...there are some points which I feel should be brought to the fore.

Successive governments have always argued that pension increases can only be paid in countries with which the UK has ‘reciprocal agreements’, and that to extend increases outside these arrangements would negate their ability to conclude other such agreements in the future. However, that argument is utterly threadbare, given that the government announced more than 20 years ago its intention not to make any further reciprocal agreements.

There is a common misconception that expats pay no UK income tax. In the case of pensioners this is totally untrue, because all pensions paid from the UK are subject to tax, and I pay as much as I would if I were still living in—”

his former home in the United Kingdom; I will not identify him at this stage. He continues:

“While pensioners such as myself are paying into the UK economy, we take nothing out, so we make no demands on the NHS or social care. Now, even if we fall ill on a visit to the UK we have to pay for hospital in-patient NHS treatment. If over the years a significant number of us decide that because of reduced circumstances we have to return to the UK, the extra costs in health and social care would outweigh a good proportion of the ‘saving’ of not paying us the increases.

There is uncertainty at the moment on the status after Brexit of expat pensioners living in the EU, and their future right to pension increases...I can’t speak for anyone else, but personally I would not ask for any back payment of the increases I have ‘lost’ in the last 7+ years. I would just be happy to feel that in the future I will have that little extra security of a few extra pounds to sustain me in the last years of my life.”

I will return to his points that refer to Brexit and a possible solution in a moment, but first let us take a look at some hard facts. There are 13 million recipients of the United Kingdom state retirement pension. A fraction over 1 million of them live overseas. Of that number, some 650,000 have their pensions uprated as they would in the United Kingdom because of the reciprocal arrangements already referred to. Baroness Altman said in 2016 that “UK state pensions are payable worldwide and uprated...only where we have a legal requirement to do so.”—[Official Report, House of Lords, 24 February 2016; Vol. 769, c. 251.]

That means that many people are denied that uprating. In fact, some 551,000 are excluded from uprating and find their pensions frozen from the point at which they moved abroad, in spite of paying their taxes and national insurance contributions in the United Kingdom throughout their working lives. As my hon. Friend the Minister made plain in November 2016, pensions are based on national insurance contributions.

Those 551,000 people have made those contributions. However, we still have the ludicrous situation that a British pensioner living on one side of Niagara Falls in Canada, receives a frozen pension while another living just a mile across the falls, in the United States, has their pension uprated every year. Additionally, some Caribbean islands enjoy uprated pensions, while other small countries and overseas territories do not, with unintended and perverse consequences.

The UK representative of the Government of Montserrat, Janice Panton, wrote to me to say:

“A number of Montserratians now living in the UK wish to return to take up residence on the island but are hindered from doing so due to the fact that should they emigrate to Montserrat—”

go back home, effectively—

“their pensions would be frozen. Many of these individuals have lived, worked tirelessly and paid their national insurance contributions over the course of many years. It now seems they are being victimised simply because they desire to return to Montserrat or another Overseas Territory.”
[Sir Roger Gale]

The representative of the Falkland Islands in the United Kingdom, Sukey Cameron, also wrote to me, saying:

"The Overseas Territories have a different constitutional relationship with the UK and are not independent Commonwealth countries; therefore they should not be treated as such. To quote from the 2012 White Paper on the Overseas Territories ‘...the underlying constitutional structure between the UK and the Territories, which form an undivided realm, is common to all.’"

Of course, it is common to all, except in the case of pension uprating, where it is not.

The human consequences of this injustice can be devastating and are illustrated by scores of communications that the International Consortium of British Pensioners and the all-party parliamentary group on frozen British pensions have received from expatriate UK citizens. A spokesman for the Parity or Poverty Group, which has members in Canada, Thailand, Turkey and South Africa, says:

"We are trying desperately hard to undo the predicament that’s driving us into poverty. I can see it on the horizon for myself as once affordable items are now out of reach. I dread the future for myself and my wife."

Sir Peter Bottomley (Worthing West) (Con): No one could have prepared better for this debate than my hon. Friend, and by the end of it I hope we will have set forces in train that lead to a curing of this injustice.

Sir Roger Gale: We shall await the Minister’s response with great interest. I am grateful to my hon. Friend. A former constituent of mine, and a friend, now living in South Africa, wrote to me to say, “I have been looking after my wife since her stroke and increased dementia, plus incontinence now, for over a year. Reviewing the situation with our daughter, my wife is slowly going downhill. I am heading that way, too. I am worn out. I need help with catering and finance, we are now on to Meals-on-Wheels for four days a week and are shortly to arrange five day or even five and a half day care support. Right now, our medical aid—insurance—takes half our combined basic OAP pension and the new care plan will certainly take the other half. Our daughter looks after our finances and generously helps and tops up when needed.” That is what my former constituent, a friend, is now reduced to. Sadly, I learned only this morning that his wife died last week, leaving him not only in penury but, apart from the care and affection of his daughter, alone.

Bernard Jackson, 91 years old, has returned to the United Kingdom from Canada and says:

“I was brought up to believe that Britain was a fair country. It’s a disgrace, it has to end, it’s terrible to meet pensioners over here who say they have to come back to Britain because they can’t manage.”

Joe Lewis, 90 years old, who lives in Canada and has recently lost his wife, will be moving back to the United Kingdom as he can no longer cope with his frozen pension. After suffering a severe fall, Joe is increasingly struggling to afford living and medical costs. The only way he can make ends meet is to use up all his savings. Joe Lewis, a nonagenarian, says:

“All I want is my full state pension which I have paid into my entire life.”

Here is another anomaly: any returnee, including those visiting the UK for a couple of weeks to see family on holiday, is entitled to claim their full uprated pension for that period.

Of course, cometh Brexit, cometh another issue that will have to be addressed. The 492,000 British pensioners living in the 27 European Union member states and EFTA countries are protected by the social security provisions of the EU single market, but what will happen to their pensions when we leave the EU? A resident in France wrote to me to say:

“I have been a ‘victim’ of a frozen pension for the past 15 years having lived in Zimbabwe for 45 years and being forced to move to a EU country in order to get my pension... During my working life, I continued to pay Class 3 NI contributions to safeguard my UK pension and it was only when I reached age 65 that I found out that my pension would no longer be indexed, and this has cost me many thousands of lost pounds over a period of 15 years. Now the same issue is rearing its head because of Brexit.”

Will there be 27 different reciprocal agreements or one blanket agreement? Will former EU pensioners find their pensions frozen like those in Canada, Australia, New Zealand, the Indian subcontinent, Montserrat and other countries? Surely now, in the light of Brexit, is the time at least to start to put all expat UK pensioners who have paid their dues on an equal footing.

I return to the resident in Thailand who said that he “would not ask for any back payment... I would just be happy to feel that in the future I will have that little extra security of a few extra pounds to sustain me in the last years of my life.”

Successive Governments, plucking figures out of the sky, have suggested that uprating overseas pensions would cost billions. In fact, the proposal that the all-party group supports, which goes nowhere near as far as the proposal that some would like and that justice probably dictates, is to uprate payments at the 2.5% from which UK-based recipients will benefit this year. That will cost not billions, but just £33 million. After five years, the budgetary impact will be £158 million. To set that in context, the triple lock costs the Government an extra £2 billion each year.

In the great scheme of Government expenditure, £158 million is small change—small change to settle a debt of honour, with no threat of legal challenge in respect of potential retrospective claims. That, surely, is a bill that, in the interests of a society that is fair for all, the Government cannot afford not to pay.

1.26 pm

Greg Mulholland (Leeds North West) (LD): I pay tribute to the hon. Member for North Thanet (Sir Roger Gale), chair of the all-party parliamentary group on frozen British pensions, for his tireless and forceful campaigning on this issue over many years. I am proud to be a member of that group, but it is very much about his determination to see an end to this injustice. I hope that his campaigning, both personally and collectively, will soon start to bear the fruit that it deserves.

We are having this debate in an unexpected context. It was announced before the Easter recess, when none of us—even those on the Government Benches—had any idea that we would see Parliament dissolved and a general election. I think that is partly why fewer hon. and right hon. Members are here than would otherwise have been, which is a shame. However, I was going to make the point anyway that there is a simple reason why this issue has never been resolved and...
Governments have been able to ignore it again and again. I say "Governments" because, as the hon. Gentleman said, it has been ignored by successive Governments. This is not a party political issue. All parties have failed to deal with it during their times in government.

I love and am hugely proud of being my constituency’s representative. Representing Leeds North West is the part of my job that I love most. However, the reality is that these 550,000 British citizens, who are the same as every one of us here and as all our constituents who are UK citizens, do not have an MP. They do not have a single person who directly represents them and fights their cause in the way that we all do when we receive constituents in our surgeries who tell us about injustices that they face. One MP, or groups of us, can take up those issues and campaign until we finally get Ministers, or whatever colour or Government, to make a change. This group of people do not have an MP. They are disenfranchised and are not represented. Constitutionally, the length of time that this injustice has endured means that it may now be time to look at what France and the length of time that this injustice has endured means that it may now be time to look at what France and the other countries do and somehow have representation for our UK citizens who live abroad.

Mr Jim Cunningham (Coventry South) (Lab): I congratulate the hon. Member for North Thanet (Sir Roger Gale) on securing this debate. I supported his bid.

Does the hon. Member for Leeds North West (Greg Mulholland) recall our meeting in the House of Commons two or three months ago with a number of people who had come from overseas to make representations? Surely it is bad when people have to come from overseas, at great expense, to lobby Members of the Westminster Parliament. This issue goes back to the 1960s, so he is right to refer to successive Governments. This has gone on for far, far too long.

Greg Mulholland: I entirely agree with the hon. Gentleman. I pay tribute to the dogged campaigners who have worked with the all-party parliamentary group. Their campaigning is remarkable, particularly given the distances involved. The situation he highlights makes my point even more clear. This group of campaigners, these British citizens, came to Parliament, but who could they directly contact? We meet our constituents when they come to lobby us, and we point people who came from another part of the country to their own MP, but we do not represent people who contact us from Canada, Africa or wherever it is because they are not our constituents. I pay tribute to the members of the APPG, and particularly to the very active members and the chair, for being prepared to represent such people through friendship.

Many of us have come to this issue because we have been told about a constituent’s relative or friend, or perhaps because we know someone in this situation. I do not know such a person, incidentally, but I have come to the conclusion, simply by engaging with, listening to and reading the arguments, that this disgraceful injustice cannot continue. It is morally wrong and legally deeply questionable. Ultimately, the position taken by successive Governments in ignoring the issue and using the same standard excuse for many years, despite this Government recently saying that they will look into the matter, will be shown to be legally unsustainable in an increasingly globalised world.

Let us remind ourselves that this is happening in the context of post-Brexit turmoil, which will have all sorts of effects. In the future there will be a very real threat to UK citizens who live in the European Union, and I know the APPG will lobby strongly to ensure that the situation is resolved as part of the Brexit negotiations. We discuss freedom of movement and immigration, but we forget to talk about emigration and the fact that many British citizens, for very good reasons, use their right to go to live and work, or retire, in another country.

Mr Virendra Sharma (Ealing, Southall) (Lab): This topic is important to many people, and not only those living abroad who left the UK for very good reasons, including people who migrated here in the 1950s and have since gone back to live in India, Pakistan, Australia and other places. Those people have contributed to this country’s economic and social life. I congratulate the APPG and its chair on raising these issues and on meeting and listening to the Australian campaigners who came here. I hope that the next Government will take this on board and ensure that these people are not disadvantaged.

Greg Mulholland: The hon. Gentleman is right that this is not only unjust but clearly discriminatory, particularly to those in certain diaspora groups. As he knows, Leeds and West Yorkshire have a proud and strong Asian community. I am proud to have a mosque and a Hindu temple in my constituency, and the next constituency has a wonderful Sikh temple, and those wonderful communities are very much part of the life of the community and economy in Leeds. Members of any of those communities are discriminated against, in exactly the same way as anyone else, if they choose to go back to their country of origin, perhaps to live with family or to support family members. That is another reason why this is legally questionable as well as clearly unsustainable.

We are proud to live in a globalised world, whatever side we took in the EU debate. I did not hear anyone say, certainly not in this House, that we should stop wanting to play our full part in the world. I did not hear anyone say that we should stop wanting people from other countries to work in our economy and our health service. Equally, I did not hear anyone say that we want to stop our own citizens having the right to emigrate. In a globalised world we have people who choose to marry a foreign citizen and live in their spouse’s country to find work. This injustice is effectively denying the right of real freedom of movement to all the citizens of this country, which is extraordinary in a globalised world and in a nation that purports to want to play its full part. We are proud to have citizens living in and contributing to America, Canada, Europe, Asia and Africa. If their family have decided to live, work and make their lives in another country, it is understandable that some old people would wish to retire to be with them.

Indeed, as the hon. Member for North Thanet said, there is a huge saving to this nation when someone chooses to emigrate—the estimated annual saving is £3,800—but we are not prepared to uprate their state pension, which they have paid into, even though the figure would clearly be significantly lower.

We cannot have a situation, as we have now, in which some UK citizens who choose to retire abroad have their pensions uprated and some do not. There is also
now uncertainty for people who intend to retire to the European Union, and of course more people who are married to an EU citizen are now deciding that they would rather live in the European Union.

We need to get a grip on the issue and stop the disparity between people in countries that happen to have a bilateral agreement and people in countries that still do not. The Minister has an opportunity to put that right in this Government, unless he has something wonderful to announce today. He, like all of us on both sides of the House, needs to ensure that the issue is addressed. Let us make a firm commitment that whoever is here in the next Parliament from 9 June will ensure that this injustice is at least partially resolved by the next general election in 2022.

After the election it is clear that the Government, of whatever colour—people do not particularly question what colour the next Government will be—must do something, because they can act unilaterally in this case. There does not have to be bilateral agreement. A Government could act on the basis of justice and of wanting to resolve the matter by making a unilateral decision to make a change for all cases.

We need to do this properly and ensure that people living all around the world all get the proper state pension; that is the only real form of justice on this. We living all around the world all get the proper state pension when they choose to retire to the United States part of the West Indies, to retire to Canada, to retire to the United States, to retire to one of the independent countries, we would hear the Minister is paying attention, perhaps he would like to tell us in which of the areas represented by the West Indies cricket team people would get increases. If I were to retire to the United States part of the West Indies, would I get an increase? Yes. If I were to retire to the Dutch part of the West Indies, would I get an increase in my state pension? Yes. If we went through some of the independent countries, we would hear the Minister tell us about the difference between Guyana and Barbados.

The point has been made about the lack of a parallel between Canada and the United States. As my hon. Friend the Member for North Thanet asked, what is the relationship between Canada and the United States. As my hon. Friend the Member for North Thanet (Sir Roger Gale) and the hon. Member for Leeds North West (Greg Mulholland) for the way in which they have spoken, and we look forward to the contribution from the Scottish National Party. If my friend the Minister does not mind, I will talk through him, because he will not be authorised to make the kind of commitment that this House is asking for. The questions we have to address are: is what is going on fair? Is it logical? Is it right? The answer to each of those is no, and I thank John Markham and the International Consortium of British Pensioners for the briefing they sent, which points out that the situation is grossly unfair, completely illogical and morally wrong.

To illustrate the point, were I to have retired overseas in the “wrong” place, in the seven years since I could have taken the state pension, I would have lost £5,000. I plan to be re-elected; in five years’ time—we may have an election then—the loss would be £13,000. Clearly, I can afford it, as when I retire I shall have a second pension. It will come from the state, but any increases in it will not be determined by whether I live in one part of the West Indies or another. Just to make sure that the Minister is paying attention, perhaps he would like to tell us in which of the areas represented by the West Indies cricket team people would get increases. If I were to retire to the United States part of the West Indies, would I get an increase? Yes. If I were to retire to the Dutch part of the West Indies, would I get an increase in my state pension? Yes. If we went through some of the independent countries, we would hear the Minister tell us about the difference between Guyana and Barbados.

I am committed to campaigning on this in future, if I am returned to this place after the 8 June election. I will carry on making this case, even though I am not doing it for constituents, because this is about justice. I pay tribute to my colleague in the other place, Baroness Benjamin, who is also a member of our group and who has been very vocal on this issue in the Lords; I am sure that she and others will continue being so. I do not write the Liberal Democrat manifesto—they would not let me, although it would be very good if they did—but partial uprating should be in all the manifestos; the election has provided an opportunity for that. We should all commit to that, to ensure that uprating happens in the next Parliament. I will certainly put that to my party leader, and I hope others will do the same, because this is not a party political issue. It never has been. There is no direct criticism of any one party; there has simply been a failure on this, for the reasons I laid out.

Representative democracy has failed people who choose to move away from constituencies and no longer have one. Perhaps we could examine that. In the meantime, I hope that all parties, all members of the group and the Minister will consider whether it is finally time to commit to bringing in at least partial uprating, so that this clearly unjustifiable injustice is at last dealt with, and Governments of all colours stop ignoring it and looking away.
Ministers may have been briefed to say that there is social security in some countries, but not in many others—Zimbabwe, which has been mentioned, perhaps being one of the worst examples. People who were asked by this country to stay on during Ian Smith’s illegal declaration of independence now find themselves in penury. That is made far worse by the freezing of their state pension.

The number of overseas pensioners who are registered to vote has doubled since the last election, and it could double again and again. If instead of there being 400 of these people for each constituency, there were 800 or 1,600, people might start paying more attention more widely, but the arguments for unfreezing to deal with this injustice should not be about numbers of votes; they should be about whether unfreezing is right or wrong. Let us suppose that at the moment four pensioners in every 100 are affected, and the issue affects a third of their state pension. We can clearly cope with the sum involved. We will in any case be coping with a growing number of pensioners—give or take, depending on the lifting of the state pension age. When we were considering decimalisation in the early 1970s, somebody said, “This will tcpo us a generation of the elderly. Let’s wait until they are all dead.” The fact is that the situation for overseas pensioners will get worse until we can establish a fair principle right across the board.

I do not want to repeat all the speeches I have made in the past, but briefly and clearly, we have to ask Ministers: when will the time come when a Minister of a Conservative, Labour or coalition Government of any kind can stand up and say that they will put before Parliament, or accept from Parliament, proposals that are fair, logical and right?

1.48 pm

Ian Blackford (Ross, Skye and Lochaber) (SNP): It is a pleasure to follow the hon. Member for Worthing West (Sir Peter Bottomley), who made a gracious and fine speech about why this House, working cross-party, must deal with this issue. I commend all the other Members who have spoken in this debate, too. Let me say to the Minister that I suspect this is the last time in this Parliament that we will be discussing pensions matters. I have always enjoyed our spats across the Dispatch Box. I know he is an honourable and decent man, and I ask him to reflect carefully on all the speeches made this afternoon and to give us an indication that the Government are prepared, on the basis of affordability, to deal with this very real injustice that too many people are facing.

I am grateful to the Backbench Business Committee for granting this important debate on a motion standing in my name and that of the hon. Member for North Thanet (Sir Roger Gale). I am also grateful but saddened by the fact that we have to be here today debating this issue, which is fundamentally about fairness and which should, as has been said, have been resolved many decades ago.

The motion addresses the rights of just over 1 million UK pensioners who live overseas. We are talking about those who have paid national insurance on the basis that the payments made to the UK Exchequer entitle an individual to a UK state pension. When someone makes national insurance contributions, building up their entitlement, there is nothing that suggests that their right to a full pension will be determined by where they choose to live in future. Each individual has earned that entitlement, and it should be honoured. It is a simple matter of entitlement in what ought to be a contractual arrangement.

The Government repeatedly call the state pension a benefit, but that argument is undermined by the basic principle that entitlement is earned by making contributions. To achieve a full UK state pension, a person needs to have accrued 35 years of payments. In such a regime, why should someone’s place of domicile affect their rights? The UK is the only member state of the OECD that does not confer full pension rights, including the annual uprating of pensions, to those who have made contributions. It is simply not right that we discriminate against pensioners because of where they live; and let us make no mistake: that is what it is—discrimination. It is a failure of the United Kingdom to accept its responsibility to give full pension entitlement to those who have earned that right.

A person’s entitlement to the annual uprating of the state pension is determined by what country they live in. Some 679,000 UK pensioners who live in other countries do get the annual uprating, but there are 551,000 whose pensions are frozen at the level at which they first received their state pension when living abroad. Someone who is now aged 90 who had retired aged 65 in April 1991 would, had they qualified for pension uprating, now be receiving £119.31 per week; if their pension was frozen at the 1991 level, their weekly pension would be £52 per week. That is without justification. Such an individual would have lost out on £39,489 of pension income over a 25-year period as a consequence of being in receipt of a frozen pension and denied their full rights. Think about what that means: by refusing to grant uprating, we are impoverishing our pensioners.

The average amount received by a pensioner with a frozen pension is just £2,258 per year, whereas the average for a pensioner living in the UK is £7,198 per year. We are denying pensioners income that rightfully ought to be theirs. Many will have to receive support from relatives, or perhaps they will have to return to the UK, where the cost of supporting such elderly residents is invariably higher when health and other social costs are taken into account. We also have to think about the fact that many people came to this country to work, often for many decades, and want to return to their country of origin in retirement. Such folk are put off by the reality of potentially being penalised through the receipt of a frozen pension. Where is the humanity in this? Where is the dignity in stopping people who have given long service to this country and paid their way retiring as they wish? They want to know that they will receive their full pension rights. This is a wrong that we must deal with. People who come to this country should not be penalised when they choose to go home.

Other countries see the current situation as a diplomatic grievance, and that will no doubt be a factor when the UK discusses trade deals. Other countries are going to turn around and say, “You want a decent relationship with us, but you are not prepared to treat your pensioners who live in our country fairly.” The fact that we are unique in the OECD in not accepting our obligations does not go down well with other Governments. We need to show leadership, and that we will stand by those who have earned a pension entitlement.
The International Consortium of British Pensioners has been mentioned by many speakers. I commend the consortium for the work it has been doing with the all-party group and the research it has conducted, which shows that because of the lower health and social care costs of somebody not living in this country, there is a saving of £1,575 for every pensioner who moves abroad. Such savings would partly offset the costs of annual uprating.

The House debated frozen pensions on 11 May last year. This debate follows other debates on this matter going back over the past few decades. The hon. Member for Worthing West mentioned Winston Churchill at the turn of the century; indeed, his grandson, also Winston Churchill, was involved in this matter, too. I have been sent a copy of a letter sent in 1993 by the younger Winston Churchill, the then Member for Davyhulme, to a retired pensioner living in Australia called Victor Humphries. Churchill stated in his letter that he hoped the

“Government may be shamed into taking steps to honour its commitment to expatriate pensioners”.

He went on:

“I have no doubt that if sufficient weight of Parliamentary support can be demonstrated for redressing this clear injustice, the Government will have no alternative but to back down.”

Winston Churchill was right in 1993, and all the Members who have spoken in this debate are right in 2017. It is shameful that, collectively, we have not yet dealt with this issue.

There is, of course, a topical aspect to the debate. Brexit hangs like a black cloud over this issue. Of the 679,000 UK pensioners who do receive an annual uprating, 492,000 are currently protected by the social security provisions of the EU single market. What is going to happen to the rights of those 492,000 UK pensioners post-Brexit? Will the Minister commit today to the continuation of the annual uprating for those living in EU member states? We often hear from the Government how they want to protect the rights of UK citizens living in Europe. Many of those citizens will be listening to or will hear about this debate. They will be concerned about their pension rights to the extent that, in the absence of any guarantees, many will consider whether they might not be able to afford to continue to live in an EU member state. The Minister can deal with that uncertainty today.

Jeremy Lefroy (Stafford) (Con): Does the hon. Gentleman agree that it is inconceivable that this Government, or the Government after the election, would not guarantee uprating to British pensioners who live in the EU 27? As my hon. Friend the Member for North Thanet (Sir Roger Gale) said, it is therefore inconceivable that justice would not come at the same time for the people who have been denied it for so long. That would be discrimination of the worst sort.

Ian Blackford: I concur 100% with the hon. Gentleman; he is absolutely right. We have the opportunity today to deal with this matter and with the uncertainty facing UK citizens who live in Europe. That would be the right thing to do. As has been demonstrated, the cost of doing this for other British citizens would not be all that great. We can actually deal with this matter today if the Minister will recognise that it is a matter of good faith. As we go into the election campaign, I implore us all to make the commitment, collectively, to deal with the injustices we are discussing. If he so chooses, the Minister can remove the uncertainty today, or he can at least give us an indication that the Government are prepared to do something about this issue.

A further 186,000 UK pensioners live in countries with which the UK has a historical bilateral agreement on social security, including the US. A total of 551,000 UK citizens live in countries in which their pensions are frozen, with the largest numbers being in Australia where there are 246,000, and Canada where there are 144,000. The all-party group has met members of the Canadian diplomatic community, and I can tell the House that they are less than impressed with the behaviour of the UK Government on this matter. We are offending our international friends with our failure to take action.

We often hear about a postcode lottery; this is a national lottery, but one in which 551,000 British pensioners are paying the price. I am glad that the motion has cross-party support, and hope that the Minister will recognise the nature of that support and that we are all appealing to the Government to signal that there is an obligation on them to see sense on this matter. I look forward to the Minister’s response, and I hope we will hear from him that the Government are prepared to take action. It is about doing the right thing, and standing up and recognising that all pensioners, irrespective of where they live, deserve to be treated equally.

When we consider that the Government are lifting the limit on the period that UK citizens may live abroad but vote here from 15 years to their entire lifetime, we have to ask why the Government would want to confer voting rights on UK pensioners but deny them full pension rights? Perhaps the Government should reflect on the fact that more than 1 million UK pensioners live overseas. Those pensioners may have a reason to want to register to vote in this coming election campaign, given the infringement of their pension rights. As the hon. Member for Worthing West mentioned, there are 264,000 registered overseas voters—400 per constituency. Can Members imagine the threat to MPs up and down this country if frozen pensioners and others decided that they were going to exercise their franchise? With an election coming, a rise in registrations may just help focus the mind of the Government. What drives the decision-making process of the Government? Is it cost saving, or is it about accepting our obligations to meet a commitment to paying pensions regardless of country of residence?

I appreciate that the Minister will have been told by the Treasury not to offer anything. I know that he is a loyal Government servant and I understand his position. Let me, if I may, try to help him by strengthening his arguments with the Treasury. The right hon. Member for Tatton (Mr Osborne), the previous Chancellor of the Exchequer, said during a debate on the Pensions Bill in the 2003-04 session, when acting as the shadow Chief Secretary to the Treasury:

“If the system worked in the way that most people think, it would not matter where a person lived.”—[Official Report, Pensions Public Bill Committee, 18 March 2004; c. 256.]

I have to say that, on this occasion, I agree with him; it should not matter where a person lives. I appeal to the Minister to reflect on the words of his friend, the
former Chancellor of the Exchequer. Those words were spoken when the right hon. Gentleman was in opposition, but each and everyone one of us should be judged by our deeds in government. It is not good enough to say the right thing when in opposition and then, when in government, claim that it is all about cost. We should be judged by our deeds, and today we have that opportunity. I implore the Minister to do the right thing on this issue today.

I have faith that the Minister will listen to reasoned argument and recognise that this is an injustice that needs to be corrected. Let me deal with the issue of affordability. The Government like to claim that the cost of unfreezing pensions is unaffordable. Ministers have sometimes cited numbers in the billions, but any such claim is highly misleading. The motion for debate proposes the withdrawal of the Social Security Benefits Up-rating Regulations. That would include previously frozen pensions in this year’s 2.5% increase, which would cost £30 million. Assuming that this inclusion continued in subsequent years, the total cost would rise by around £30 million extra each year.

The ICBP has historically campaigned for pension parity, bringing currently frozen pensions up to UK levels immediately, which would cost £580 million, but that is not what is being proposed today. Any higher number cited by the Government involves looking at the cumulative cost over a longer period, which is not how new policies are usually assessed and is therefore misleading. The additional cost of uprating at 2.5% over the next five years would have a cost in year one of £30 million, rising to £33 million by year five, by which time it would have a cumulative cost of £158 million. Let me put that in context: the bill for UK state pensions is currently £86.8 billion. Partial uprating is equivalent to 0.03% of current pension spending.

Let me assist the Minister again. We are all aware that there is a separate national insurance fund, and we know from the Government Actuary’s Department that it is anticipated that that fund will have a surplus of £30.7 billion this year. Clearly, the cost of doing this can be met from the surplus that currently sits in the national insurance fund. Of course this is affordable. This is about our obligation to our pensioners and the human cost of not meeting those obligations. We need to listen to the voices of those who are discriminated against by our failure to pay full pension entitlement.

I will close now with some quotes. I know that the hon. Member for North Thanet has eloquently presented us with some human experiences, but let me just add to them, because at the end of the day it is the cost for the individuals that should concern us. Abhik Bonnerjee is 72 years old and now lives in Kolkata, India. After contributing to the British economy for 38 years, he is now scared of losing his home as he is struggling to survive on his frozen pension. He is considering moving to an unfrozen country. He said:

“The Government should be doing more, especially for Commonwealth countries, and MPs can’t explain why they are not.”

Bernard Jackson, 91, moved to Canada, but was forced to return to the UK in order to obtain his full pension. He said:

“I was brought up to believe that Britain was a fair country. It’s a disgrace, it has to end. It’s terrible to meet pensioners over here who say they have to come back to Britain because they can’t manage.”

Mr Virendra Sharma: This is an opportunity for the Minister to say today that Britain is still a fair country, so that the people can get social justice in other countries.

Ian Blackford: I am grateful for that intervention. I agree with the hon. Gentleman, and it is up to us to demonstrate that fairness. Why should people who have emigrated from the UK be put in this position? They are entitled to a pension entitlement, but they have to return home to get what is theirs. That cannot be right. That is not something that we should support.

Joe Lewis, 90, lives in Canada and has recently lost his wife. He will be moving back to the UK as he can no longer cope with his frozen pension. After suffering a severe fall, Joe is increasingly struggling to afford living and medical costs. The only way he can make ends meet is to use up all his savings. Joe says:

“All I want is my full state pension, which I have paid into my entire life.”

Why should Joe not get something for which he has paid? That is the salient point. Joe and everyone else we are talking about have paid national insurance. This is an entitlement.

George Gray, 77, now lives in South Africa. He paid national insurance for 48 years until reaching retirement at 65. He was completely unaware of frozen pensions until it came to applying for one. He states:

“I was even told that getting our state pension was not a right, but merely a benefit from the British Government that could be amended at any time - but I’ve paid for it all of my working life.”

Anne Puckridge, 90, now lives in Canada. She worked in the UK up to the age of 76, paying mandatory national insurance contributions, and now has a frozen pension. She says:

“The Government should be doing more, especially for Commonwealth countries, and MPs cannot explain why they are not.”

Jane Davies, 70, now lives in British Columbia, Canada. She worked in the NHS for more than 20 years, helping hundreds as she worked in rehabilitation and elderly care. She was unaware that pensions could be frozen. She has said:

“It’s outrageous when you think that it’s mainly Commonwealth countries that are affected, especially when Canadian pensioners living in the UK receive a full pension.”

That is why the Canadian Government are so exercised about this. They pay a full pension to their citizens living here, and yet we fail to reciprocate.

Wendy Moss now lives in Australia. She moved there in 2002 and was completely unaware that her pension would be frozen. She says:

“I am looking into a potential return to the United Kingdom, but need to ensure that my family can make the journey back with me.”

In conclusion, these stories are heartbreaking. Let this House show that we can deliver compassion and recognise injustice. Let the Government commit to fixing this issue before we go out and campaign. Let us show that we are prepared to do the right thing. When we are back, I will look forward to legislation being passed to fix this and to fix the injustices for the WASPI women as well.
2.9 pm

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): It is nice to see you in the Chair, Madam Deputy Speaker. I am glad to have the opportunity to respond to the debate on behalf of the Scottish National party. I thank the hon. Member for North Thanet (Sir Roger Gale), who chairs the all-party parliamentary group on frozen British pensions, for securing the debate and congratulating him on an excellent speech; he is a strong advocate for pensioners and I am sure that they are lucky to have him. He stated that this is a matter of moral responsibility and that today gives us a chance finally to address it. He highlighted the plight of many ex-pat pensioners and concluded that the Government cannot afford not to pay.

The hon. Member for Leeds North West (Greg Mulholland) made an excellent contribution, noting that successive Governments of all colours have failed these pensioners and making the important point that those people do not have an MP of their own, and that when they come to us with their cases we cannot take them on.

The hon. Member for Worthing West (Sir Peter Bottomley) talked about a personal situation and the disparity between countries. He made the important point that the number of people living abroad and registered to vote will only increase, so perhaps we will then take more notice of them. He said that these proposals are fair, logical and right. I also thank all Members who contributed through interventions.

Today’s debate is yet another example of this Government’s atrocious handling of state pensions, which is a typical representation of the disdain and contempt with which the UK Government hold our older citizens, whether they are resident here or overseas. The Tories have ducked their responsibility to pensioners too many times, sticking their heads in the sand and ignoring the backlash, whether from the steadfast WASPI women—the Women Against State Pension Inequality Campaign—or the International Consortium of British Pensioners. It is time the UK Government faced up to reality: pensions are not a privilege; they are a contract, and the UK Government continue to break that contract.

It is clear from today’s debate that the SNP is standing up not just for Scotland’s pensioners, but for British pensioners around the world. Our track record in this Parliament speaks for itself: while the UK Government recklessly abandoned their obligations to the WASPI women, it was the SNP that rolled up its sleeves and did the work that the Government should have been doing, and it was the SNP that commissioned independent research proving that the Tories’ figures are completely wrong, and that the UK Government can afford to right the wrong they have done to the WASPI women. We therefore call for a great injustice to end for British pensioners living overseas.

Around 7.5% of British pensioners live abroad. As my hon. Friend the Member for Ross, Skye and Lochaber (Ian Blackford) explained, entitlement to receive the state pension relates only to the national insurance contributions made during a recipient’s working life, not to their place of residence. Despite that, the UK takes a wildly inconsistent approach to uprating state pensions. More than half a million pensioners—almost half of those living overseas—are excluded from uprating.

My hon. Friend also made the point that their pensions are effectively frozen at the level at which they first received them abroad. Worse still, the vast majority of those with frozen pensions live in the Commonwealth—around a quarter of a million of those affected live in Australia, and almost 150,000 live in Canada.

Those people are not immune from the effects of inflation, yet they are forced to cope with their rising costs of living on a static income. As we can imagine, that has a major impact on their lives. A pensioner who made the required national insurance contributions in order to be eligible for a full state pension, but who has moved abroad and had their pension frozen, stands to lose out on a substantial amount of money. A 75-year-old who retired in 2006 will have lost out on over £10,000. An 81-year-old who retired in 2000 will have lost out on an eye-watering amount—over £22,000. Those are substantial figures, which no doubt put great strain on the lives of those affected, yet this Government seem not to care.

That is hardly surprising, because this Government do not overly concern themselves with pensioner poverty at home, so how could we expect them to give a monkeys about impoverished British ex-pats? I recall that during the 2014 Scottish independence campaign pensioners were fed no end of nonsense about the risk to their pensions in an effort to panic them into voting no. The reality is that this great, fantastic Union, with its mighty broad shoulders, offers one of the most shamelessly pitiful and paltry pensions in the world. Only two countries in the OECD pay poorer pensions than the UK. The OECD 2015 report “Pensions at a Glance” showed that countries such as Turkey, Russia and Greece pay significantly bigger retirement incomes than we do. We should be utterly ashamed of our state pension system and, by extension, of how we treat our pensioners.

It is not just this Government who should shoulder the blame, because our pensioners have been seriously let down by successive Westminster Governments. When the OECD report was released, Tom McPhail, head of retirement policy at Hargreaves Lansdown, said:

“This analysis makes embarrassing reading for the politicians who have been responsible for the UK’s pensions over the past 25 years”.

I must admit that I cannot disagree with that assertion. I am sure that current pensioners and those due to retire in the near future will have little faith in what is to come. I am sure also that they will be poring over party manifestos in the coming weeks, looking for a commitment to continue the pensions triple lock. The Cridland report will have worried many people, specifically because of its recommendation to drop the lock. Indeed, this Government have guaranteed it only until 2020. The upcoming general election provides an opportunity to guarantee it beyond that. However, that would be of little comfort to overseas pensioners suffering with frozen pensions.

Likewise, that guarantee will be of little comfort to British pensioners living in the EU, who simply do not know whether the same fate will befall them, with no guarantee that their pensions will be uprated following Brexit. When the UK leaves the EU and the single market, the Government will no longer have a legal requirement to uprate state pensions. Without a new and reciprocal social security agreement agreed as part...
of the Brexit negotiations, almost half a million EU-resident British state pensioners could face a frozen pension. Those pensioners deserve to know where they stand.

The pensioners living overseas with frozen pensions deserve justice. Contributing to the state pension is compulsory. The Government are effectively discriminating against retirees, based solely upon where they live, despite their having made the same national insurance contributions. That discrimination is leading to pensioner poverty and a loss of independence, and it is even forcing pensioners to return to the UK without their family.

The International Consortium of British Pensioners informs me that most of the pensioners affected did not know that their pension would be frozen if they retired in some countries abroad. Just as we have seen with the WASPI women, sharing of information with retirees is lacking. As the hon. Member for Leeds North West mentioned, the policy is also leading to discrimination against ethnic minorities. The frozen pension policy has a particularly significant impact on the life choices of those in British black, Asian and minority ethnic communities, who retain close cultural links to many Commonwealth countries where pensions are frozen.

The Government might claim that the cost of unfreezing pensioners is unaffordable. Ministers have sometimes cited numbers into billions of pounds. The motion proposes the withdrawal of the social security benefit uprating regulations, which would include previously frozen pensions in this year’s 2.5% increase, the cost of which is just £30 million. Assuming that that inclusion continued in subsequent years, the cost would rise by around £30 million extra each year. When this Government are renewing Trident, at a cost of hundreds of billions of pounds, it is indefensible to say that this uprating is unaffordable.

It is time the UK Government started getting it right for pensioners. It is time that priorities were put right. Let us stop pouring endless amounts of public cash into weapons of mass destruction and start treating people with the dignity and respect they deserve in their later years.

2.18 pm

Alex Cunningham (Stockton North) (Lab): I thank the Backbench Business Committee for granting the debate and congratulate the hon. Members for North Thanet (Sir Roger Gale) and for Ross, Skye and Lochaber (Ian Blackford) on securing it, and I thank all Members who have contributed.

I have spoken many times in this Chamber and in Committee about the injustice within our pensions system. On numerous occasions, I have highlighted how the Government have let down the WASPI women and vulnerable pensioners more widely in society. Today it is overseas pensioners. The upcoming general election gives us an opportunity further to highlight such issues and the need for greater transparency in the pensions industry. I hope that those issues and the issue of pensions uprating for overseas pensioners, get plenty of attention over the next seven weeks.

Today, all pensioners, at home and abroad, want to know whether the Government will ditch the triple lock on 3 May, in line with the Secretary of State’s answer to me on 9 January, when I confirmed that Labour’s commitment was for the longer term. Will the Minister confirm that the Tory triple lock is at an end, or is the commitment to 2020, as declared by the Secretary of State in November on “Peston on Sunday”, and as was suggested to be the case by the hon. Member for Rutherglen and Hamilton West (Margaret Ferrier)?

The pensions of those living overseas are a hot topic for hundreds of thousands of people, many of whom have seen their British state pension frozen—in some cases, for decades. Like the hon. Member for Leeds North West (Greg Mulholland), I will not be writing a manifesto, but while he cannot guarantee that partial uplifting will be in the Lib Dem manifesto, it will certainly be in the Labour party’s.

As the law stands, there are 551,000 UK pensioners living abroad, in countries such as Australia and Canada, who have had their pensions frozen at well below the level paid to pensioners still living in the UK, according to the International Consortium of British Pensioners. While UK pensioners receive up to £155.65 a week, a person who retired in 2000 and moved to either Canada, India, Australia or one of hundreds of other countries receives just £67.50. That does not grow with inflation; in fact, it does not grow at all, leading to a continuous reduction in real-terms income, a loss of independence and, eventually, poverty for hundreds of thousands of pensioners across the globe. As we have heard from their champion, the hon. Member for North Thanet, all these people contributed tax and national insurance to the UK throughout their working life, and they are now penalised because they choose to live in a different country, perhaps to spend their retirement closer to their families.

Without uprating, recipients reliant on their state pension income could find themselves increasingly impoverished, leaving them unable to afford a basic standard of living and increasingly dependent on relatives, and they may be forced to return to the UK—we have heard many examples of that during the debate. Surely it is time that this country established a fair system to support our pensioners regardless of where they choose to live. Those who have spent their life working to contribute to the national economy should be supported in the manner they deserve.

Over recent decades, it has become increasingly clear that we live in a globalised world—a world that sometimes requires people of all ages to move across borders to Europe, the US or Canada, or sometimes further afield. As we look to our new future out of the European Community, but working in a more comprehensive partnership with the wider world, I ask the Pensions Minister to do what other Ministers, Labour and Tory alike, have failed to do, and start increasing overseas pensions now.

Why, in this globalised world, should the country in which a person retires—by choice or for other reasons—affect the pension they have worked hard to earn for 45 years or more? Why should the country a person collects their pension in affect their standard of living? Why should it affect their ability to enjoy their retirement and buy the essentials in life? That does not sound like a fair system; it sounds like a system that leaves hundreds of thousands of pensioners uncertain about their future, their financial position and, ultimately, their wellbeing.
There are those who argue that overseas pensioners spend their cash in economies other than ours, that they no longer pay tax here—if they have the income to do it—and that they make no contribution to our society. However, some may remind us that our overseas pensioners do not access our national health service, and nor do they require support from social care and other services. As has been said, for the relatively small cost of £30 million this year, the UK could begin a system of partial uprating for pensioners living overseas. For 2018, that would cost £30.75 million, and the figure would continue to increase at roughly the level of inflation.

This is about not a costly backdating of pensions uprating, but a way to begin to rectify the injustice of the overseas pension system. We should prove that we care about the wellbeing of UK pensioners abroad and care about the vulnerable in society. Our message to the Government should be that that should translate into a fair pensions system.

As others have said, the issue of overseas pensions is of even more pressing concern due to the recent invoking of article 50, with a lack of clear Government policy around much of the Brexit process. Many expats who have retired within the EU face an uncertain future, and I have heard nothing about the protection of British people’s pensions in EU countries once we have left.

In addition to people being left uncertain about their immigration status, health benefits and many other issues, the Government’s inability to commit to policy in Brexit negotiations has left 472,000 retired UK nationals living in the EU uncertain of what the future holds for them. We do not know whether a deal will be made to ensure that UK pensioners living in the EU receive the full pension they are entitled to. The Government will not tell us whether that is even on the cards. Perhaps the Minister can update the House today. Will British pensioners living in the EU countries have their pensions protected after we leave? The right decision—to uprate overseas pensions now—would send the right signal to pensioners living in EU countries that the Government have a plan and that they will be protected.

The ambitions of the nearly 700 overseas pensioners who have emailed me directly go well beyond the proposal to start uprating pensions now. I recognise that restoring pensions to the levels of today would be a huge stretch for any Government, never mind one that has such a recent record of slashing everything from bereavement income to in-work benefits and of denying mentally ill people, among others, the personal independence payments they need, but we need to start somewhere.

We have always prided ourselves on being a caring country. We are one of the largest net providers of foreign aid in the world, and rightly so. We must, however, ask why we do not feel the need adequately support our pensioners who have retired abroad. An increasing number of modern countries uprate pensions to those living overseas in line with inflation, regardless of where those pensioners reside. Today, we must consider why the UK is not doing the same.

As a modern, compassionate nation, we must look to provide all our pensioners with enough financial support to allow them to enjoy their retirement, as they deserve. Labour has laid out its pledges to pensioners in the last few weeks—maintain the triple lock, compensate the WASPI women and preserve the universal winter fuel allowance and free bus passes. Will the Minister join us in our other pledge—to protect the pensions of people living overseas? It is just the right thing to do.

2.27 pm

The Parliamentary Under-Secretary of State for Pensions (Richard Harrington): I hope we would all agree—I know you have been in the Chair for only some of the debate, Madam Deputy Speaker—that we have had an interesting debate. Before I attempt to address the points that have been raised, I would like to thank those who have spoken. In particular, I thank my hon. Friend the Member for North Thanet (Sir Roger Gale) and the hon. Member for—I have been practising this for quite a long time—Ross, Skye and Lochaber (Ian Blackford) for securing the debate, which has been wide and varied. It concerns an important subject, which I do not take lightly.

The hon. Gentleman was very kind in the comments he made about me, and I would like to say something about the way he has conducted himself while I have been Pensions Minister. I have disagreed with him and the Labour party spokesman, the hon. Member for Stockton North (Alex Cunningham), on a lot of things, but we have also agreed on a lot of things. However, when we have disagreed, we have discussed things properly in this Chamber, in Committee and personally, and I wish all Government and Opposition relationships were like that.

On this particular subject, however, I have to say that I disagree with a lot of things that the hon. Member for Ross, Skye and Lochaber and my hon. Friend the Member for Worthing West (Sir Peter Bottomley) have said.

Sir Peter Bottomley: I know that that remark may have been addressed to just some of the things we said, but one of the things we said was that what is happening at the moment is not fair, not logical and not right. Is the Minister trying to say that it is fair, logical and right?

Richard Harrington: Well, it is about the subjectivity of those words, if I may say so. I will try to address some of the points he made, but I cannot successfully answer his cricket team question. However, given that our civil servants will probably have less to do over the next few weeks than they have had to do over the last few weeks, I will formally write to him. As a child, with “Wisden” and everything else, I would probably have been able to answer his question myself, but I am afraid I cannot do that now.

As I was about to say before I was hit for six by that intervention, the United Kingdom state pension is payable worldwide, regardless of the recipient’s country of residence or their nationality. I say that formally on the record because were I a member of the public watching the broadcast of this debate or reading it in Hansard, I could quite easily get the impression, when we talk about scandals and things like that, that people were leaving the country and not getting their pension at all. The state pension is paid to people who are entitled to it when they leave the country, but increased—“uprated”—is the expression in this context—abroad every year only when the recipient is in certain areas: in the European economic area, Switzerland, or a country with which
the UK has a specific reciprocal agreement that allows for uprating. This is a long-standing policy that has remained consistent for about 70 years, and, as has been said, it has been the policy of consecutive Governments of all persuasions.

I recognise that this subject arouses strong opinions, and some of the language used is very concerning. Please do not think, Madam Deputy Speaker, that I think that the language used has been improper in any way, but it is very strong language about people suffering hardship and so on.

Ian Blackford: Does the Minister appreciate that there is clear evidence that people who have gone to live abroad have come back because they do not feel they can manage on a frozen pension? There is clear evidence that people who have gone to live abroad have come back because they do not feel they can manage on a frozen pension wherever they live. Moral rights are very subjective, a moral right that they should receive an uprated state pension wherever they live. That reflects the fact that the scheme overall is primarily designed for those living in the UK, and it operates on a pay-as-you-go basis. Contributions paid into the fund in any one year contribute to the expenditure in that year. That is the way that public finance works. The contributions provide a foundation for calculating the benefits, but they do not pay for those benefits.

The hon. Member for Rutherglen and Hamilton West (Margaret Ferrier) mentioned the national insurance fund. It is convenient to bring this up in debates, but in reality there is no surplus in the national insurance fund because it is all used to pay contributory benefits. It is basically a system of public accounting. The £16 billion that was mentioned is two months’ expenditure. It is just an advisory level for the fund suggested by the Government Actuary because it is a prudent working balance. It is not like having a bank account where we can say, “Oh, we’ve got a surplus—let’s use it.”

Ian Blackford: We all understand and accept that it is a pay-as-you-go system, but that does not detract from the fact that when someone pays national insurance, it is on that basis that they are earning entitlement from that mechanism. As for the national insurance fund, the surplus is actually £30 billion, and it needs to have—the Minister is right—two months’ cashflow within it, which is £16 billion. So the point remains the same—the money is there to do this.

Richard Harrington: I think, as we do on many things, the hon. Gentleman and I will have to agree to disagree on that, but we both fully understand each other’s arguments, I am sure.

The point about cost has been made very coherently. The Government generally take the view, of course, that the first priority is to ensure that older people in this country have an adequate income in retirement. Uprating all state pension payments in full to the rate currently paid in the UK, regardless of the recipient’s country of residence, would cost about an extra £500 million a year, increasing significantly over time. While that may not have been specifically argued for in this debate, people in favour of the motion are talking about a moral argument, not a legal argument. Many of us are here because we believe in moral arguments generally in our personal lives, and I hope in our political lives as well. That is why many of us do the job, so please do not think that I am pooh-poohing the idea of a moral argument. However, both systems of calculating this could be seen as being based on a moral argument.

This debate has been predominantly about so-called partial uprating. I understand this to mean not to uprate fully but to uprate the current level of state pension that the person is receiving through the triple lock or equivalent from a future date, and only pay uprating going forward with no arrears. I had to look at that very carefully when I saw that we were having this debate, because partial uprating can mean different things in different contexts. It is superficially a very attractive argument to say, “We could do this because it’s a few million pounds a year—tens of millions, not hundreds or billions.” It is not like the cost involved in the case of the WASPI women; the hon. Member for Ross, Skye and Lochaber correctly mentioned that some independent research has been done on that, which I have read very carefully. That would cost billions of pounds, but this is about tens of millions of pounds, which, on the face of it, sounds like small change within the full scale of Government expenditure.
Alex Cunningham: Spend the money!

Richard Harrington: The hon. Gentleman rarely makes me speechless, but his plea from a sedentary position to spend the money has done so. Perhaps he thinks that I am already Chancellor of the Exchequer; it is nice of him to imply that.

The Parliamentary Under-Secretary of State for International Development (James Wharton): It is only a matter of time.

Richard Harrington: Maybe not in this life.

To return to the serious point, on the face of it, tens of millions of pounds does not seem a lot, but the annual costs of the policy would converge with those of full uprating in the medium to long term. That compounds the situation, because if we changed the policy now to either full or partial uprating, in 25 or 30 years, the vast majority of pensioners—they would be new pensioners—would receive pension payments as if they had been uprated for the whole time. Everyone knows that, whichever Government are in power after the election—I think the hon. Member for Leeds North West suggested that they would be of a certain colour, although I may have misunderstood him—resources are scarce, and Governments have to make judgments about how best to use them. That is what government is about.

Although the proposed spend each year might appear to be small, it would soon add up to a much more significant £500 million extra each year on about 500,000 pensioners. That might look to others as though the Government were disproportionately favouring those who have gone abroad. Much of that spending would not in fact increase the money that a poorer pensioner living abroad would receive. In Australia, for example, the age pension is means-tested, with the Australian Exchequer in some cases keeping up to 50% of New Zealand pension payments to claim them; they are then taken into account, and the New Zealand benefit or pension is reduced by the amount of UK pension. In addition, since most people who move abroad to those countries do so before they have reached pensionable age, most would have been able to build up decent pension provision in the country to which they emigrated, if they went when they are younger.

For most people, the decision to move abroad is voluntary; it remains a personal choice dependent on the individual’s circumstances. The Scottish National party spokesperson, the hon. Member for Rutherglen and Hamilton West, said in her summing up that people may not have been aware that they were moving to a country to which they emigrated, if they went when they are younger. That compounds the situation, because if we changed the policy now to either full or partial uprating, in 25 or 30 years, the vast majority of pensioners—they would be new pensioners—would receive pension payments as if they had been uprated for the whole time. Everyone knows that, whichever Government are in power after the election—I think the hon. Member for Leeds North West suggested that they would be of a certain colour, although I may have misunderstood him—resources are scarce, and Governments have to make judgments about how best to use them. That is what government is about.

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does not make it right. It has been wrong for many years, under successive Administrations. It will go on being wrong, and people like me and my colleagues will carry on until we get a resolution.

I understand that the Minister is not in a position to make a concession this afternoon, and I did not expect him to do so. I will ask him just one thing. When this debate was called, none of us had any idea that there was going to be a general election. To some extent, inevitably that has coloured some of the remarks made this afternoon. I have deliberately not pulled my punches, because that is not what I do. I just say this, in friendship, to the Minister. Will he please have a serious discussion with the Secretary of State for Work and Pensions—one of my Kent colleagues—about how we can put the matter into the Conservative party manifesto as an election pledge, so that we can resolve this issue on the very modest terms that we have proposed, into which great thought has been put? That would enable us, when we come back in June—I hope that we, at least, will be coming back—to put this issue to bed and allow half a million people living in retirement around the world to sleep more soundly.

Question put and agreed to.

Resolved,

That this House notes the detrimental effect that the Social Security Benefits Up-rating Regulations 2017 will have on the lives of many expatriate UK citizens living overseas with frozen pensions; and insists that the Government take the necessary steps to withdraw those Regulations.

Alex Cunningham (Stockton North) (Lab): On a point of order, Madam Deputy Speaker. It would be helpful if the Pensions Minister remained in the Chamber. I am grateful to him for his kind words about our working relationship, and I agree that it has been constructive, even when we have disagreed. I hope that you or he can assist with the news given to my office today that the Department for Work and Pensions MP hotline is closing down at midnight tomorrow; staff claim that that is because of purdah coming into effect. That would have a hugely detrimental effect on MPs’ ability to do their job effectively. I am sure that the wheels have moved since I raised the matter with a Government Whip earlier this afternoon, but can you or the Minister confirm the date for purdah and whether hotlines for MPs should close tomorrow evening?

Madam Deputy Speaker (Natascha Engel): If the Minister would like to respond, he is welcome to do so.

The Parliamentary Under-Secretary of State for Pensions (Richard Harrington) I will have a go at responding to the hon. Gentleman’s question. I do not know the answer to it, but I will find out straight away and communicate it to him. I suspect that this is a matter that is decided by the civil service based on previous protocols about purdah and so on, but I do not feel experienced enough to give him the answer that he wants and deserves.

Sir Peter Bottomley (Worthing West) (Con): Further to that point of order, Madam Deputy Speaker. The Minister has been very clear and helpful. If the practice is for such helplines, which are for our constituents rather than for us, to be closed down before Parliament has stopped sitting—before we stop being Members of Parliament—may I suggest, through you, that those who are listening should change the practice and make sure that that happens when Parliament is dissolved, and not simply because an election has been called?

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Further to that point of order, Madam Deputy Speaker. The Minister has made it clear that he will communicate with the shadow Minister, but can we ensure that there is communication with all Members of the House if this closure happens? We hope that it will not, because it will impact all our constituents in a very big way.

Madam Deputy Speaker: If the Minister would like to respond to that, it would be very helpful.

Richard Harrington: I have taken on board the hon. Lady’s point.

Madam Deputy Speaker: I thank all hon. Members for their points of order, and I thank the hon. Member for Stockton North (Alex Cunningham) for raising this point. It is important, and I am grateful to the Minister for having responded so positively to it. We will leave it there for now.
Tackling Infectious Diseases

2.51 pm

Mr Virendra Sharma (Ealing, Southall) (Lab): I beg to move.

That this House has considered research and development on tackling infectious diseases.

I am grateful for this comprehensive debate on an issue that is important for many people across the world. As the sponsor of the debate, I want to set out the issues that need to be raised, say a little about my area of greatest knowledge and allow as many Members as possible, on both sides of the Chamber, to raise the issues that matter most to them.

Tuberculosis, HIV and malaria are the world’s leading infectious killers. In addition to those three big diseases, 1.5 billion people have a neglected tropical disease, and another 1.5 billion are at risk of contracting one. Such people are trapped in a spiral of ill health and debt that blights not just their own lives but those of the people who rely on them. Many of the diseases are chronic and endemic to some of the most deprived communities in the world. Sadly, there is no market for curing these illnesses, because there is no profit to be had from doing so. There is no will to eradicate them, because the value of doing so is considered to be too far away.

But the costs of inaction are far higher than the costs of action. Although globally about $240 billion is spent on health research and development, almost none of that is directed at these diseases of poverty. Because there is no market incentive, procurement is likely to be carried out only by donor and philanthropic organisations, yet the UN has said that investment in treating these diseases can yield returns. For example, it says that every dollar invested in TB care yields a return of over $30.

For many conditions, treatment is a complicated matter requiring a cocktail of drugs taken according to a strict regimen. For too many, that is not possible. New drugs have been slow to come to the market. Antibiotics represent a cure for millions, but since 1990 virtually no new antibiotics have been developed and we know that diseases are becoming resistant. Approximately 700,000 people will die this year because of anti-microbial resistance, known as AMR. By 2050, this could cost 2% to 3.5% of global GDP, or $100 trillion of economic output. It will be a global catastrophe.

Our Government have already taken positive steps, replenishing the global fund with over £1 billion. Some 80% of the funding for the global fight against TB comes from that fund to which we are the second largest donor. I hope the Minister will restate his commitment to the fight. Prevention, diagnosis and treatment through the global fund cannot be the sole solution. It is clear that without new tools we will not meet the commitment made in the global goals to end the epidemics of HIV, TB and malaria by 2030.

At the current rate of progress, it will take at least 150 years to end the TB epidemic. Moreover, the O’Neill review published last year made it quite clear that AMR will exacerbate this bleak outlook. I am a co-chair of the all-party group on TB. The group recently held an event on TB and AMR, which included contributions from the Minister and Lord O’Neill, who reiterated the review’s conclusion that tackling TB must be at the heart of any global action on AMR. TB already accounts for one third of AMR debts. If left unaddressed, it will by 2050 cost the economy over $16 trillion. As Lord O’Neill said at our event, the cost of investing in new drugs is minuscule compared with the cost of doing nothing. At present, treatment for drug-resistant TB involves an arduous two-year course of 14,000 pills, which can have severe side-effects including permanent deafness, as well as eight months of intravenous injections. It is little wonder that less than half of those who start treatment complete the course. Concerns about AMR are not limited to TB and HIV; it is also an issue of serious concern for other infectious diseases, including malaria.

Of the annual half a million deaths from malaria, most are of children under the age of five in sub-Saharan Africa. Artemisinin combination therapies are currently the frontline treatments against the most deadly malaria parasites. Although the treatments are working well in many parts of the world, there is serious concern that malaria parasites are once again developing widespread resistance to this vital treatment. Artemisinin’s resistance is spreading in the Greater Mekong area. If it spreads to the African continent, there will be devastating consequences for global control efforts. At the beginning of this year we witnessed, with four patients, the first failed malaria drug treatment in the UK. That was swiftly followed by the detection by researchers in Africa of malaria parasites that were partly resistant to artemisinin.

The Minister will be aware that AMR is one of the topics being considered by the G20 this year. Last year, the G20 tasked the OECD and others with creating a road map on incentivising research and development in relation to new antibiotics. In line with the O’Neill review’s conclusions that TB must be at the heart of the AMR response, will the Minister take steps to ensure that it is prioritised in the G20 discussions on AMR? Will he ensure that the Government push for agreement on new mechanisms to incentivise research and development to tackle AMR and, within that, drug-resistant TB, especially as half of all cases of TB and drug-resistant TB, as well as TB deaths, occur in G20 countries?

In February I was in India where I met Prime Minister Modi, and I made similar representations there. Only by working with international partners can we make progress against the world’s leading infectious killer and only major airborne AMR threat. In that context, let me say something about the impact that medical technology can have. According to a report produced by the United Nations Secretary-General’s High-Level Panel on Access to Medicines and entitled “Promoting innovation and access to health technologies”, “Despite this noteworthy progress”—the development of vaccines and dramatically improved outcomes for HIV sufferers—“millions of people continue to suffer and die from treatable conditions because of a lack of access to health technologies.”

It is all too easy to focus solely on pharmaceuticals in tackling infectious diseases, but without technology, even the most basic, tackling an outbreak is almost impossible.

I recently heard from representatives of Becton Dickinson, a company that manufactures diagnostic products and lab equipment here in the UK and exports it all over the world. They told me about the measures
that we could be taking right now to tackle AMR, including better use of blood testing. We must take steps immediately to improve diagnosis times, and to ensure that the most appropriate antibiotics are administered. BD has been leading research on the development of blood test bottles that counteract the effects of antibiotics so that they can be administered immediately in life-threatening cases. It has also worked on technology to control TB quickly, including new tools that enable the rapid testing and reporting of new second-line drugs for extensively drug-resistant TB. In the event of an outbreak of any infectious disease, timely treatment is crucial, and BD’s work in the field of technology—not just pharmaceuticals—can contribute to the tackling of infectious diseases throughout the world.

I ask the Minister to look more closely at how better use of diagnostics, including blood cultures, can tackle AMR. Some targeted research and development has worked. In 2002, more than half a million children a year were becoming newly infected with HIV; that number has now halved. In 2015, the Government created the cross-departmental Ross fund to invest in research and development in respect of “drugs, vaccines, diagnostics and treatments to combat the most infectious diseases”.

Although that was a welcome announcement, the fund must be used to complement, rather than to substitute, DFID’s existing commitments on infectious disease research and development, particularly its historical commitment to not-for-profit product development partnerships.

At the APPG on global TB event for World TB day, we heard from Aeras and from the TB Alliance, which have both benefited from UK investment, but developing new tools is not a short-term project. The Minister should reaffirm the Government’s commitment to these partnerships. We cannot afford to step away from them. For example, we currently have one vaccine for TB, the BCG, which dates back to the 1920s and is only moderately effective in preventing severe TB in young children. It does not adequately protect adolescents and adults, who are most at risk of developing and spreading TB.

There are also regulatory issues. It is expected that by 2020 some 70% of those living with HIV will be in middle-income countries and will no longer have access to affordable treatment. The British Government has been keen to come to arrangements that have allowed the countries with the greatest burden a longer time to comply with patent regulations. That positive attitude has not always been shared by the US Administration, and I am worried that the new President will be even less inclined to come to sensible arrangements.

Similarly, as the Government negotiate new trade agreements in the wake of our exit from the European Union, we must ensure access to medicines by protecting TRIPS—trade-related aspects of intellectual property rights—flexibilities. There is growing global momentum on the shortcomings of our R and D model and a number of solutions have been put forward, including the UN High-Level Panel report on access to medicines. The UK must prioritise and plan how to move such recommendations forward, particularly in the lead-up to the World Health Assembly in May. I would be grateful if the Minister could outline in his response whether the UK plans to develop a cross-departmental code of principles for biomedical research and development. That should be based on the recommendations from the high-level meeting on AMR for research and development to be “guided by principles of affordability” and ready for the 70th World Health Assembly in May.

We should ensure that R and D leads to health technologies that are affordable and accessible to those that need them. The real game changer will be finding a way to encourage the development of more therapies, new medicines and innovative vaccines. Change will come from a change to the regulatory environment. That cannot be achieved by UK action alone. Could the Minister please commit to ensuring that encouraging DFID best practice is a key plank of future international efforts?

I thank the APPGs that have made this debate possible—those on TB, HIV and AIDS, and malaria and neglected tropical diseases. I am keen to hear what my hon. Friends and colleagues have to say, so I will leave it there, although there is sadly so much more to say.

3.9 pm

Jeremy Lefroy (Stafford) (Con): I congratulate my colleague from the International Development Committee, the hon. Member for Ealing, Southall (Mr Sharma), on his comprehensive speech, which covered a huge amount of ground. I also declare my interest as a member of the boards of the Liverpool School of Tropical Medicine and the Innovative Vector Control Consortium, which develops new insecticides to put on bed nets to counter mosquitoes, and as chair of the all-party group on malaria and neglected tropical diseases.

I had the honour on Monday this week to chair a meeting in Washington, as chair of the Parliamentary Network on the World Bank and International Monetary Fund, with Madame Christine Lagarde of the IMF and Dr Jim Kim, president of the World Bank. Dr Kim spoke about infectious diseases and the threat posed by them. He pointed out that we had come together as a world with three countries in west Africa—Liberia, Guinea and Sierra Leone—to tackle Ebola. There was a huge cost of life there, particularly among medical workers, but the co-ordinated action enabled that epidemic to be curtailed; it could have been much worse. He talked also about Zika and the work done on it. He pointed out, too, that a major epidemic of an infectious disease, possibly a flu, which could affect as many as 30 million people resulting in a scale of deaths that we have not seen since Spanish flu in 1919, was perfectly possible and very much on the radar. That illustrates why this debate is so important.

The UK Government have been at the forefront in providing resources for research and development as to tackling infectious diseases and the development of those tools in the countries where they are needed, not only in the cases of Ebola and Zika, but, as the hon. Gentleman mentioned, in terms of the rise in the resistance to drugs, particularly for tuberculosis, but also for malaria. Resistance has been growing to the artemisinin-based combination therapy drugs, or ACTs, in south-east Asia, and, as we know, it is always from south-east Asia that resistance grows to malaria drugs; it did for chloroquine and it did for sulfadoxine-pyrimethamine, or SP, and now it is for the ACTs. That is where the real threat from malaria lies: if resistance grows there and then crosses
to sub-Saharan Africa, we face the prospect of yet another drug becoming less effective. ACTs have played a huge role in cutting the number of deaths from over 1 million in 2000 to less than half a million last year.

The UK Government has played a major role through the funding of, for instance, the Medicines for Malaria Venture and the Innovative Vector Control Consortium, which I mentioned earlier, and I welcome the announcements this week by the Secretary of State on additional funding to combat neglected tropical diseases. I hope some of that funding will go into developing new drugs in the area, because we have shortages in the pipeline for tackling some of those diseases; some have very effective existing drugs, but others do not. We must also not forget the role that vaccines play, as the hon. Gentleman also mentioned, in respect of TB.

As the hon. Gentleman made clear, these are not commercial propositions in most cases. They are not drugs that companies can afford to develop on their own; they need the support of Governments and foundations. It is tremendous how Governments and foundations such as Wellcome and the Bill and Melinda Gates Foundation have stepped up, and indeed drugs companies in the case of neglected tropical diseases, where they have provided billions of doses free across the globe in the past 15 to 20 years.

I want to conclude by giving three reasons why we should be concerned about this matter and taking this action. First, that is absolutely the right thing to do: dealing with diseases that affect people across the globe, and not just the poorest people—the 1.5 billion who suffer from neglected tropical diseases and those who suffer from malaria, TB and HIV—but the people in our own countries who suffer from these diseases. Let us not forget that those people are right on our doorstep and in our midst.

Secondly, this is highly cost-effective. A ratio of about 40:1 has been mentioned, and I have seen that in many places. What we spend on international development has to be extremely effective. In many cases, what we spend on research and development and on treating these diseases is pretty much the best buy in international development, which is why I welcome the fact that the UK Government have concentrated more resources on these areas.

Thirdly, the UK is a world leader. That is even more important now that we are coming out of the European Union. We have institutions such as the London School of Hygiene & Tropical Medicine, Imperial College London, the University of York, the Liverpool School of Tropical Medicine, the University of Dundee and the University of Aberdeen. Many of our universities across the United Kingdom are world leaders in this area, and it is vital that, as we look to create a more global Britain, we do not neglect those areas in which we are already world leaders. That involves a number of things, such as investment in the form of Government support, primarily through DFID and in cash, but also ensuring that the best scientists such as the young researchers who want to come to this country because of our excellence can continue to do so and will not be blocked.

Let us not forget that researchers are often not well paid. If we set salary-based caps for immigration, we will automatically disqualify some of the brightest minds on the planet from coming here, so let us ensure that that does not happen. If we are to have immigration rules, they should be based on the task and not on the salary. Setting a cap of £30,000, for example, would probably exclude half the PhD and other doctoral posts in this country. This is absolutely critical. We also need to encourage our own researchers to go and work across the globe in collaboration with others. This kind of research is not national; it is international, and it requires the widest possible collaboration.

I want to conclude by thanking my hon. Friend the Minister, who is absolutely committed and who I know will have played a major role in the decision on neglected tropical diseases in the past week. This is something we have been waiting and calling for, and the Government’s announcement has exceeded our expectations. That is tremendous. It is great for the United Kingdom and, above all, for the people who are suffering from neglected tropical diseases.

That comes on top of a range of announcements on malaria, TB and HIV. As we come to the end of this Parliament, I hope that all the manifestos—particularly the Conservative manifesto—will contain a commitment to continue to spend 0.7% of our GDP on international development and a repeat of the commitment to make research and development on infectious diseases and the deployment of those resources a key priority for the new Government.
fund aimed at developing, testing and producing new products—particularly for malaria. We often hear of the importance of bed nets in the tackling of malaria, but that is not the only answer to the problem; we also need to look at drugs, insecticides and diagnostics. The importance of working to tackle antimicrobial resistance has also been mentioned.

We must not forget the impact of Ebola in recent years—a topic that the Committee has done an inquiry on. It is a terrible infectious disease that affected people not only in Sierra Leone and Africa; we know of a couple of British citizens who were seriously affected by it as well. That highlighted the importance not only of looking for ways of testing for the disease and curing it, but of having adequate healthcare systems.

Tackling neglected tropical diseases is clearly good news for those countries that are most badly affected by them. It is also good news for our universities, pharma companies and many of our NGOs and charities; they have vital roles to play in this, too. That also keeps us as British citizens safe. Many of us travel around the world, so it is important for our safe and secure passage to seek protection from and find solutions to those diseases.

I have mentioned Ebola and malaria, and the Zika virus is another infectious disease; we do not hear about many diseases until there is an epidemic or a really serious outbreak. To me, it also illustrates why the UK aid budget really matters. When we spend it wisely, it can make a difference to people’s lives—and it is in our interests to do that. We know that infectious diseases disproportionately affect the poorest people, exacerbate instability and put at risk our national security.

Last year, the UN high-level panel on access to medicines made a number of recommendations aimed at getting more medicines to more people who need them. It also recognised that research and development alone is not enough. Intellectual property law, competition law, procurement laws, drug regulations, public health obligations and patents are all part of this, as is price, which can be a major barrier to accessing treatment globally. For example, generic competition in antiretroviral medicines has led to the cost of first-line ARV drugs decreasing, but third-line ARVs remain prohibitively expensive—especially in middle-income countries. To make that even more pressing, by 2020 an estimated 70% of people living with HIV will be in middle-income countries.

Britain has a proud record in this field. We are leading the way in fighting these diseases through research, targeting and tackling the real root causes of avoidable infections and diseases. However, while we have achieved so much, as usual it is the case that much more can be done. I hope that the Minister will set out his Department’s plans. We know that he is committed to this area. As I began by saying, I welcome the work that DFID has done.

3.24 pm

John Glen (Salisbury) (Con): It is a privilege to be able to contribute to this debate, and I pay tribute to the hon. Member for Ealing, Southall (Mr Sharma) for bringing it to the House this afternoon. I also pay tribute to my hon. Friend the Member for Stafford (Jeremy Lefroy), who has done so much throughout this and the previous Parliament in the field of infectious diseases. In the work he does not only in this country, but globally, he really is an effective champion for this country in this area.

Several hon. Members have already highlighted that infectious disease research and development is a real success story for the UK. It is particularly fitting that we should be having this debate in the last days of this Parliament the week before World Immunisation Week, which celebrates the progress that we have made in tackling some of the biggest global health threats through vaccination. Closer to home, as the Member of Parliament who represents Porton Down, I have campaigned over the past six years on Wiltshire’s expertise in this area. I welcome the opportunity once again to focus the Government’s attention on this unique asset to the UK and its potential to contribute to the global fight against infectious disease.

I want to make clear the importance of UK aid and leadership and discuss how effective the UK aid budget can be if it is used creatively against the risks that exist. We often hear criticism of our development assistance budget, and people legitimately question whether aid is always in our national interest, but this area is a clear example of where our security at home can only be achieved by investment abroad. Epidemics may start far from our shores, but diseases do not respect national borders, and this country and this Government must continue to show leadership.

The national risk register rightly identifies emerging infectious disease as one of the most serious threats that we face. With over 2 billion passengers travelling by air every year, it remains firmly in the interest of national security to invest in vaccinations that can prevent outbreaks hundreds of miles away. However, this is not an issue that Government funding or intervention alone can address. It requires intelligent collaboration between academia, industry and the public sector to identify new vaccines, license them, manufacture them and then get them to where they are needed. Too often they remain stuck in the pipeline as unproven concepts in research papers.

The Ebola epidemic in 2014 galvanised international efforts to quickly mobilise vaccines, but it also identified several critical problems in the chain of development. First, as others have mentioned, too little economic incentive exists for the private sector to invest in vaccine research for rare emerging infectious diseases. Secondly, licensing vaccines is challenging, which has a further impact on their commercial potential. Thirdly, the UK has a limited manufacturing capability that needs to be enhanced. The British Society for Immunology told the Science and Technology Committee that “we lack a truly effective and co-ordinated platform for the research, development, and manufacturing of new vaccines and treatments against novel or emerging disease threats”.

It is welcome news that the Government are taking significant steps to address that deficiency with the creation of the UK Vaccine Network and the £120 million in overseas development assistance to develop vaccines for infectious diseases with epidemic potential.

It can cost more than £1 billion to take a vaccine through development from concept to market. In particular, smaller firms face challenges in the translational gap of taking products through licensing, where costs can easily reach £100 million. Targeted investment at the right stages of research can help bridge those gaps, but so too
can the right facilities in the right location, which is where we come to my constituency and the opportunities that exist therein.

As early as 2014, before the Ebola outbreak, life science experts at Porton Down were advocating for it to become a national centre for translational vaccinology. Their judgment was based on the concentration of expertise that exists there and the natural synergies between Government agencies and the private sector. Porton Down is currently home to Public Health England’s centre for emergency preparedness and response, the Defence Science and Technology Laboratory and a new £10 million science park that will be home to some of the most innovative biotechnology companies in the country.

Alongside those facilities, Salisbury district hospital and Southampton University, nearby, provide further complementary expertise in infectious diseases. Discussions are moving forward on how we can further strengthen that collaboration, perhaps through university status for Salisbury district hospital. Wiltshire has a large military footprint that will be further enhanced in the coming years, which could be of considerable benefit in tackling future outbreaks given the extensive involvement of our armed forces in the Ebola response. All those factors make Porton an ideal site for a Catapult centre for vaccine research and development.

Although the last Parliament took the decision to move much of the Public Health England footprint to Harlow, I am absolutely clear that we must maximise the significant potential that still remains at the facilities in my constituency. That is not merely about the interests of the local economy I represent in Wiltshire; it is about the effectiveness of the UK’s world-leading life science research base. Let us use our assets and resources intelligently. Porton Biopharma was corporatised out of Public Health England in 2015 specifically to capitalise on Porton’s long-established expertise in developing, manufacturing and bringing vaccines to market, and I am working closely with its leadership team to identify the best operating model for the company. I urge the Minister and his colleagues, as they consider the options for future vaccine development facilities in the UK, not to overlook the facilities and infrastructure that already exist and to build on them as far as possible.

Every year, existing vaccines aver 2 million or 3 million deaths globally. We all know that prevention is the best cure, and we must now ensure that the Government’s financial commitments translate into meaningful improvements in vaccine research and development sites at Porton Down.

As all Members think about the election and their manifestos, and as they make representations to those who will put the manifestos together, I urge the Minister to think creatively about the often-discussed size of the ministerial budget for which he is in part responsible and to think carefully about how it can be maximised for international aid purposes while using this country’s existing infrastructure. We can do so much more through such intelligent investment, and I hope there will be further opportunities for me to raise this issue if I am fortunate enough to be returned in the next Parliament.

3.34 pm

Carol Monaghan (Glasgow North West) (SNP): I congratulate the hon. Member for Ealing, Southall (Mr Sharma) on securing this debate. He mentioned the three big killers worldwide—HIV, TB and malaria—and I will talk a little about them, too. The hon. Member for Stafford (Jeremy Lefroy) introduced the work on Ebola and Zika. He spoke about the possibility of a new worldwide killer disease, which could have devastating consequences, and how we might react to it. The increased UK Government funding to tackle neglected tropical diseases was mentioned by the hon. Member for Aldridge-Brownhills (Wendy Morton). Although that funding is very welcome, it is probably a drop in the ocean, given what is required to tackle these diseases properly. The hon. Member for Salisbury (John Glen) mentioned the Ebola outbreak, the difficulties in developing vaccines and treatments when there is no economic incentive to do so, and the lack of manufacturing facilities in the UK for such a huge programme.

Vaccination, antimicrobial drugs and improved hygiene mean that infectious diseases are not the massive killer they once were in the UK, but they are still a major health and economic burden for us. In other parts of the world, they are a major killer. We know that HIV and other forms of sexually transmitted infection are rampant just now in sub-Saharan Africa, but even in the UK 100,000 people are living with HIV. The number of cases of genital warts has decreased as a result of the increased use of the human papillomavirus vaccine, but rates of syphilis and gonorrhoea have significantly increased, with many cases being diagnosed late. Those conditions will have huge health implications, even here in the UK.

I wish to discuss the three diseases that the hon. Member for Ealing, Southall, talked about. Malaria is currently threatening half the world’s population, and it claims the life of a child in Africa every minute, so 50 children will have died as a result of Malaria in Africa while this debate has been going on. That is a damming statistic. Tuberculosis has killed more than any other disease in history, and last year it killed 1.8 million people globally—5,000 people every day. TB—the world’s leading killer—is airborne, which makes things difficult as it means it is hugely infectious. It is also increasingly resistant to drugs. TB does not just affect the developing world; we are seeing recurrences of it in major world cities, including London. As the hon. Gentleman mentioned, our response to TB is chronically underfunded, but as he also said, for every $1 invested in TB care, we have a yield of $30, which means there should be an incentive—a moral and economic case—for increasing our efforts.

Alexander Fleming warned in 1945 that micro-organisms could develop resistance to his new antibiotics, and unfortunately that prediction has proven correct. A report published by the World Health Organisation in 2014 said that antibiotic resistance was now a global threat, on a par with other global threats. The inappropriate prescription of antibiotics affects our ability to tackle diseases. I found some statistics about Scotland, and the picture there reflects that in the rest of the UK. In 2014, 55,000—1% of our population—were taking antibiotics at any one time. The problem is that in up to 50% of those cases, antibiotics were unnecessary and the condition would have improved without them. It is essential that
we seek to educate people on the use of antibiotics, and that our GPs and others doing the prescribing use them far less.

Resistance is, of course, a natural biological phenomenon, but it is increased by the misuse of medicines and poor infection control. It is a particular concern with regard to antibiotics. Many of the medical advances we have made over recent years—such as organ transplantation and even chemotherapy—need antibiotics to prevent and treat the bacterial infections that such treatments can cause. Without effective antibiotics, even minor surgery and routine operations become high-risk here in the UK.

Patrick Grady: I thank my hon. Friend for giving way again. I had the huge pleasure of visiting the Centre for Virus Research in my constituency just a couple of weeks ago. The staff there undertake world-leading work, so the point she is making about our need to continue to attract the best talent from the European Union is vital. She mentioned the moral case; does she agree that it is also vital that the funds, particularly those that come through the Government’s commitment to the 0.7% aid target, are still available for research? I hope that when the Minister responds, he will be able to reinforce the Government’s commitment to that 0.7% target, unlike some of his colleagues earlier today.

Carol Monaghan: I very much agree on the 0.7% target. That figure for aid is as important to tackling infectious diseases as guarantees for the EU nationals who are fighting infectious diseases worldwide.

In last October’s DFID research review, it was stated that the commitment, together with cross-Government aims to address, but this challenge requires not only the funds, particularly those that come through the Government’s commitment to the 0.7% aid target, are still available for research? I hope that when the Minister responds, he will be able to reinforce the Government’s commitment to that 0.7% target, unlike some of his colleagues earlier today.

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Catherine West (Hornsey and Wood Green) (Lab): I welcome the opportunity to reply to this debate on behalf of the Opposition. The debate was secured by my hon. Friend the Member for Ealing, Southall (Mr Sharma). I congratulate him and the hon. Member for Stafford (Jeremy Lefroy) on their excellent work in this area. I declare an interest: my partner works in the NHS and higher education sector in research and diagnosis of neglected tropical diseases.

I will begin by addressing the Department for International Development’s capacity for research and development to tackle infectious diseases, before turning to some of the international opportunities that lie ahead. The Labour party has a proud history of supporting international development. It created DFID and worked to bring development issues up the political agenda. We supported the Bill that enshrined our commitment to spending 0.7% of our gross national income on official development assistance, and I am pleased that, to date, the Government have adhered to that.

Earlier this month, Government figures projected that health would be the biggest spend of ODA over 2017 and 2018. That is the correct thing to do, as health is a public good and a building block of sustainable democracies and strong economies that work for all. As my hon. Friend the Member for Ealing, Southall, said, infectious diseases such as HIV, TB, malaria and neglected tropical diseases are all related to poverty and are often associated with stigma. Tackling them should be at the heart of our investment in global health. After all, the primary aim of ODA is poverty reduction.

Infectious diseases do not respect borders. In our increasingly globalised world, we must take steps, domestically and internationally, to address epidemics of infectious disease. That makes sense in the interests of global health security, too. Within the commitment to spend 0.7%, the Government have pledged to spend around 3% of the total on research and development. In last October’s DFID research review, it was stated that this commitment, together with cross-Government investment in the Ross fund, would equate to £390 million over four years.

The Secretary of State has identified tackling infectious disease as one of the global challenges that her Department aims to address, but this challenge requires not only...
revenue investments in healthcare programmes, but sustained investment in research and development to ensure that we have the right tools to take on the fight.

We have heard today about the inadequacy of current treatments, diagnostics and prevention strategies, and we are certainly not on course to meet the third global goal for sustainable development—to end epidemics of the major global infectious diseases by 2030. It specifically highlights the threat of HIV, TB, malaria and the neglected tropical diseases.

I have four questions for the Minister. First, will the Minister provide the House with a breakdown of resources allocated to infectious disease research and development? I hope that he will give us some figures today. The Ross fund, which is the £1 billion portfolio of investments mentioned in today's debate and announced in 2016, is jointly administered by DFID and the Department of Health. The fund was established to invest in research and development

“for drugs, vaccines, diagnostics and treatments to combat the most serious infectious diseases in developing countries”.

That Government commitment is correct, but there has been a lack of transparency on how exactly the fund is to be allocated, and as of last night, the website portal was still not live, and we are well into 2017.

Secondly, will the Minister provide the House with details of how the fund will be used to achieve its aim of combating the world's deadliest infectious diseases, namely HIV, TB and malaria? We want the details.

Members have mentioned product development partnerships, of which DFID has been a long-standing supporter under Governments of different political persuasions. These not-for-profit partnerships have proved to be a useful vehicle for bolstering DFID’s research capacity; for gaining an understanding of the epidemics in communities most at risk; and for building research capacity in developing countries. With that in mind, may I pose my third question to the Minister? Can he reassure the House that DFID will continue to support product development partnerships and show the international leadership required to bring other donors back to the table and ensure that our investments to date are not lost? If my research is correct, we have lost some other donors to the programme. The question from the Labour Benches is: what are the Government doing to regain the leadership on that crucial question?

A vaccine for malaria has completed clinical trials and is due to be piloted in sub-Saharan Africa soon, but HIV is as yet without a vaccine, and although we might think that we are adequately protected from tuberculosis by our BCG—bacillus Calmette-Guérin—that vaccine actually dates back to the 1920s and is only moderately effective in preventing TB in young children, and it does not adequately protect adolescents and adults. We know that many people who begin courses of TB treatment in third-world countries do not complete them because of the cost. My fourth and final question is therefore this: will the Minister confirm that DFID will continue to support vaccine development in particular?

Let me turn to opportunities for international collaboration. Members have mentioned access to medicines. The recent report by the UN Secretary-General’s high-level panel called for the cost of research and development to be delinked from the price charged for medicines, and for pharmaceutical companies to reveal the details of their spending on research and development, marketing and drug promotion. That added layer of transparency would help to ensure fairness in drug pricing and assist international agencies more effectively to support drug and vaccine deployment in countries where they are needed.

The final, and perhaps most pertinent, issue that I wish to raise is drug resistance. We have talked at length about antimicrobial resistance, but I will not repeat what other Members have said. I hope that the Minister will speak about Lord O’Neill’s report and his response to it.

In conclusion, my hon. Friend the Member for Ealing Southall began today’s excellent debate by talking about the failure to address a number of these issues—not just antimicrobial resistance but TB, malaria and other tropical diseases. We have heard about the excellent work done by our all-party parliamentary groups. We have heard the commitment, at least across the Back Benches, to the 0.7% commitment on overseas development aid. I can certainly give an assurance on behalf of the Labour party on that front. I look forward to hearing the Minister respond to my four questions and share his knowledge—if he has any yet—of the manifesto commitment that his party will be putting forward in a few short weeks.
from AIDS-related diseases. Neglected tropical diseases—a living with HIV and an estimated 1.1 million deaths with HIV, and there were around 37 million people 400,000 deaths. Some 2 million people were infected. There were 212 million cases of malaria, with over 10.4 million people fell ill with TB, and there were 1.4 million deaths. It stands in stark contrast to what I sometimes see when I travel in my ministerial role, given the challenges we have heard so much about today, and with which hon. Members are rightly concerned. Many people across the world do not have the safety and the advantages that we have, and they are, sadly, affected by many different challenges, one of the most significant of which is the topic of this debate: infectious diseases.

The scale of the challenge the global community faces is extraordinarily significant. In 2015, 10.4 million people fell ill with TB, and there were 1.4 million deaths. There were 212 million cases of malaria, with over 400,000 deaths. Some 2 million people were infected with HIV, and there were around 37 million people living with HIV and an estimated 1.1 million deaths from AIDS-related diseases. Neglected tropical diseases—a subject on which my hon. Friend the Member for Stafford (Jeremy Lefroy), like others, has been a passionate advocate and on which he spoke with great knowledge—affected 1.6 billion of the world’s poorest people, causing disability, disfigurement and stigma, with an estimated 170,000 deaths.

As hon. Members recognised—they spoke about this in some detail—the situation is exacerbated by the global health threat of antimicrobial resistance, which is as real a threat to us here in the UK as it is to so many millions across the world. As the Minister has said, the 2015 legislation was passed to tackle antimicrobial resistance, and we all have a role in tackling it and an obligation to do so.

On that note, I would particularly like to congratulate the hon. Member for Ealing, Southall (Mr Sharma), who has done sterling work in this area. I have enjoyed attending all-party group meetings with him, and I have enjoyed the constructive relationship we have had. He spoke with a great depth of knowledge and understanding about the scale of the challenges we face and about the need to continually develop and innovate and to ensure we do everything we can to find the solutions of the future. He spoke of his concerns about antimicrobial resistance, and he referred to a meeting he and I recently attended at which that very issue was explored at some length, particularly in the context of TB.

I also congratulate my hon. Friend the Member for Stafford, although he has had to leave the Chamber for reasons that are perhaps related to other commitments. He has been a passionate advocate on these issues. He has been an excellent Member of Parliament, not just for his constituency but in terms of the topics he has pursued. He has been a great help to me in my role, as I try to take forward the portfolio for which I am responsible in DFID. He is a global leader in this area; he knows a great deal about that about which he speaks, and it is always a pleasure to listen to him.

Similarly, the sterling work of my hon. Friend the Member for Aldridge-Brownhills (Wendy Morton) on the Select Committee is always helpful and constructive, if sometimes a little challenging. But, that is what she is there to do. That work makes a real difference in helping the Department to shape policies in the spirit of the cross-party co-operation I spoke about earlier and to ensure that we get the maximum value and benefit from the money we spend. That is incredibly important as we continue to make the case for a global Britain and for the work we do to help some of the world’s poorest. That work makes a real contribution, and I congratulate my hon. Friend and look forward to working with her in the future.

I also congratulate, and recognise the comments of, my hon. Friend the Member for Salisbury (John Glen). As ever, he was a passionate advocate for his constituency. He was able effortlessly—or at least with the appearance of effortless delivery—to weave constituency interests into an international debate, and he made some very good and valid points about ensuring that we use the assets we have to the best and maximum effect and utility to make a difference to some of the world’s poorest and to retain our position as world leader in some of the areas of research about which he spoke. I thank him for his contribution, which was useful, and I look forward to continuing our discussions after the next seven weeks are over.

I also recognise the comments of the hon. Member for Glasgow North West (Carol Monaghan), I thank her for her contribution. She spoke with great knowledge and insight about a wide range of topics, many of which hon. Members have taken an interest in over months, if not years, in this Parliament, and I am sure they will take an interest in them in the future. I hope to touch on many of those issues as I make my specific comments about some of the issues that have been raised in the debate.

Finally, I thank the hon. Member for Hornsey and Wood Green (Catherine West) who again demonstrated an understanding of the importance of the matters we are here to discuss. As always, she asked questions that were carefully calibrated to elicit the most helpful, useful and constructive responses. I always endeavour to respond to questions, even where I cannot answer them, and I will of course try to respond in my comments to some of the issues she raised.

Patrick Grady: Several Members have asked about the future commitment to the 0.7% aid budget target. As the Minister has said, the 2015 legislation was passed on the basis of cross-party consensus. Does he share my hope that that cross-party consensus continues into the next election and that all parties’ manifestos will contain a commitment to the 0.7% target?

James Wharton: The hon. Gentleman knows very well that I am delighted to see cross-party consensus on any policy that the Government—whatever they may be, although I rather hope they will be of my party political colour following the next seven weeks of campaigning—might look to bring forward. I hope and trust that there will be cross-party consensus because I am sure that we will be doing the right thing.

Let me remind the House—not that it needs reminding—of the significant record of achievement and work in this area that we have demonstrated collectively in the UK over recent years. The UK pledged £1.1 billion towards the fifth replenishment of the global fund, including a commitment to double private sector contributions to tackling malaria up to a maximum of £200 million, making a real difference in key areas that affect the lives of countless millions of people—I mentioned
the huge numbers of individuals affected. The UK is one of the leading nations in tackling some of the diseases that have the most devastating effect on some of the world’s poorest.

The UK will continue to use its position as one of the world’s leading aid donors to challenge, change and reform the aid system, with our pledge to secure a demanding new £90 million performance agreement designed to push the already high-performing global fund to deliver even more. We do not just contribute to these organisations and make a difference through the money that we spend; we push them to reform and to be efficient, and we offer and share with them our expertise. That is something of which we should all be proud.

In November 2016, the Department for International Development launched its first ever research review highlighting Britain’s global leadership in this field. The review set out how the UK will focus 3% of its budget per year over the next four years on research and innovation to help address the great global challenges of the 21st century. That 3% of our budget will be invested in high-quality, high-impact research. In addition, we will invest £357 million to fund research into infectious diseases through the Ross fund portfolio. This means that we are spending over £1.5 billion on research over the next four years, cementing and reinforcing the UK’s place as a leading country in this field and delivering real change in some of the areas that hon. Members spoke about. UK-funded research is saving lives and changing lives all over the world. We have supported fast new tests for detecting tuberculosis, child-friendly malaria drugs now used in more than 50 countries, and a new rotavirus vaccine for preventing life-threatening diarrhoeal disease in infants. We are making a real difference to people who need this support most.

We are also a leader in neglected tropical diseases, which a number of hon. Members commented on. This week marked the fifth anniversary of the landmark London summit on NTDs and the high-level summit on NTDs in Geneva. At that summit, the UK made a clear commitment to continued investment that is both ambitious and focused on outcomes. We will invest £360 million in implementation programmes to treat and eliminate neglected tropical diseases between 2017-18 and 2021-22. That funding will provide 1 billion treatments for people in developing countries. We have played a leading role in tackling NTDs through our commitment to UK aid, through our leading NGOs, through our pharmaceutical companies’ generous donations, and through our world-class universities and researchers all working together. Since 2009, UK aid—working, for example, with GlaxoSmithKline and the Liverpool School of Tropical Medicine—has provided 217 million people with treatment against lymphatic filariasis. I apologise for my pronunciation; despite my mother’s best intentions and desires, I did not make it to medical school. However, I do recognise the impact that much of this can have.

This week the UK also announced that we are investing in pioneering research to drive the development of drugs and diagnostics against neglected tropical diseases, including £48 million for the Drugs for NTDs initiative, £30 million for the Foundation for Innovative New Diagnostics, and £10 million for the Coalition for Operational Research on NTDs. That is making a difference.

Bill Gates said this week:

“UK aid and Britain’s world-leading research institutions are playing a major role in protecting the world’s poorest people from neglected tropical diseases and enabling them to live healthier, more prosperous lives...With our foundation, I am proud to partner with the UK on global health”.

The UK is leading on AMR, NTDs and global health challenges. We are making a real difference and all hon. Members should be proud of that.

4.5 pm

Mr Virendra Sharma: First, I thank colleagues on both sides of the House for their contributions, not only this afternoon but to the International Development Committee and other platforms whenever we have touched on these issues, which affect a large number of disadvantaged groups in poverty.

I also thank the Minister for his detailed response. I am sure that there is more to come—we have missed some issues—but I welcome the present Government’s commitment to contributing 0.7% and look forward to that continuing under the future Government, whoever comes back after June. As has been said, the cross-party consensus was achieved many years ago and I am sure that it will continue.

It is unfortunate that this debate has come after the election announcement. When it was secured, a large number of colleagues on both sides of the House were willing to speak in it. Unfortunately they could not be here today, but their spirit and their contributions to other platforms have been recorded and have encouraged us. Thank you for your patience, Madam Deputy Speaker.

Question put and agreed to.

Resolved,

That this House has considered research and development on tackling infectious diseases.
Coty Manufacturing Plant (Seaton Delaval)

Motion made, and Question proposed. That this House do now adjourn.—(Graham Stuart.)

4.7 pm

Mr Ronnie Campbell (Blyth Valley) (Lab): I should have had this debate on the day of the terrorist attack, but unfortunately it was cancelled and I have had to wait three or four weeks for this replacement debate. That is a long time and things have developed in the factory since then.

It is always sad when a Member comes to Parliament to say that a lot of jobs have been lost in their constituency—in this case at least 450 and a lot of part-time jobs. The factory was built in 1962 by Shulton, which made beauty products and whose famous line at the time was Old Spice, which anyone who is as old as me will remember. To this day, it still does a line now and again, so it is still going. The factory's big product is Hugo Boss. I am told by some of the workers that they make it for 36p and sell it for about 40 quid, so there is a big profit to be made in this game.

But that was then. The factory has been a good employer. It was taken over in 1990 by Procter & Gamble, which made another success of it, and then came the merger—it is not a takeover—with Coty, an American company that does the same thing. It makes hair things for women and that sort of thing. I don't know everything it does, but it's all beauty stuff anyway. I think some of us need a bit of that as well.

I wonder why the merger was not a takeover, because as MPs we see takeovers all the time. With every takeover—no matter where the company is from, but especially if it is American—something happens to our companies. In the case of this merger, we have lost a factory. Then I was given a hint about reverse Morris trusts; I had never heard of them, but they are an American thing that can be used when an American company takes over a British one. In this case, we are talking about a merger, not a takeover. I have got the figures here, which show that the existing Coty shareholders own 48% of the combined company, while the Procter & Gamble shareholders own 52%. I gather from that information that Procter & Gamble is still the bigger shareholder. So this is a merger. I understand that the reverse Morris trust is a tax fiddle in America—not here, although we have got them—and it has something to do with a tax rebate on a factory that is going to shut. Of course, the factory that I am talking about is going to shut, so the company will get a tax rebate. I am a bit out of my depth, really, but there is information about it on Wikipedia, and some people might want to study it.

I am talking about a takeover—in my book—in the north-east of England, where unemployment is highest. The company has factories in Germany, France and Spain, and one in Ashford in Kent, but it has decided to shut the one in the north-east, in Seaton Delaval. That used to be a little village, but it has grown, and like the north-east it has a high unemployment rate. The workforce have argued that that decision has been made because it is cheaper to sack British workers than it is to sack German, French or Spanish ones, and the figures show that that is true. It is 20% more expensive to close a factory in Germany and 7% more expensive to close one in France. I know that the factory in Ireland—it was in Tipperary, I believe—has been closed, but I do not know the figures for that. That is gone, and the factory in Seaton Delaval will go next year.

As far as I am concerned, this all boils down to the capitalist system and globalisation. Globalisation works for "them"; it does not work for the people. Globalisation has never worked for the people. The people are secondary, especially in a place such as Seaton Delaval, which has high unemployment. It is a question of balancing the books, I suppose. Coty is saying that now that it has merged with Procter & Gamble, it does not need the factory any more. So Coty has shut the factory, and 450 people are on the dole or looking for other work, just like that—with just a snap of the fingers. Fair enough, it will take a year to shut the factory, so people have a year to look for other work, but they have to wait to get their redundancy. They will be entitled to that, I suppose.

That brings me to the redundancy. There is a bit of con going on with the redundancy, and I wonder whether it is another way of making it cheaper to close the factory. When the factory in Ireland closed, the top earners—the ones who had been there the longest—were getting about £12,000, and they got a bonus of £5,000. That brought the average amount received by everybody in the factory to £9,500. I understand from the information from the Seaton Delaval factory that those who are made redundant might not get anywhere near that amount. Someone from the Coty factory in Seaton Delaval came to my surgery and said that he was quite satisfied with his redundancy—he had been there 18 years—but quite a few others have contacted me to say that they are not.

I wonder whether that is another chink in the armour that allows a company to close a British factory because it is cheap to do so, while they would not be able to do that in Germany or France. It is not a question of the European Union, although I did ask whether that had anything to do with it. The company said, "We export worldwide, so it is not a question of that," and I am pleased about that.

The factory is run on a lot of workers on temporary and zero-hour contracts. We have to look at that as well. Factories in this country can be closed because they have temporary workers and workers on zero-hour contracts who are cheaper to get rid of. They are not employed by the factory but through agencies that will not give them any redundancy pay whatsoever. I believe that two agencies have been bringing people in. Anyone who has been working for them will receive nothing at all. It is all a bit of a mess as far as that is concerned.

It is always sad when these things are announced. It is always terrible when people lose their jobs. I went through it myself: I was at the coalmine before it shut in 1986. I got lucky a year later and got a better job—the one I am in now. I suppose I was one of the lucky ones.

I think it is a fait accompli that the plant will close. Coty has made up its mind to get rid of the factory in the north-east, an area with the highest levels of unemployment. It is not worried about the workers; it is just worried about balancing its books and making a profit. I hope the Minister can take a look at the factory. It is a big factory—it is not small—and it is going to be empty. The Germans do this better than us.
When a factory is closed, they invest in it again. The first thing they do is invest in the factory and reopen it. They provide incentives.

I do not know what incentives the Government have to give when the factory eventually becomes empty—I cannot imagine it will be making Old Spice again—but it could be used and it could employ people. If the Government gave someone a big incentive, and I would like to hear what the Minister has to say on what incentives are available, if any, the factory could be started up again and reopened, giving back to the people working in Seaton Delaval their employment rights.

4.17 pm

The Minister for Universities, Science, Research and Innovation (Joseph Johnson): I congratulate the hon. Member for Blyth Valley (Mr Campbell) on securing a debate on this important issue. I recognise the importance of the Coty manufacturing plant to his constituency and to the region as a whole. It has been part of the industrial fabric of the north-east, and the culture of this country, since the factory was opened by Shulton some 55 years ago. The announcement on 15 March that the company proposed to close the plant before the end of 2018 has clearly come as a bitter blow to the employees concerned, their families and the communities in which they live. I fully appreciate the uncertainty this will cause and its potential implications for the region.

The proposed closure is a commercial matter for Coty, but if the decision is confirmed at the end of the statutory consultation period the Government will ensure that those employees affected receive all available government assistance to help them get back into work as soon as possible. We will encourage the company to contact Jobcentre Plus as soon as possible to discuss appropriate support that can be delivered locally. The Jobcentre Plus rapid response service is delivered in partnership with a range of national and local partners. Where no partner support is available, there is dedicated funding that may be used to fill gaps in provision.

Decisions about appropriate support are made locally. This is because a decision that is based on the specific redundancy situation, an individual’s own transferable skills and experience and the availability of jobs in the local area is far more likely to be the right decision. Typical support for an individual might include matching to local known job vacancies, or helping to construct or improve CVs. Where there is scope to do so, support might be delivered on a group basis, for example by bringing redundant workers and employers together at a jobs fair.

My officials are part of a locally arranged and organised taskforce to ensure that the potential for continuing manufacturing on this site is maintained. The taskforce will be led by Northumberland’s economic development company, Arch. We will work with it to explore opportunities for retaining manufacturing at this site. We will highlight the economic strengths and opportunities of the site and the workforce, as well as how to support economic growth opportunities. If closure is confirmed, I would expect the taskforce, working with the Department for Work and Pensions, Northumberland County Council and the North East local enterprise partnership, to support any affected workers to enable them to transfer as smoothly as possible into local growth sectors.

The Government are supporting the economy of the north-east by providing £380 million of local growth funding and improving infrastructure, skills, innovation and transport. That funding will lever in £300 million of public and private investment, and will create about 8,000 jobs. It forms a critical part of the newly refreshed strategic economic plan for the north-east, published by the local enterprise partnership last month.

We are also providing funding for the growth hub in the north-east in order to identify, target and support scale-up businesses more effectively. That will include the creation of a scale-up development model and the introduction of new systems to ensure robust measurement of impact on economic growth and productivity. It will have a significant impact in enabling companies that are ready to grow to expand quickly, and will ensure that there are more opportunities for those affected by Coty’s decision.

Question put and agreed to.

4.21 pm

House adjourned.
Oral Answers to Questions

COMMUNITIES AND LOCAL GOVERNMENT

The Secretary of State was asked—

Rough Sleeping

1. Mr Gavin Shuker (Luton South) (Lab/Co-op): What assessment he has made of trends in the number of homeless people sleeping rough since 2010. [90759]

The Secretary of State for Communities and Local Government (Sajid Javid): One person sleeping on the streets is one too many, which is why we committed ourselves to spending more than £550 million to tackle homelessness and rough sleeping in England. That includes supporting 84 projects through our £50 million homelessness prevention programme, an end-to-end approach to tackling homelessness and rough sleeping.

Mr Shuker: Since joining the House in 2010, I have seen with my own eyes the incredible increase in the number of people sleeping rough on our streets. I have seen it in my constituency and in places that I have visited around the country, and, indeed, I see it on the doorsteps of Westminster itself when we arrive and leave for votes. Can the Secretary of State tell me what changed in 2010?

Sajid Javid: The hon. Gentleman may know that the number of statutory homelessness acceptances is below its peak—less than half its peak in 2003—but of course there is much more to be done, especially, as he pointed out, when it comes to rough sleeping. I have seen it as well: I have seen it throughout the country, and I have seen it here at Westminster. As he may also know, I said a great deal about this issue at the Crisis 50th anniversary conference. I said, for instance:

“Ending rough sleeping is within our gift. It is something we can do. It is something we must do. And, working together, it is something we are going to do.”

Mr Mark Prisk (Hertford and Stortford) (Con): Many people fear that the general election may result in a delay in the implementation of the Homelessness Reduction Bill. Will the Secretary of State tell us what progress has been made so far? Given that the Bill has cross-party support, can the work not continue during the election period?

Sajid Javid: Let me take this opportunity to congratulate my hon. Friend the Member for Harrow East (Bob Blackman) on all the work that he did to present that Bill and to get it through Parliament. It has still to complete one final parliamentary stage—about which we are very confident—but we have already started work with local authorities to ensure that it comes into force straight away.

Ms Karen Buck (Westminster North) (Lab): In my home borough of Westminster—which includes Westminster station, where, as has been mentioned, we see rough sleepers—the level of rough sleeping has soared. The Westminster council area alone contains a third of all the rough sleepers in London. The council has just cut—indeed slashed—its rough sleeping budget. Does the Secretary of State believe that that will help or hinder efforts to reduce rough sleeping?

Sajid Javid: We are providing more funds for councils throughout the country, including Westminster council, to combat rough sleeping. For example, we have provided £100 million to deliver 2,000 independent living units, as well as a £20 million rough sleeping grant. However, as I said earlier, I want to do more, and the Government are determined to do more. A few weeks ago, I went to Finland to see what it has done for itself with the Housing First project. I think that we can learn lessons from others, and make sure that we do more at home.

Ben Howlett (Bath) (Con): Since 2015 I have led a range of homelessness roundtables in Bath, bringing together charities such as the Genesis Trust, Developing Health & Independence and Julian House, all of which have received Government funding. Does my right hon. Friend agree that the integration of services is critical to solving this problem, and that residents of Bath should back my plan in order to help to solve it?

Sajid Javid: I very much agree with my hon. Friend, and I commend the work that he has done locally, which is very well known, in trying to bring those services together. I am pleased to be able to tell him that Swindon, Wiltshire, Bath and North Somerset councils will benefit from some £259,000 in rough sleeping grant to help promote integration.

John Healey (Wentworth and Dearne) (Lab): The scale of rough sleeping and homelessness in Britain today shames us all. In a country as decent and well off as ours, it is not inevitable. However, the level has more than doubled since 2010 as a direct result of decisions made by Conservative Ministers.

There are very few simple rules in politics, but this is one: with a Labour Government homelessness falls, and under the Tories it goes up. On 8 June, people will ask themselves, “Do we really want more of the same?” Let me say to the Secretary of State that, with a new national mission, he need not go to Finland. Will he, before the election, commit his party to matching our Labour commitment and backing our Labour plans to end rough sleeping by the end of the next Parliament?

Sajid Javid: I know the right hon. Gentleman, and I know that he cares deeply about this issue, as do Conservative Members. He should not play party politics with it, because it is a very serious issue that unites
everyone in the House. We all want to see an end to rough sleeping, but he knows as well as I do that its causes are complex. They are not just economic; there are mental health problems, and addiction problems. We do have lessons to learn from abroad, but I am sure that if the right hon. Gentleman works with us—if we work together—we can all unite in ending rough sleeping for good.

John Healey: This is precisely about politics: it is precisely about the political decisions made over the last seven years that have made the causes of homelessness so much worse. Rapidly rising homelessness is just the tip of the iceberg on seven years of failure on housing: rough sleeping doubled, home ownership down, house building falling, private renters ignored, housing benefits bills ballooning, and now the lowest level of new affordable homes to rent and buy for 24 years. No wonder Labour is ahead in the polls on housing. After seven years of failure, the Tories have no plan to fix the housing crisis. Is that not why people now desperately need a new deal on housing led by a new Labour Government?

Sajid Javid: I thought that if anyone was going to raise the opinion polls today, it would be a Conservative Member, but the right hon. Gentleman continues to surprise us all. I say to him again: let us work together on rough sleeping. It is very easy for Labour to make a commitment to end rough sleeping without having any plans, any initiative, or anything in hand to show what they would actually do about it. We have got the ideas, and we have new ideas, for example the Housing First concept which we are trialling already—right now—in Liverpool. The right hon. Gentleman has the opportunity to work with us if he really means it.

Small Businesses

2. Rachael Maskell (York Central) (Lab/Co-op): What steps he is taking to ensure that local councils support small businesses.

The Secretary of State for Communities and Local Government (Sajid Javid): We have doubled the level of small business rate relief to 100% and made it permanent. This means that around 600,000 small businesses will pay no business rates at all. At Budget, we also announced a £300 million discretionary fund so that councils can provide additional support to businesses facing increased bills.

Rachael Maskell: York’s economy is being damaged by sharp business rate increases due to the revaluations. While the exemption from paying the full business rates has risen from £12,000 to £15,000, business rate increases have rocketed far beyond that in York. This is totally unfair, and small businesses in the city, previously exempt, are now desperate. Some are facing a 600% increase in their rateable value, including The Slip Inn, and no one knows how the new relief funds will even be distributed—total chaos! Can the Secretary of State say why the business rate burden is falling harder on smaller businesses and if he will urgently review the exemption level?

Sajid Javid: Overall, businesses in the north have seen on average a fall through the revaluation process.

Rachael Maskell: What about York?

Sajid Javid: The hon. Lady talks about York. Since 2010 York has had a 74% fall in unemployment. That is because York has a Conservative-led council working with a Conservative Government. If the Labour party gets its anti-business agenda and hikes up taxes on businesses throughout the country, we know what the result will be.

Sir Greg Knight (East Yorkshire) (Con): Is the Secretary of State aware that many Labour-controlled councils are still pursuing anti-car policies? Will he remind them of recommendation 9 of the Mary Portas retail review, which stated that free and available but controlled parking should be made available to high street shoppers?

Sajid Javid: As always, my right hon. Friend makes a very good point about anti-car policies coming from Labour councils. Where councils have worked with businesses and taken a pro-car policy, especially on parking, that has helped local businesses, and Labour can learn a lesson from that.

Dr Roberta Blackman-Woods (City of Durham) (Lab): Given the great concern expressed by small businesses up and down the country about their ability to pay the business rate rises, I am going to give the Secretary of State another chance. What reassurance can he give small business owners who are concerned about the impact of rate rises that they will not be paying higher rates over the next few years than online and large retailers such as Sports Direct?

Sajid Javid: I can tell the hon. Lady two things. First, I point her to the package my right hon. Friend the Chancellor announced at the Budget: £435 million of additional help for small businesses with rates, including the £300 million discretionary fund, for which there will be absolutely no delay because of the general election. It is going ahead exactly as planned. Indeed, the Government have already confirmed the final allocations for all local authorities, and local authorities are free to start using that scheme and helping local businesses.

Secondly, I point the hon. Lady to what my right hon. Friend the Chancellor said in the Budget speech. He said that “in the medium term...we have to find a better way of taxing the digital part of the economy—the part that does not use bricks and mortar”—[Official Report, 8 March 2017; Vol. 622, c. 812.], and that we also need to look at the frequency of the revaluation process.

Mr David Nuttall (Bury North) (Con): Many small businesses in Bury will see a fall in their business rates as a result of the revaluation, but because of phasing it will be some years before they receive the full benefit. Will my right hon. Friend look again at what can be done to speed up the introduction so that they can feel the full benefit sooner?

Sajid Javid: We have also put in place the transitional relief scheme, which is worth more than £3 billion and will help businesses across the country, including in my hon. Friend’s constituency. That will certainly speed up the introduction.
Gavin Robinson (Belfast East) (DUP): During the last Communities and Local Government questions, I asked the Secretary of State to engage with me and with councillors on Belfast City Council to determine how best we could grow business there through a city deal. He kindly agreed to do this, but sadly events have overtaken our arrangements. Given the commitment that he has made to spreading city deals throughout the devolved regions, will he assure us that he would like to see that theme continuing in the Department for Communities and Local Government?

Sajid Javid: I would be very happy to meet the hon. Gentleman before Parliament is prorogued.

Supported Housing

Lucy Allan (Telford) (Con): What estimate he has made of levels of funding for supported housing in each of the next five years.

Sajid Javid: I know that my hon. Friend takes a strong interest in these matters, including in his role as a member of the Select Committee. I have listened to him carefully, and others made a similar point during the consultation process. I can assure him that we will look at all the responses carefully and ensure that the final system works for everyone.

Helen Hayes (Dulwich and West Norwood) (Lab): The Select Committee inquiry has received evidence that the Government’s approach to supported housing is causing many providers to put new schemes on hold and resulting in some pulling out of providing supported housing altogether. When will the Secretary of State accept that his policy is damaging the provision of housing for our most vulnerable residents, and when will he commit to providing the funding and certainty that the sector needs if it is to provide the supported homes that we need?

Sajid Javid: It is important that we take a careful look at this policy, precisely because we all want to see a sustainable model that will result in providers providing enough of this type of home. That is exactly what this policy is designed to do, and when we come out with the final policy, that is what it will achieve.

Assured Shorthold Tenancies

Will Quince: What steps he is taking to encourage landlords to offer longer assured shorthold tenancies.

The Minister for Housing and Planning (Gavin Barwell): On 18 April, 20 leading members of the British Property Federation pledged to offer three-year tenancies in build-for-rent developments, and leading housing associations have made a similar pledge. We hope that will encourage a shift in the market towards more landlords offering longer tenancies.

Gavin Barwell: My hon. Friend is right to raise the issue of security for people in the private rented sector, and he is also right to identify the issue of lending. Since the Government introduced their model tenancy agreement, which has appropriate break clauses, there is no longer any impediment to landlord customers submitting longer tenancies. The majority now permit tenancies of up to two to three years.
Daniel Zeichner (Cambridge) (Lab): If the Minister had visited Cambridge recently, he would have seen the manifestation of the housing crisis in the number of people sleeping on the streets, which so depresses residents and those people. When I recently visited Wintercomfort, one of the leading charities, it told me that landlords are increasingly unwilling to let to people on housing benefit because of insecure employment. Does he agree that cracking down on insecure employment would help us to tackle the housing crisis?

Gavin Barwell: I had the opportunity to visit Cambridge very recently, and I share the hon. Gentleman’s diagnosis of the problem: we desperately need to build more homes in this country to give people more choice. He is also right about our employment market, but it is the policies of this Government that have driven record levels of employment, and it is the national living wage that is increasing people’s spending power.

Mark Pawsey (Rugby) (Con): Both landlords and tenants often mistakenly believe that a tenancy has to be six months or a year renewable, when in some cases they do. One reason why longer tenancies do not happen is that landlords often find it difficult to recover possession if they need to occupy the house themselves or if the tenant fails to pay their rent. Will the Minister consider encouraging landlords to provide longer tenancies by making it easier for them to recover occupation?

Gavin Barwell: My hon. Friend is right that we need to ensure that, when a tenant behaves antisocially or is in rent arrears, landlords can regain possession, but the fundamental pressure we face at the moment is in giving the increasing number of families in the private rented sector the security they need. Reforming our housing market, increasing supply and bringing in these new build-to-rent schemes that will offer longer tenancies is a key reform.

Andy Slaughter (Hammersmith) (Lab): Labour councils like Newham, Redbridge, Greenwich and my own borough of Hammersmith and Fulham are doing a fantastic job of cracking down on rogue landlords. If the Minister actually cares about private tenants, why is he blocking borough-wide private sector licensing schemes? Is his party still the slum landlord’s friend?

Gavin Barwell: The suggestion that Conservative Members do not care about these issues is as ridiculous as it is insulting. The work of Labour councils to which the shadow Minister refers is often being funded by this Government. He is factually wrong to suggest that this Government are blocking borough-wide selective licensing, and I point out the many reforms that we are introducing—we are banning lettings agent fees and insisting on client money protection—that were not in place when the shadow Housing Minister, the right hon. Member for Wentworth and Dearne (John Healey), was running this Department.

Supported Housing

5. Heidi Allen (South Cambridgeshire) (Con): When his Department plans to announce its new funding model for supported housing.

The Secretary of State for Communities and Local Government (Sajid Javid): We are committed to protecting and boosting the supply of supported housing, and since 2011 we have delivered 23,000 new supported homes in England. My hon. Friend will know that we recently consulted on a reformed funding model, and we are now keen to press on with that reform as soon as possible.

Heidi Allen: I will probe a little further on emergency short-term accommodation, such as women’s refuges. Does the Secretary of State agree that a totally separate funding stream is essential to honouring our ambition that no victim be turned away from accessing critical support services by 2020?

Sajid Javid: My hon. Friend highlights an important point. We have been working with the sector to develop options to ensure that providers of short-term accommodation continue to receive the appropriate funding. That might be through a different funding mechanism from the one we have today, but it is vital that supported housing receives the protection it deserves, and it will.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The Secretary of State knows that he has let down elderly people in this country. It is not just supported housing or funding but the fact that, in constituencies such as mine, we have a magic wand whereby suddenly student accommodation rises like daisies in the spring. But when it comes to accommodation for elderly people who desperately need it, because we have an ageing population, he has got nowhere in what he has achieved.

Sajid Javid: Perhaps the hon. Gentleman just missed what I said: since 2011, 23,000 units of specialist general housing have been delivered for vulnerable people, and we have provided another £400 million for specialist homes throughout the country. That kind of action makes results, and he should welcome it.

Alison Thewliss (Glasgow Central) (SNP): In evidence to a joint Select Committee inquiry, David Orr of the National Housing Federation said that the local housing allowance was “not a competent starting point” for a funding model. Is the Secretary of State wedded to LHA as a starting point, or is he considering some other option?

Sajid Javid: We have just had a consultation on supported housing, which is now closed. We received a number of representations and we want to consider them carefully, but whatever the final model is, it will be designed to be sustainable for the long term and provide the supported housing we need.

Alison Thewliss: I look forward to hearing the Government’s response on that, and it would be useful to get a date on that issue. On the different types of supported accommodation being consulted on, does the Secretary of State recognise that placing an arbitrary limit on the length of time somebody is in short-term accommodation could have a detrimental effect on their life chances thereafter if they are forced to leave that
supported accommodation too soon? Will he allow flexibility in the system, so that organisations such as Emmaus and Blue Triangle in my constituency can keep people for as long as they need to be there?

Sajid Javid: As part of the review and the response to the consultation, we are considering exactly the point the hon. Lady raises: the terms of access to short-term accommodation.

Social Housing Rent Arrears

6. Anna Turley (Redcar) (Lab/Co-op): What estimate has he made of the number of social housing households in rent arrears in England.

The Minister for Housing and Planning (Gavin Barwell): In 2015-16, about 685,000 socially renting households were either in arrears or had been in the previous 12 months, which represents 25% of households in that sector.

Anna Turley: That seems a huge number: nearly a quarter of people in social housing in rent arrears. In one ward of my constituency, nearly half of our social housing tenants—46% of them—are in rent arrears. One single mum has seen her rent jump from £8 to £70 a week because of the benefit cap, and the bedroom tax is still wreaking devastation. Is this not a damning indictment of seven years of Tory assault on Britain’s struggling families?

Gavin Barwell: In 2011-12, the first year in which the data were collected, the figure was 23.5%, so the current figure is similar to what we inherited from the Labour Government. On the benefit cap, Conservative Members believe very clearly that it is completely wrong for out-of-work households to receive support far in excess of that which their working neighbours earn when they go out to work. Discretionary housing payments are in order and the level is actually falling—in 2013-14, we were talking about 30% of households—so the figure is moving in the right direction, and the hon. Lady is wrong to oppose the fundamental welfare reforms we need to make sure that the system is fair.

Mr Philip Hollobone (Kettering) (Con): Those tenants in the social housing sector who do not keep up with their rent payments are, of course, in danger of becoming homeless. Will my hon. Friend pay tribute to councils such as Kettering Borough Council, of which I am a member, that make it an absolute priority to help people in those situations and stop them becoming homeless in the first place? In the first five months of this year, Kettering Borough Council has helped 78 households stay in their current accommodation.

Gavin Barwell: I am happy to pay tribute to the work that Kettering Borough Council has done, and I reassure my hon. Friend that the Ministry of Justice’s protocol for social landlords stresses the value of preventive measures in respect of rent arrears and advises landlords to deploy alternatives to eviction wherever possible.

Derek Twigg (Halton) (Lab): Has the Minister had discussions with his colleagues in the Department for Work and Pensions about universal credit and the impact it is having on many of my constituents who are not being paid for weeks and sometimes months on end and are therefore going into arrears? That is in addition to being hit by the bedroom tax and other benefit changes. Has he had these discussions, or will he do so, because what is going on in my constituency is a disgrace?

Gavin Barwell: We have had discussions with DWP colleagues, and I make two brief points to the hon. Gentleman. First, universal credit advances are available for new claims, and those should be taken up. Secondly, DWP research shows that after four months the proportion of universal credit claimants who were in arrears at the start of their claims had fallen by a third. So there is an initial problem, and the advance claims are there to cope with that, but over time the situation is improving.

Jim Shannon (Strangford) (DUP): One in three people in Northern Ireland, and a lesser number on the UK mainland, are just a pay cheque away from homelessness. What steps have been taken to help those who are on the cusp of homelessness due to the benefits system to hold on to their tenancies?

Gavin Barwell: The Government have significantly increased the discretionary housing payments that are available to local authorities to assist those affected by welfare reform changes. The whole emphasis of the policy on which the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Nuneaton (Mr Jones), is working is to try to shift the approach to emphasise prevention. That way, we will prevent people from becoming statutorily homeless in the first place, rather than just providing help at the point of crisis.

Parking Reform

7. Maria Caulfield (Lewes) (Con): What assessment his Department has made of the implications for his policies of the consultation of May 2015 entitled “Parking reform: tackling unfair practices”.

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones): The Government are committed to reforming unfair parking practices. We have already taken steps to tackle rogue and unfair practices by private parking operators, including by banning wheel clamping and towing. The Department published a summary of the responses to its discussion paper on private parking in 2016, and I am considering the points that were raised.

Maria Caulfield: I thank the Minister for his response. In Lewes in my constituency, the discrepancy between parking on public and private land is causing huge problems and hefty fines for drivers. I am thinking particularly of the area in the town centre behind Laura Ashley, where if someone stops for two minutes they will receive a £60 penalty. Will the Minister bring forward the recommendations from the consultation to end such unfair practice?

Mr Jones: My hon. Friend is a strong campaigner for her constituents and raises an important point: people need clarity on where they can and cannot park. I recognise the anger felt by her constituents, and we will certainly look carefully at what she says, as we prepare our response to the consultation.
8. **William Wragg** (Hazel Grove) (Con): What recent assessment he has made of the effectiveness of (a) the community right to bid scheme and (b) other Government initiatives to protect and support local pubs.  [909767]

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Percy): So far, 2,000 pubs have been listed as assets of community value. That listing provides communities with the time to bid for a pub if it comes on to the market. We are supporting the process further, with £3.6 million, through the “More than a pub” programme.

William Wragg: The Northumberland Arms in Marple Bridge is a much-loved local pub, and members of the local community hope to reopen it using the community right-to-bid scheme. Will my hon. Friend the Minister lend every possible support to their effort and consider joining us for a celebratory pint when it reopens? Indeed, we could make it a double celebration, should the good people of Marple Bridge see fit to return me to the House.

Andrew Percy: It is unthinkable that the people of Hazel Grove will not return my hon. Friend to the House, given his work on their behalf these past two and a bit years. I would be delighted to join him, with the whole ministerial team, to celebrate the community pub he mentions—so long as he is buying the pints, of course.

**Greg Mulholland** (Leeds North West) (LD): The Minister has failed to mention what my office has been told by the Department, which is that the Neighbourhood Planning Bill is set to fail, so the change to pub protection it contains will not be made. Will he assure the House that that is not the case? That wonderful decision was supported on both sides of the House, and we need to make sure that the change goes through.

Andrew Percy: My understanding is that we hope to complete the passage of that legislation before the Dissolution of Parliament. The change he refers to has been broadly welcomed by very many people, including, of course, the hon. Gentleman, who campaigned for it.

**Affordable Homes**

9. Mr **David Hanson** (Delyn) (Lab): What assessment he has made of trends in the number of affordable homes to (a) rent and (b) buy since 2010.  [909768]

The Minister for Housing and Planning (Gavin Barwell): Since April 2010, we have delivered on average more than 50,800 affordable homes per year, 36,300 of which were affordable homes for rent. Under the previous Government, the annual average was only 42,900, of which only 28,700 were homes for rent.

Mr Hanson: I am expecting several Members of Parliament and Ministers to visit Delyn constituency in the next few weeks. Will the Minister come with me to Flint, where he will see a Labour council building council houses for rent? This social housing is supported by the Welsh Assembly, with more than 600 in one constituency alone. Why can he not match that in England?

Gavin Barwell: As I just said and contrary to what the shadow Housing Minister said, higher levels of affordable housing are being delivered under this Government than were delivered under the previous Labour Government. Nevertheless, if the right hon. Gentleman’s local council is delivering new council homes, I am glad to hear it. We want more homes of every kind. In Croydon, it was a Conservative council that started to build council housing again, after a Labour council had failed to do so.

**Henry Smith** (Crawley) (Con): Will my hon. Friend join me in welcoming the fact that almost 2,000 new houses are currently being built in Crawley’s Forge Wood neighbourhood? There is a complete mix of units, including council, social-rented and low-cost housing.

Gavin Barwell: I warmly welcome what my hon. Friend has to say and his support for building the homes that we so desperately need in this country. Contrary to what we often hear from the shadow Front-Bench team, there is a widespread consensus across the country that we desperately need to build more homes of every kind to tackle the housing crisis that has been building in this country for the past 30 or 40 years.

18. **Carol Monaghan** (Glasgow North West) (SNP): The right-to-buy scheme has led to a devastating erosion of social housing stock, with 40% of ex-council houses now in the hands of private landlords. With public money going straight into the pockets of those landlords, will the Secretary of State tell the House how much the right-to-buy scheme has cost the public purse?

Gavin Barwell: The right-to-buy scheme has helped nearly 2 million hard-working people own their own home in this country. Since we reinvigorated the right-to-buy scheme in 2012, we have made it a condition that, for each home that is sold, we replace it with a new affordable home. That is the right policy as we help people who have the aspiration to buy their home, but we also make sure that the rented homes are replaced. That is what people will get from a Conservative Government.

**Kelvin Hopkins** (Luton North) (Lab): Luton’s housing waiting list is now three times higher than it was in the 1970s, when I was vice-chair of the council’s housing committee. The housing stock has halved in that time from compulsory sales. Is it not the truth that only a Labour Government led by my right hon. Friend the Member for Islington North (Jeremy Corbyn) will save Britain’s housing situation and make sure that people in Luton can have a decent home?

Gavin Barwell: People can look back at the record of the last Labour Government—how many council homes were built between 1997 and 2010? What level of house building did we inherit from the Labour Government in 2010? The truth is that house building in this country has been increasing under this Government. Certainly, there is still further to go, but we are the party that is committed to building more homes for people to buy, more homes for people to rent privately and more
affordable homes for people to rent. If we want a solution to the housing crisis, this is the party that is offering it.

**Housing Market**

10. Stephen Hammond (Wimbledon) (Con): What discussions he has had with the housing association sector on rent-setting policy post-2020 since the publication of “Fixing our broken housing market” on 7 February 2017. [909769]

The Secretary of State for Communities and Local Government (Sajid Javid): My Department regularly meets housing associations to discuss how we can help keep rents affordable and increase the supply of new homes. Our housing White Paper has been welcomed by the sector and we look forward to many more productive discussions in the coming years.

Stephen Hammond: I thank my right hon. Friend for his answer. Indeed, the housing White Paper has been welcomed by housing associations. Does he agree that the future rent policy should not only guarantee affordability, but offer long-term certainty for housing associations, so that they do deliver the homes that we need?

Sajid Javid: Yes, I do agree with my hon. Friend. It is an excellent point. Housing associations currently account for roughly a third of total housing supply, and we do want a situation in which they can borrow even more against that future income to build even more homes. That is something that it is in the housing White Paper, and we intend to build on it.

Mr Speaker: Craig Williams is not here, but Mrs Emma Lewell-Buck is.

**Adult Social Care Funding**

12. Mrs Emma Lewell-Buck (South Shields) (Lab): What steps he is taking to tackle regional variations in adult social care funding. [909771]

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones): Adult social care funding is distributed according to the relative need of the different areas using a well-established formula. Most of the £4.5 billion funding for social care announced at the 2015 spending review and in the spring Budget takes into account councils’ ability to raise money through the social care precept.

Mrs Lewell-Buck: I thank the Minister for his response, but I am sorry to say that he is wrong. The formula is broken. South Tyneside Council is the third hardest hit council in the country with a low council tax base, demand for adult social care higher than average and hospital services under threat from this Government’s forced sustainability and transformation plans. Is it not true that this Government, who created the social care crisis, cannot solve it and our constituents are suffering as a result?

Mr Jones: The hon. Lady’s assessment is completely wrong. Councils will have access to £9.25 billion of extra funding over the next three years. On the money that is coming directly from the Government, it absolutely takes into account a local area’s ability to raise council tax, so areas such as that of the hon. Lady will receive more in funding from the Government than some other areas. She does not have any reason to talk about council tax because it doubled during the Labour Government. Since 2010, it has gone down by 9%.

Robert Neill (Bromley and Chislehurst) (Con): The Minister’s answer on the former point is absolutely right, but does he also accept that another variable, perhaps of greater practical concern, is the variation in the willingness of the health sector to work jointly with local authorities to maximise the integration of the funds? Local authorities are well used to joint working and democratic accountability, but I am afraid that there is not often the same history in clinical commissioning groups and other health institutions. What will he do about that in a future new Government?

Mr Jones: I have great respect for my hon. Friend, who has considerable knowledge in this area. He is absolutely right: we need to ensure that health and social care works far more collegiately and that harder work is done to ensure that services are integrated. We are determined to do that at a national level with this Department working with the Department of Health, and it is what we expect to see delivered at a local level for local people.

21. [909781] Paul Blomfield (Sheffield Central) (Lab): As the Minister has recognised, the social care precept means that funding available for social care is increasingly dependent on a local authority’s tax base. In 2017-18, the precept will generate £9 million in additional funding in Sheffield, compared with more than £31 million for Surrey. Does the Minister think that that is fair?

Mr Jones: The hon. Gentleman should look at the allocations for the £4.5 billion of social care funding coming to local authorities directly from the Government. That absolutely takes into account the fact that certain places can raise far more in council tax and from the social care precept than areas such as his own. That is reflected in the allocations, and I wish that he would recognise that.

Teresa Pearce (Erith and Thamesmead) (Lab): Many care homes up and down the country are reliant on care workers from the EU; estimates suggest that there are about 100,000 workers. What meetings does the Secretary of State have with the care sector to reassure them that, when Britain leaves the EU, care homes will be adequately staffed with appropriately trained care workers?

Mr Jones: The hon. Lady makes a very important point and I can reassure her that my hon. Friend the Secretary of State for Communities and Local Government and I are determined to do this. That absolutely takes into account the fact that certain places can raise far more in council tax and from the social care precept than areas such as his own. That is reflected in the allocations, and I wish that he would recognise that.

Northern Powerhouse

13. Jason McCartney (Colne Valley) (Con): What steps his Department is taking to support the northern powerhouse. [909772]
The northern powerhouse is central to our plans for an economy that works for all. During these past few months, we have published the northern powerhouse strategy, launched the second northern powerhouse investment portfolio, allocated more than £500 million of local growth investment, launched the £400 million northern powerhouse investment fund, committed tens of millions to cultural investment in the north and, of course, supported 17 enterprise zones across the north that are in turn providing employment for 9,000 people.

Jason McCartney: With regional growth fund money and local enterprise partnership funding helping local businesses in my Colne Valley constituency achieve record levels of employment, will the Minister ensure that the northern powerhouse investment fund builds on that success and that we power the powerhouse for many years to come?

Andrew Percy: Absolutely. I pay tribute to my hon. Friend for the work he does in promoting the local economy. In total, the Leeds city region, which includes his area, has received £694 million of Government funding for local growth funds and the new £400 million investment fund is there specifically to support small and medium-sized businesses across the north that want to grow and expand.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): The north-east should be the powerhouse for our country’s manufacturing and exporting renaissance, with a workforce who take pride in making and building things. Why, then, do the so-called industrial strategy and the so-called northern powerhouse do so little to invest in the jobs and infrastructure that the north-east needs?

Andrew Percy: One of the reasons people in the north of England have lost their faith in the Labour party is that it never has anything positive to say about the north of England. All Labour does is talk down the north and talk down people. Look at what is actually happening in the north-east: £379 million of direct Government investment in the north-east and record employment levels. The hon. Lady might not want to talk up Newcastle, but I will, because it is leading this country’s economic recovery.

David Morris (Morecambe and Lunesdale) (Con): On that note, Lancashire County Council has continually blocked an enterprise zone and business park in Morecambe and Lunesdale. Since the M6 link road opened up, we have been crying out for that. The Secretary of State himself has come down to see it. Would the Minister like to come during the election campaign and listen to the businesses that want that enterprise zone or business park?

Andrew Percy: I would be delighted to take up that invitation. I plan to visit many constituencies across the north during the election period, and I will of course visit my hon. Friend’s constituency. The Secretary of State has already visited. Enterprise zones have made a real difference to the economy of the north and, as I said, 9,000 jobs have been provided in them, so I will certainly visit.

Jim McMahon (Oldham West and Royton) (Lab): The Manchester Evening News reported at the weekend pressure from Conservative Back Benchers to scrap HS2 to fund the Brexit bill. Will the Minister confirm that HS2 to Manchester will go ahead, to time and to the budget that has been outlined?

Andrew Percy: There has been no change to the Government’s policy on HS2. I remind the hon. Gentleman that, in addition, there is £13 billion of other investment. Over the next two years, particularly on the trans-Pennine line, there will be new rail, new carriages and new services—a whole new passenger experience. There will be over £2 billion of investment in that important transpennine route under the Government. The northern rail franchise will operate on an improvement basis, unlike the no-improvement basis when it was run by the Labour party.

Local Housing Provision

15. Stuart Andrew (Pudsey) (Con): What plans he has to introduce an alternative method of estimating the number of homes a local area may need. 909774

16. Andrew Stephenson (Pendle) (Con): What plans he has to introduce an alternative method of estimating the number of homes a local area may need. 909775

The Minister for Housing and Planning (Gavin Barwell): It is essential that local plans start with an honest assessment of housing need in the area. As we set out in our housing White Paper, we will introduce a standardised approach to assessing housing need to ensure that that is the case.

Stuart Andrew: The methodology used by Leeds City Council has brought about an excessive 70,000 housing target, which has threatened swaths of green-belt and greenfield sites in my constituency. If the alternative method proves my community’s suspicion that the target is excessive, will that override the current target and help to save these important green lungs in my constituency?

Gavin Barwell: The methodology will reveal the real level of housing need in Leeds. Local authorities across the country choose to build more homes than are needed because they have an ambition to grow. There is a legitimate debate to be had about that, but my hon. Friend’s constituents should have a clear understanding of what the relevant need is. I should add that the housing White Paper makes it clear that green-belt land should be released only in exceptional circumstances when all other options for meeting housing need have been explored.

Andrew Stephenson: Pendle has lots of brownfield sites, and many homes that have been granted planning permission have not yet been built because of the depressed property market, leading to low demand. How can we ensure that low demand in areas such as Pendle is better reflected in housing targets?

Gavin Barwell: That is exactly the purpose of the new methodology that we plan to introduce. The level of housing need for which we plan should reflect the real market demand for housing in an area.
Park Homes

17. Sir Desmond Swayne (New Forest West) (Con): What recent representations he has received on amending park homes legislation.

The Minister for Housing and Planning (Gavin Barwell): In the past year, we have received representations from park home residents as well as members of the all-party parliamentary group. Our call for evidence reviewing the legislation was published on 12 April, and addressed key concerns, including charges, site management and harassment.

Sir Desmond Swayne: Will the Minister remove the temptation that prompts those park owners who have neither the social nor managerial skills to make a success of it to maximise sales revenue commission by bullying residents to secure a higher turnover of residents?

Gavin Barwell: Bullying and harassment are not acceptable in any form, which is why we introduced the Mobile Homes Act 2013, which gives local authorities greater power. We shall obviously listen to the response to the call for evidence to see whether further action is required to stop the kind of behaviour that my right hon. Friend described.

Construction Industry

19. Steve Double (St Austell and Newquay) (Con): What plans he has to encourage new methods of building in the construction industry.

The Minister for Housing and Planning (Gavin Barwell): Our White Paper sets out measures to increase the use of modern methods of construction in house building. Those methods offer a huge opportunity, both to speed up the building of homes and to improve the quality of the build.

Steve Double: Cornwall council recently granted planning approval for a garden village at West Carclaze in St Austell. The vision for the development is to build the highest-quality sustainable homes with modern construction methods. Does the Minister agree that it is vital that the site developers are held to that vision, and what support can he give to ensure that that happens?

Gavin Barwell: My hon. Friend is an outstanding advocate for his community. I would be very happy to meet him to talk about how the Government can assist with the infrastructure required and the mix of housing as the proposed scheme goes through the planning process.

Mr Peter Bone (Wellingborough) (Con): The Rushden Lakes development in my constituency is being built using modern construction methods and is creating hundreds of jobs. An extension to it, approved unanimously by East Northamptonshire Council, was submitted to the Secretary of State for approval on 4 April. The council is concerned that the general election might mean that there is not enough time to approve the extension. What is the position on that?

Gavin Barwell: The Government are now in purdah, so further decisions cannot be taken. The new Government can obviously look at this issue straight away. It is to the credit of my hon. Friend and his council that their part of the country is determined to build the homes that we so desperately need.

High Streets

20. Karl McCartney (Lincoln) (Con): What steps his Department is taking to support high streets.

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Percy): We are supporting our high streets to thrive as consumer habits change. We have introduced the biggest ever cut in business rates, worth £6.6 billion, and launched the high street pledge and digital high street pilot in Gloucestershire. We are also celebrating our high streets through the hugely successful Great British High Street awards, which Members on both sides of the House supported.

Karl McCartney: Although Lincoln’s Sincil Street—a much treasured traditional shopping area just off our High Street—is full of first-class independent shops, they are all losing customers by the day due to large-scale regeneration works. I, and many others, believe that the valuation office should reduce business rates for the shops directly affected during this period, and that their landlord, the Lincolnshire Co-op, should discount their rent, especially as it has caused the shortfall. What does my right hon. Friend—sorry, my hon. Friend—think the valuation office should do?

Andrew Percy: I am sure it is just a matter of time.

Businesses are fully entitled to make a case for a temporary reduction in their rateable value. As a fellow Lincolnshire MP, I know Sincil Street very well. I advise my hon. Friend’s businesses to contact the local valuation office to discuss whether the rateable values can be amended at all.

Nic Dakin (Scunthorpe) (Lab): As the Minister is well aware, there has been a significant increase in begging on Scunthorpe High Street over the past three years. The police, the local authorities and the courts between them do not seem to be able to roll up their sleeves and sort out the problem, despite trying hard in many different ways. What are the Government going to do to ensure that the right powers are in the right place to tackle the issue?

Andrew Percy: May I begin by congratulating the hon. Gentleman on his marathon success yesterday? For such a young man, he did it in such an interesting time; he deserves full credit for it. He raises an issue that I am fully aware of in Scunthorpe, which is a town centre that is on its way back. I am happy to discuss with him further what we can do across Government to help to deal with the problem.

Martin Vickers (Cleethorpes) (Con): Traders in Cleethorpes High Street and elsewhere in the resort are concerned following a decision by North East Lincolnshire council, which is Labour controlled, to close a number of public toilets and refuse to repair others. That is having a very detrimental effect. I know that my hon. Friend, as the coastal communities Minister, would want to look favourably on future funding requests so that these amenities can be improved.
Andrew Percy: It is a delight to get a question from my other neighbour. Across northern Lincolnshire more generally, we have seen the council in north Lincolnshire actually open new public toilets. We recently allocated £20 million to northern powerhouse projects through the coastal communities fund. There will be a further round of bidding in October. If the local coastal community team wants to come forward with a proposal that includes that, we will, of course, look at it.

Domestic Violence Refuges

22. Vicky Foxcroft (Lewisham, Deptford) (Lab): What recent assessment have the Government made of the adequacy of the availability of domestic violence refuges for women.

Mr Jones: The Government take this issue extremely seriously. No person should be turned away from the support they need. We announced in February that 76 projects across the country will receive a share of £20 million to support victims of domestic abuse, creating 2,200 extra bed spaces and giving support to more than 19,000 victims. That includes additional funding to the hon. Lady’s area of Lewisham.

Vicky Foxcroft: I have one refuge for women in my area. With 17% of specialist refuges in England lost since 2010, what are the Government doing to protect this vital lifeline for women and children?

Mr Jones: As we have seen, the Government have made a number of changes that are designed to help with illegal and unauthorised encampments, but I do agree that more can be done, and I would be more than happy to sit down with him and to listen to what ideas he has.

Topical Questions

T1. [909749] Mr Andrew Turner (Isle of Wight) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Communities and Local Government (Sajid Javid): In the past few weeks, we have set out our plans to crack down on rogue landlords, where it said there would not be one more penny for local government. That said, as the hon. Gentleman has heard, we are providing additional access to £9.25 billion—for example, for adult social care—during the next three years, and his area will certainly benefit from that.

Sajid Javid: First, may I tell my hon. Friend that I enjoyed my visit to his beautiful and sunny constituency last week? The idea of this back-office hub, which I heard about from the local Conservative group, is a very good one. It highlights the fact that Conservative councils cost you less but deliver you more, so if local people want to see that, they should vote Conservative in the local elections throughout the country on 4 May.

T2. [909750] Mr Stephen Hepburn (Jarrow) (Lab): The Minister will know that, since 2010, the Tories have stolen 40% of South Tyneside Council’s grant and 46% of Gateshead Council’s grant. The victims of this crime are obviously the hard-working people in the area. Would the Minister like to take this opportunity to apologise to them for this shabby Conservative crime?

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones): The hon. Gentleman raises an interesting question, seeing as his party is still on the manifesto from the last election, where it said there would not be one more penny for local government. That said, the hon. Gentleman has heard, we are providing additional access to £9.25 billion—for example, for adult social care—during the next three years, and his area will certainly benefit from that.

T3. [909751] Mr Philip Hollobone (Kettering) (Con): Kettering is a wonderful place to live, but some rural parts of the borough are blighted by inappropriate and illegal development by Gypsies and Travellers. This is especially galling when many commuters in Kettering do far more travelling than so-called Travellers ever do. If there were a planning policy for black people or white people, there would rightly be outrage in this country. Why do we have special planning provisions for Gypsies and Travellers?

Sajid Javid: First, I agree with my hon. Friend that Kettering is, indeed, a wonderful place. I do understand that unauthorised encampments can cause real distress for local communities. He will know that, since 2010, the Government have made a number of changes that are designed to help with illegal and unauthorised encampments, but I do agree that more can be done, and I would be more than happy to sit down with him and to listen to what ideas he has.

T4. [909752] Mr Clive Betts (Sheffield South East) (Lab): The Secretary of State will be aware of the Select Committee’s two reports into social care. Rightly, a lot of attention was given to funding, but also to the situation of the care workers who provide this important service. The Committee heard that nearly half of workers leave within a year of getting a job, half are on zero-hours contracts, many do not get paid for travelling time, in contradiction to the minimum wage legislation, and 27% do not get any training in dementia before they go out to deal with people with that condition. Is there not now a case for developing a well-paid and well-trained workforce, utilising Unison’s ethical care charter as a basis?

Sajid Javid: I welcome the Select Committee’s work in this important area, and I will listen carefully to the final research it comes up with. The hon. Gentleman
will know, first, that more funding is helpful, and the local government Minister, my hon. Friend the Member for Nuneaton (Mr Jones), referred to that earlier. However, there also need to be longer term changes that make the whole sector more sustainable, and that includes skills.

T5. [909753] Mrs Sheryll Murray (South East Cornwall) (Con): I am pleased that parishes and town councils in my constituency are getting on with their neighbourhood plans. Does my right hon. Friend agree that Cornwall Council must address these community-driven priorities to open up more options for local people who face difficulties in finding suitable housing?

The Minister for Housing and Planning (Gavin Barwell): I am delighted to hear of the work my hon. Friend has been doing to promote neighbourhood planning in her constituency. She is a powerful champion for South East Cornwall. She is absolutely right that Cornwall County Council needs to work with these neighbourhood plans to help local communities deliver the visions they have set out.

Several hon. Members rose—

Mr Speaker: Order. As I call the hon. Member for Livingston (Hannah Bardell), perhaps I may congratulate the hon. Lady. As she is one of several Members who magnificently ran the marathon yesterday. She may be feeling a tad tired today, but not too tired to stand up and ask her question. We are grateful to the hon. Lady.

T9. [909757] Hannah Bardell (Livingston) (SNP): Thank you, Mr Speaker. I am eminently glad that my question is on the Order Paper today and I do not have to bob, because that might just be beyond me.

The rise in hate crimes following the UK’s vote to leave the EU has shocked us all, and the rhetoric from this Tory Government on immigration will do nothing to assist integration and cohesion. What discussions have the UK Government had with Ministers from the Scottish Government regarding the Casey report? Will the Secretary of State commit now to making sure that the policies in his party’s manifesto will not seek to divide people along these lines?

Sajid Javid: First, Mr Speaker, I join you in congratulating the hon. Lady on what she achieved yesterday, as well as all the people who raised so much money for so many good causes.

The issue that the hon. Lady raises is an important one. We are taking the Casey review very seriously. It shows the need for a new integration strategy to make sure that we do everything we can, working together across this House, including with people in Scotland and other parts of the UK, to make sure that we bring this nation together and reduce the number of people who face isolation.

T6. [909754] Sir Nicholas Soames (Mid Sussex) (Con): Will my right hon. Friend confirm that he intends to increase the weight given to made neighbourhood plans, and will he indicate that the same weight will be given to an emerging five-year land supply?

Gavin Barwell: I am happy to confirm that the written ministerial statement that is enlarged on in the White Paper is exactly designed to ensure that neighbourhood plans are not overruled when the local authority does not demonstrate that it has a five-year land supply. In addition, the White Paper contains proposals to help councils to demonstrate that they have a five-year land supply in order to uphold the plans that they have worked hard to produce.

T10. [909758] Paul Blomfield (Sheffield Central) (Lab): Sheffield City Council is leading the way in building much-needed affordable housing through its innovative Sheffield Housing Company partnership, but across the country the number of affordable homes built last year fell to the lowest in 24 years. Sheffield is doing its bit; why are the Government failing so badly to address the country’s housing crisis?

Sajid Javid: We are investing record amounts in affordable housing. Since 2010, more than 310,000 units have been created throughout the country. If the hon. Gentleman wants to know what failure on affordable housing looks like, he need only look at the previous Labour Government, who saw a fall of 410,000 units in social housing for rent.

Gavin Barwell: Local authorities have a number of key roles: first, to produce a local plan that is based on an honest assessment of the level of need; and secondly, then to deliver that plan—the new housing delivery test is key in that regard. Thirdly, looking back when we did build enough homes in this country, local authorities played a crucial role in building themselves. We want to support local authorities in doing that, either through the housing revenue account or through the local housing company model that the hon. Member for Sheffield Central (Paul Blomfield) referred to.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Surely the Secretary of State is aware of the damage being done to local communities by the cuts in local government spending. This has affected children’s centres, leading to their closure, and cut down on youth services. These services are at the very heart of our communities. What is the Minister going to do to put that right?

Sajid Javid: The hon. Gentleman will know that every council throughout the country has had to find efficiencies so that we can balance the books of our country and build a stronger economy. Some local authorities have done that well—mainly Conservative-led authorities—and Labour authorities have absolutely failed in it. So if people want to see more services being delivered for less, they should vote Conservative on 4 May.

T8. [909756] Tom Pursglove (Corby) (Con): As the Secretary of State will know, thousands of new homes are being built across north Northamptonshire. What commitment can he give to local people in my constituency that, across the board, infrastructure and public services will keep up with those new homes being built?
Sajid Javid: My hon. Friend makes a very important point about how having the right infrastructure can help local people to accept more housing. He will know that local councils can already put obligations on developers to deliver certain infrastructure, and he will know about the community infrastructure levy, which can also help. I would like to highlight the new £2.3 billion housing infrastructure fund, which he can use locally in Corby. He should make an application to my Department to do that.

Greg Mulholland (Leeds North West) (LD): Despite a very strong objection from Historic England, which, like me, is concerned about the impact on the 12th-century St John the Baptist church in Adel, disgracefully, Labour councillors voted for a controversial plan for 100 homes to be built opposite the church. Will the Secretary of State acknowledge that the planning system does not allow local communities to have enough say against unwanted developments?

Gavin Barwell: Our planning system is built on a high level of community involvement at every stage. Local councils should work with communities in developing their local plan—an issue raised by my hon. Friend the Member for Pudsey (Stuart Andrew) in relation to Leeds City Council. Constituents also have the opportunity to make representations on planning applications and on appeals, but I am sorry that in this case it appears that the city council did not listen to their concerns.

Amanda Solloway (Derby North) (Con): In Derby we are looking at alternative methods of helping those people who are sleeping rough, including an app that will direct funds to agencies such as the Padley Centre. Does my right hon. Friend the Secretary of State agree that such initiatives can help tackle the issues of rough sleeping?

Sajid Javid: Yes, I wholeheartedly agree with my hon. Friend. It is our ambition—I know that she shares it—to end rough sleeping in our country, and those kinds of new ideas can make a real difference.

Sir Peter Bottomley (Worthing West) (Con): Following last week’s successful and important meeting of the all-party parliamentary group on leasehold and commonhold reform about unfair and unreasonable abuses of leasehold, what are the Government’s plans to do something about them?

Sajid Javid: First, may I commend my hon. Friend on his work to highlight abuses? I know that he shares my concern about where houses are sold on leasehold. That is an unacceptable practice and we will do something about it.

Mims Davies (Eastleigh) (Con): The leader of the Conservative group in Eastleigh has questioned the methodology behind the plan for an extra 10,000 homes, which could threaten 400-year-old ancient woodland. Without a local plan, and when ancient woodland is under threat, how can housing numbers be verified?

Gavin Barwell: I hope that the housing White Paper will help my hon. Friend, who is passionate about protecting ancient woodland in her constituency, in two regards. First, the new standard methodology will give a much clearer indication of the real level of housing need in her area. Secondly, we propose to increase the provisions of ancient woodland, which is a precious resource that we have inherited from previous generations and that cannot be easily replaced. It is right that we strengthen the protection.

Peter Heaton-Jones (North Devon) (Con): I thank the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Briggy and Goole (Andrew Percy), for the fantastic news that North Devon is to receive two coastal communities grants totalling more than £2 million: £500,000 for the museum in Barnstaple and £1.5 million for the new water sports centre in Ilfracombe, which he will kindly visit soon. Will he join me in congratulating those in the community who have helped to make this happen, and does he agree that North Devon gets this sort of recognition only when it has a Conservative MP and a Conservative Government?

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Percy): I am obviously going to agree with my hon. Friend’s latter point. I also pay tribute to him for the work he has done in advocating both of those projects. The latest allocation of coastal community grants funded a whole host of projects across the south-west, proving that if they want that investment to continue, residents of the south-west will have to vote Conservative in the forthcoming general election.

Robert Jenrick (Newark) (Con): Will my right hon. Friend the Secretary of State be Nottinghamshire’s Robin Hood to Labour’s King John and ensure that parts of Nottinghamshire, including my Bassetlaw constituents, are never forced against their will to join the Sheffield city mayoral region, and that the historical counties of Nottinghamshire and Derbyshire will be safe under a Conservative Government?

Andrew Percy: It is of course a matter for the Sheffield city region to determine who it consults and what the proposals will be. We obviously have to apply the statutory test, so I am unable to say anything about that in detail, other than that it is really important that residents in Bassetlaw and Derbyshire make their views known as part of the consultation undertaken by the city region.

Fiona Bruce (Congleton) (Con) rose—

Mark Pawsey (Rugby) (Con) rose—

Mr Speaker: I am happy to take two further questions, if each of them consists of only one sentence.

Fiona Bruce: I thank the Secretary of State for his strong expression of concern regarding unfair leasehold titles, which affect my Congleton constituency; will he confirm that he is addressing this issue for those who have already bought, and, for the future buyer, will he look at imposing requirements on the right-to-buy conditions so that such properties can be bought only under freehold or fair leasehold terms?
Mr Speaker: I am sure that there were a few commas and semicolons in there.

Sajid Javid: My hon. Friend has done a great deal of work in this area. She will know that it is a particular problem in the north-west, and I can confirm that we are looking at all the issues very carefully.

Mark Pawsey: Will the Secretary of State consider imposing a requirement on developers of large industrial sites to provide some units for smaller businesses, to meet the shortage that currently exists in my constituency?

Sajid Javid: I point my hon. Friend to some of the changes set out in our recent White Paper. They are designed to make sure that local plans take account of all needs, including the needs of businesses.
Air Quality Strategy

3.40 pm

Sue Hayman (Workington) (Lab) (Urgent Question): To ask the Secretary of State for Environment, Food and Rural Affairs if she will make a statement on the publication date of the Government’s air quality strategy.

The Secretary of State for Environment, Food and Rural Affairs (Andrea Leadsom): The Government are committed to making sure that ours is the first generation to leave the environment in a better state than we found it. As part of that, I am deeply committed personally to the importance of ensuring that we have clean air. Since 2011, the Government have announced more than £2 billion to help bus operators to upgrade their fleets, to support the development and take-up of low-emission vehicles, to reduce pollution from vehicles such as refuse trucks and fire engines, and to promote the development of clean alternative fuels. In addition, in the autumn statement we announced a further £290 million to support electric vehicles, low-emission buses and taxis, and alternative fuels.

Our actions have enabled the UK to make significant progress on improving its air quality since 2010. We now have lower emissions of the five key pollutants: volatile organic compounds, sulphur dioxide, ammonia, particulates, and nitrogen oxides. However, because of the failure of the EU’s regulatory regime to deliver expected improvements in air quality, the UK is among 17 European countries, including France and Germany, that are not yet meeting EU emissions targets for nitrogen dioxide in parts of some towns and cities.

We are taking strong action to remedy that. Since last November, my Department has worked jointly with the Department for Transport to update the Government’s national air quality plan for nitrogen dioxide. We have updated the analytical base for the plan to reflect new evidence following the Volkswagen scandal and the failure of the EU’s regulatory regime to deliver expected improvements on emissions. The plan adapts to these new circumstances by setting out a framework for action.

Following long-standing precedent, we have entered the period of sensitivity that precedes elections. In accordance with the guidance covering both local and general elections, the propriety and ethics team in the Cabinet Office has told us that it would not be appropriate to launch the consultation and publish the air quality plan during this time. The Government have therefore applied to the High Court for a short extension of the deadline for publishing the national air quality plan for nitrogen dioxide, in order to comply with pre-election propriety rules. The Government seek to publish a draft plan by 30 June and a final plan by 15 September. The application will be considered by the Court.

Sue Hayman: Nearly 40 million people in Britain live in areas with illegal levels of air pollution. Two thousand schools and nurseries are close to roads with damaging levels of fumes, and NHS experts estimate that poor air quality contributes to 40,000 premature deaths every year. The situation has gone from bad to worse on this Government’s watch, and has escalated into what the Environment, Food and Rural Affairs Committee calls a “public health emergency”. Does the Secretary of State agree that this is indeed a public health emergency?

Given the gravity of the situation and the fact that the Secretary of State has known about today’s High Court deadline for months, why did she choose to request a further delay to the publication of her air quality plan at 7 o’clock on Friday night? Will she clarify whether she had in fact already applied for an extension before the election was called? It is unacceptable for her to hide behind the election to delay publishing her plans. Cabinet Office rules are clear that purdah is not an excuse to delay acting on vital public health matters. Will she confirm that the plans are ready for publication? If she agrees that this is a public health emergency, why the delay?

Are not the Government doing everything that they can to avoid scrutiny because they are missing their own commitments, have no strategy and yet again want to kick this issue into the long grass? How can we trust the right hon. Lady’s Government to maintain air quality standards after we leave the EU when they have done everything possible to avoid scrutiny on existing standards and had to be dragged through the courts?

If the Government fail to publish their plan today, within the first 30 days of a Labour Administration, we will. Only a Labour Government will legislate for a new clean air Act setting out how to tackle the air pollution that damages the lives of millions, but this Conservative Government continue shamefully to shirk their legal responsibilities and are putting the health of millions at risk.

Andrea Leadsom: I think that all Members right across this House agree that air quality is a significant concern. I have already set out some of the strong actions that this Government have taken, in spending £2 billion since 2011, to try to improve the situation.

The hon. Lady is exactly right: we have our draft air quality plan for NO2 ready. She asked why we have a late extension, and I can absolutely explain that to her: in the course of developing our draft plan, it became clear that local authorities would have to play a central role in delivering the final air quality plan, so the Government initially sought to defer publication of the plan and the launch of the consultation on it until after the purdah period for local authority elections. Since that application was lodged, the Prime Minister has called a general election, and a further period of purdah commenced on 21 April. As the hon. Lady will know, Governments normally seek to avoid launching consultation exercises during purdah periods. It is absolutely vital that we get this done, and our intention is to publish the plan on 30 June. She says that a Labour Administration would publish such a plan within 30 days, but that would actually be later than the date on which this Government intend to publish it.

I want to make it very clear that we have now entered a period during which we are strongly advised not to publish consultations. We are therefore trying to put in place a very short extension, which we do not believe will make a difference to the implementation of our plans, while at the same time safeguarding our democracy.

Neil Parish (Tiverton and Honiton) (Con): I urge the Secretary of State, along with all Ministers, to work on the air quality plan with the very greatest urgency after the general election, because we have waited a very long time for it. Many of the problems with diesel actually
started under the previous Government, and we need to clean that up. A scrappage scheme—for not only our diesel cars, but buses, taxis and many other forms of public transport in our inner cities—is absolutely essential if we are to clean up air quality, especially in our inner cities.

Andrea Leadsom: My hon. Friend is, of course, exactly right. We have now been working on this specific plan for several years. We published a consultation for clean air zones in 2015. The fact that emissions from diesel vehicles have far exceeded what was expected has been extremely difficult. The EU regulatory regime did not show effectively what the real levels of emissions were, and this Government have pushed for improvements to the assessment. We have been planning the draft air quality plan for a consideration length of time, and we will publish it just as soon as we can.

John McNally (Falkirk) (SNP): I thank the hon. Member for Workington (Sue Hayman) for securing this urgent question on the Government’s air quality strategy. I agree with her concerns entirely. This is not a political issue. All our constituents need to breathe, and they want an air quality plan based on good scientific evidence to ensure that people no longer have to breathe toxic air in their communities. The Government have had a five-month window to address illegal air quality in relation to the strategy. Does the Secretary of State agree that hiding behind a general election cannot be an excuse for failing to address what is, as she has just mentioned, a vital health issue? She has said that it is “vital” to get this through, so why the delay?

Andrea Leadsom: I can only repeat that I absolutely agree with Members that this is a vital issue. We have spent the past five months looking very carefully at the real world, as well as laboratory tests, to find out actual emissions so that we have the right consultation. We do not expect any delay due to propriety rules to lead to a delay in implementation. We are seeking a very short delay to preserve our democracy, in accordance with guidance from the Cabinet Office propriety and ethics team.

John Redwood (Wokingham) (Con): Does the Secretary of State agree that there is growing concern about emissions that can damage health and lungs in particular? Will she make it a high priority to limit soot and smoke from public service vehicles, on which she has most influence?

Andrea Leadsom: My right hon. Friend is exactly right to raise this issue. The Government have invested a huge amount in retrofitting buses and taxis. Other measures include limiting medium combustion plants, which I was very proud to put in place when I was Energy Secretary, to try to reduce other emissions. My right hon. Friend is exactly right that we need to tackle a number of different emissions. This plan deals with nitrogen dioxide emissions and we will publish it as soon as we can.

Tom Brake (Carshalton and Wallington) (LD): Opposition Members will monitor carefully whether such pre-election sensitivity applies to the announcements or consultations that the Government welcome to the same extent as to ones that cause them embarrassment. Once the UK leaves the EU and the Commission is no longer able to levy fines on the UK Government for failing to act with due speed on the premature deaths of 40,000 people a year that are caused by toxic air, who does the Government expect will be levying fines and initiating cases against the Government for air quality breaches?

Andrea Leadsom: I agree with the right hon. Gentleman that this is a very significant and serious issue, but I find his suggestion that the threat of EU fines is the only reason why the Government might be motivated to deal with it rather distasteful. We absolutely intend to deal with the issue to ensure that the air is cleaner for the people of our country and that we are the generation who leaves our environment in a better state than we found it.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): Does my right hon. Friend agree that it is not just people but sensitive landscapes, such as the nationally designated area of outstanding natural beauty of the Chilterns, that should be protected? Such areas should also be positively recognised for their role in the battle against poor air quality, including by harnessing the potential of our trees and ancient woodland.

Andrea Leadsom: I absolutely agree with my right hon. Friend, who always speaks very strongly for the Chilterns. She is right to do so as it is a beautiful area. Air quality is of course vital not only for humans, but for our lovely landscapes. Preserving the contribution made by our trees, peat lands and so on is a very important priority.

Dr Alan Whitehead (Southampton, Test) (Lab): Southampton is one of the 10 cities threatened with an infringement under the air quality regulations. It is also one of five cities, under the Government’s December plans, to introduce clean air zones, and Southampton’s local authority has been really assiduous in moving forward with its plans. While it has received grants, it has also put in a great deal of its own money. Is it the Secretary of State’s advice that the city council should now go easy on its plans because the Government cannot get their own together?

Andrea Leadsom: I was in full agreement with the hon. Gentleman until that last bit. Of course not. I was going to praise the work of Southampton City Council, which has received significant Government funding for its clean air programmes. It is doing a good job and should continue to do so. To be clear, as things stand, clean air zones can be implemented by any local authority. It should therefore be in the interests of all local authorities to do whatever they can to improve air quality for their local communities.

Mr Stewart Jackson (Peterborough) (Con): Should the air quality plan be seen in the wider context of the environment and tax changes? Is it not the case that the Government are in a more difficult position than they would be otherwise because of the legacy of the wrong-headed tax changes made by Labour? As a result of the ridiculous tax changes made under Gordon Brown, we more than doubled the number of diesel cars and increased the number of diesel vans to 3 million.
**Andrea Leadsom**: My hon. Friend makes a very good point. It is interesting that several of Gordon Brown’s and Tony Blair’s advisers have come out in recent months to say that they were wrong to encourage the uptake of diesel vehicles to the extent that they did. Even the shadow International Trade Secretary has admitted that “there’s absolutely no question that the decision we took”—on diesel—"was the wrong decision.”

This Government, as ever, are trying to clean up the mess that was started by Labour.

**Alex Cunningham** (Stockton North) (Lab): Emissions from industry are a major contributory factor in poor air quality, but great strides could be made to improve air quality in areas such as Teesside if the Government backed carbon capture and storage. We have been promised a Tory policy on that since the Tories ditched the funding two years ago. When will we get it?

**Andrea Leadsom**: As a former Energy Minister, I can assure the hon. Gentleman that we have always been clear about the fact that carbon capture and storage will play a part in our future plans, but that has no impact on the NO₂ plan that we are talking about today.

**Dr Sarah Wollaston** (Totnes) (Con): The Secretary of State has clearly set out the reasons for the delay, but in the intervening time, may I encourage her to strengthen our policies to encourage people to get out of their cars altogether? May I also urge her to read an article in this week’s edition of The BMJ that clearly sets out the growing evidence of the benefits of active commuting, particularly by bicycle? Will she encourage us to get Britain cycling?

**Andrea Leadsom**: My hon. Friend is right to raise that issue. The Government are a huge supporter of sustainable transport projects. We have invested £224 million in cycling since 2013, and £600 million in the delivery of transport projects across 77 local authorities through the local sustainable transport fund. As my hon. Friend says, we must do everything that we can to protect the air quality in our cities, and that includes changing the way in which people travel.

**Several hon. Members rose**—

**Mr Speaker**: Having already congratulated the hon. Member for Livingston (Hannah Bardell), I am now delighted to congratulate the hon. Member for North Cornwall (Scott Mann) on his successful completion of the marathon yesterday. Despite that, he has sprung to his feet very impressively.

**Scott Mann** (North Cornwall) (Con): Thank you very much, Mr Speaker.

The Secretary of State and other DEFRA Ministers will be well aware of the challenges facing Camelford, in my constituency, which was recently subjected to an air quality assessment, and which is in the very early stages of being granted a bypass. I hope that the Secretary of State will support me, and the local community, in our bid for a new bypass in Camelford.

**Andrea Leadsom**: I would love to be able to offer my hon. Friend a new bypass, but unfortunately that is outside my powers. I wish him luck with it, and I, too, congratulate him on his amazing achievement yesterday.

**Fiona Mactaggart** (Slough) (Lab): If the present rate continues, there will be seven more dead people in Slough by the date on which the Secretary of State publishes the air quality plan. The whole point of purdah is that announcements should not be made unless they are significant in the context of urgent health issues. Is this not an urgent health issue? What will the Secretary of State say to the families of those seven people who will die before she even publishes?

**Andrea Leadsom**: As the right hon. Lady says, poor air quality is a public health issue. That is why we are taking urgent action, and we will ensure that a short delay in the timetable will not result in a delay in the implementation of the plan. By doing that, we will tackle this public health issue as quickly as possible without prejudicing our democratic process.

The need to safeguard public health is one example of a possible exceptional circumstance in which consultations could be published during purdah. However, that would generally apply only in the event of an unexpected public health emergency—such as, for example, contaminated food—which needed to be dealt with instantly, and this instance does not fall into that category.

**Andrew Selous** (South West Bedfordshire) (Con): Can the Government confirm that their approach to this issue remains technology-neutral, and that, in the context of hydrogen specifically, they will do what is necessary to ensure that we do not fall behind, for instance, Germany and California when it comes to cleaning up this terrible problem?

**Andrea Leadsom**: I can confirm that we are technology-neutral, and as part of our industrial strategy we are consulting on how to become a world leader in ultra-low emission vehicles of all types. There is a very good story to tell there; there is more to be done, but we are making good progress.

**Ruth Cadbury** (Brentford and Isleworth) (Lab): Air quality standards are breached regularly in my constituency from Chiswick, to Brentford, Isleworth and through to Hounslow. Do my constituents not deserve better on this issue, especially as the Government want to push ahead with runway 3 at Heathrow, which will only make the problem significantly worse?

**Andrea Leadsom**: I met the Mayor of London in my first week in office to discuss clean air, because the hon. Lady is right that it is a huge priority in all of our cities but particularly London, where there is rightly a huge focus on it. The Mayor is implementing the excellent work of my right hon. Friend the Member for Uxbridge and South Ruislip (Boris Johnson) when he was the Mayor of London, and that continuity should continue to be a cross-party co-operation to solve what is a very serious issue for all of us.

**Dr Andrew Murrison** (South West Wiltshire) (Con): Does my right hon. Friend share my sadness at the lack of contrition displayed on the Opposition Benches,
given that Labour’s unquestioned adoption of policy in the early part of the last decade resulted in a massive increase in the number of diesel vehicles, making the air in places such as Westbury in my constituency considerably more toxic?

**Andrea Leadsom:** I completely agree with my hon. Friend. A number of advisers and, indeed, serving Members on the Labour Benches now admit that their decision to promote diesel between 2000 and 2008 was not the right decision. The decision to promote diesel was a great shame, because we are now trying to deal with some of the consequences of that. It is important that we have cross-party co-operation to try to make sure that we tackle what is a very significant issue.

**Matthew Pennycook** (Greenwich and Woolwich) (Lab): As we all know, air pollution contributes to the premature deaths of tens of thousands of people, but do I take it from the Secretary of State’s previous answer that she thinks air pollution is only a public health issue and is not categorically a public health emergency?

**Andrea Leadsom:** Clean air is a top priority for this Government. We have been working on our new proposals for the last five months and are ready to go with them. We are now seeking a very short deferral to meet the propriety rules around purdah, but we do not expect that that will delay the implementation of our plans to deal with what is a very significant and urgent concern.

**Dr Matthew Offord** (Hendon) (Con): I wore an air quality monitor as part of the Environmental Audit Committee inquiry into air emissions. It showed that the Mill Hill Broadway bus station had levels of pollution as high as Oxford Street’s, which is a huge concern for my constituents. Does the Secretary of State share my concern that some directly elected mayors will use this as an opportunity to introduce congestion charges on motorists who were told to buy diesel vehicles, not use that money for air quality, and in addition take money from DEFRA for addressing the same problem?

**Andrea Leadsom:** The Prime Minister has made it very clear that this Government are on the side of ordinary working families and businesses. She has said that we are very conscious of the fact that past Governments have encouraged people to buy diesel cars and that we need to take that into account when looking at what we do in the future.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): May I, in the nicest possible way, put the Secretary of State right on this? She has had to be dragged to the House to make this statement and has been putting off major decisions for the future on important issues right across her Department, but may I put the record straight just on the facts? My constituents will not understand when children are being poisoned now, when pregnant women are being poisoned now and when pedestrians and cyclists are being poisoned that she is making some obscure reference to purdah to stop us doing something about it. I remind her that it is two years since the Volkswagen scandal broke, and she has done nothing in those two years.

**Andrea Leadsom:** In truth, what this Government did was to lead the EU in sorting out the emissions calculations, to make sure that they were accurate. A few years ago, the EU’s wrong-headed emissions assessments relating to the VW cheating were just that: they were wrong. Subsequently, this Government have led the way in pressing for better calculations and assessments. We have been working extremely hard to get our plans ready, and this will be a very short deferral to comply with propriety rules. We will publish our plan as soon as possible after the general election, after which we do not believe there will be any delay in implementation. That will take place in the shortest possible time, because this is a very important issue.

**Sir Desmond Swayne** (New Forest West) (Con): You will want to know, Mr Speaker, that on Friday, I launched the new double-decker fleet for the X3 bus service that runs from Salisbury to Bournemouth via God’s own towns of Ringwood and Fordingbridge. The fleet combines convenience and comfort with lower emissions than those from the lawnmower that I pushed round my garden on Saturday evening. If the Secretary of State wants to break the unrelieved purdah of the purdah of which she has spoken over the next few weeks, I recommend that she joins me in breathing deeply the fresh air of the Avon valley on the X3 service.

**Mr Speaker:** It is always of interest to learn about the right hon. Gentleman’s domestic activities and to discover that, to his great credit, despite the receipt of his knighthood, he remains truly a man of the people. I am only sorry that we do not have photographs of him pushing his lawnmower around, but I suspect that it is only a matter of time.

**Andrea Leadsom:** I hope that my right hon. Friend has an electric lawnmower to go with his electric buses. He will be aware that, in the autumn statement, the Chancellor announced £150 million to support low-emission buses and taxis—including support for retrofitting buses and for boosting the UK retrofit industry—to ensure that wherever I go in the country, I will be able to breathe deeply and enjoy the non-fumes from new, low-emission vehicles. This is incredibly important and it is this Government who are taking action.

**Andy Slaughter** (Hammersmith) (Lab): The Secretary of State might have met the Mayor of London, but it is he who is taking action on air quality while her Government sit on their hands. Does she agree with Sadiq Khan that this is the biggest environmental crisis of our time? If so, will the Government review one of their worst environmental decisions—to build a third runway at Heathrow?

**Andrea Leadsom:** The hon. Gentleman is exactly wrong to say that this Government have not taken action. I have given countless examples of how we are taking action. We have recently issued more than £3.5 million of grants to particular councils for particular projects. It is this Government who are taking action. As I have made clear, we have seen significant reductions in all five of the major pollutants in recent years. In answer to the hon. Gentleman’s point about the expansion of Heathrow, that will take place only provided that the air quality can be ensured—

**Andy Slaughter:** That is never going to happen.

**Andrea Leadsom:** Well, those plans have not yet come forward.
Charlie Elphicke (Dover) (Con): Does the Secretary of State agree that pollution is a serious problem, but that for the Mayor of London to demonise the drivers of diesel cars and to use pollution concerns as a smokescreen for fleecing motorists through more taxes is not the answer, particularly as Transport for London figures show that diesel cars represent 10% of the problem? The Mayor should be dealing with 100% of the problem, not just 10%.

Andrea Leadsom: My hon. Friend is exactly right to say that all councils that have air quality problems will need to tackle them and to deal with 100% of the problem. As the Prime Minister has said, a number of people were encouraged to buy diesel cars by the last Labour Government, and we want to take those people’s needs into account so that we do not end up penalising them for decisions that they took in good faith.

Jim Shannon (Strangford) (DUP): The latest figures show that new cars are failing to filter out polluted air, and that the air inside them can be up to 10 times more toxic than the air on the footpath because the ventilation in the cars is not working correctly. The Secretary of State has given us a timescale for the consultation process and the comeback from it. Can she give us an idea of when the legislation will come to this House for endorsement?

Andrea Leadsom: The timetable we have set out to account for purdah is that we will publish our plans on 30 June, with a final plan by 15 September. Legislation will come into place as soon as possible afterwards, but we will be able to start straightaway on the work that needs to be done to come to comply with that plan.

Carol Monaghan (Glasgow North West) (SNP) rose—

Patrick Grady (Glasgow North) (SNP) rose—

Mr Speaker: I call Carol Monaghan.

Carol Monaghan: Good choice, Mr Speaker. Electric vehicles will reduce emissions in our city centres and improve urban air quality. Without support for renewables, however, any air quality plan simply shifts pollution from urban to rural areas because such electric vehicles need to be plugged into the grid to charge. Does the Secretary of State agree that support for renewables is key when we consider future electric vehicles and should be included in any air quality plan?

Andrea Leadsom: I am sure the hon. Lady would agree that this Government have done more to support renewables than most others. We have a good track record on boosting renewable electricity generation, and we want and expect to see the majority of recharging taking place at home at night, after the peak in electricity demand. Home recharging should be supported by workplace recharging for commuters and fleets, with a targeted amount of public infrastructure where it will be most used, but I am sure she will also be delighted that in the 2016 autumn statement the Chancellor announced a further £290 million to support electric vehicles, low-emission buses and taxis and alternative fuels.

Patrick Grady: Unfortunately, Glasgow is still something of an air pollution hotspot. Byres Road in my constituency and Hope Street in the constituency of my hon. Friend the Member for Glasgow Central (Alison Thewliss) are both particularly affected. There is a city action plan, and we hope if and when the Scottish National party takes control of the city next week, or the week after, it will bring a breath of fresh air. Does the Secretary of State welcome the action of local campaign groups such as Action Hillhead and the Glasgow University climate action society both in raising awareness and in encouraging people to take local action to improve air quality in their area?

Andrea Leadsom: I am always delighted to welcome the actions of local voluntary bodies to try to change the way people travel and to encourage the take-up of good, healthy cycling and all the rest. Why not walking where we can, too? Poor air quality is often the result of people needing to use their own vehicles, vans and so on. The hon. Gentleman will be aware that air quality policy is a devolved matter, so our plan is a shared plan between all four nations of the United Kingdom. We will all be publishing that as soon as we can.
Points of Order

4.12 pm

Fiona Mactaggart (Slough) (Lab): On a point of order, Mr Speaker. You will be aware that I requested an urgent question following the discovery at my advice surgery last Friday that the Home Office hotline for MPs had been due to shut that day at 5 pm and not to reopen until after the general election. I later discovered that that was the practice for a number of Government hotlines, which are mechanisms that enable MPs—as you know, we are Members of Parliament until next Tuesday—to get justice for their constituents.

Following that request, my office got a telephone call from the Cabinet Office saying, “Please withdraw it. We don’t really want to answer this.” I did not accede to that request, and what seemed to happen thereafter is that a whole load of hotlines started reopening. I quite understand why you did not grant my request for an urgent question, Mr Speaker, because it seems that just asking you had a result. As a champion of the Back Bencher, will you use your best efforts to make sure that the original plan to cut off this service to Members of Parliament does not occur until after this Parliament is dissolved?

Mr Speaker: I am grateful to the right hon. Lady. The Leader of the House is in his place and, notwithstanding the right hon. Lady’s excoriating remarks about the Government, it may be his wish to clarify the matter as he thinks fit. I can say only that I will always do my best for Back-Bench Members.

As the right hon. Lady has announced her intention to leave the House, perhaps I can wish her great good fortune, health and happiness in all she goes on to do.

I am very conscious that she and I entered the House together 20 years ago, and we have come to know each other well over the past two decades. I say with feeling, best wishes and good luck.

The Leader of the House of Commons (Mr David Lidington): Further to that point of order, Mr Speaker. It might be for the convenience of the House if I were just to clarify that the understanding I have from the Cabinet Office is that there were some technical problems with one or two lines at the end of last week, but it was never, and certainly is not, the intention of the Government that these rules should be applied at this stage. They will of course come into force, as is normal, at the Dissolution of the House, when all Members cease to have the position of being a Member of Parliament.

Carol Monaghan (Glasgow North West) (SNP): Further to that point of order, Mr Speaker. This morning, my office contacted UK Visas and Immigration only to be told that we are now in purdah and it would not talk to us, even about ongoing cases. Clearly, there is an inconsistency of advice going on, and I wonder whether the Leader of the House could respond.

Mr Lidington: Further to that point of order, Mr Speaker. The position is exactly as I set out in response to the point made by the right hon. Member for Slough (Fiona Mactaggart).

Mr Speaker: I hope that will prove to be adequate in the coming days. I am most grateful to the Leader of the House for what he has just said, and I thank the hon. Member for Glasgow North West (Carol Monaghan).
4.16 pm

The Leader of the House of Commons (Mr David Lidington): I beg to move,

That the following provisions shall have effect:

**SITTINGS ON 24, 25, 26 AND 27 APRIL**

(1) At today’s sitting and the sittings on Tuesday 25 April, Wednesday 26 April and Thursday 27 April—

(a) Standing Orders Nos. 83D to 83H and 83I(2), (3) and (6) (conclusion of proceedings etc) shall apply to proceedings to be taken in accordance with this Order, but with the omission of Standing Orders Nos. 83D(2)(c) and 83E(2)(c);

(b) no notice shall be required of any Motion made by a Minister of the Crown and any Motion made by a Minister of the Crown may be proceeded with, though opposed, after the moment of interruption and shall not be interrupted under any Standing Order relating to the sittings of the House;

(c) no Motion to alter the order in which proceedings on a Bill are taken, to recommit a Bill or to vary or supplement the provisions of this Order shall be made except by a Minister of the Crown.

(2) (a) A Motion referred to in paragraph (1) (c) may be considered forthwith without any Question being put; and any proceedings interrupted for that purpose shall be suspended accordingly.

(b) The Question on such a Motion shall be put forthwith; and any proceedings suspended under sub-paragraph (a) shall thereupon be resumed.

(3) (a) At today’s sitting and the sitting on Tuesday 25 April, Standing Order No. 41A (Deferred divisions) shall not apply, except to questions on Motions in the name of a Minister of the Crown to approve a statutory instrument.

(b) At the sittings on Wednesday 26 April and Thursday 27 April, Standing Order No.41A (Deferred divisions) shall not apply.

**MONDAY 24 APRIL**

Finance (No. 2) Bill

(4) The Finance (No. 2) Bill shall be committed to a Committee of the whole House.

Northern Ireland (Ministerial Appointments and Regional Rates) Bill

(5) Paragraphs (6) to (11) apply to proceedings on the Northern Ireland (Ministerial Appointments and Regional Rates) Bill.

(6) Notices of Amendments, new Clauses or new Schedules to be moved in Committee of the whole House may be accepted by the Clerks at the Table before the Bill has been read a second time.

(7) Proceedings on Second Reading and in Committee of the whole House, any proceedings on Consideration and proceedings up to and including Third Reading shall be taken at today’s sitting in accordance with paragraphs (8) to (11).

(8) Proceedings on Second Reading shall be brought to a conclusion (so far as not previously concluded) four hours after the commencement of proceedings on the Motion for this Order.

(9) When the Bill has been read a second time—

(a) it shall, despite Standing Order No. 63 (Committal of bills not subject to a programme order), stand committed to a Committee of the whole House without any Question being put;

(b) the House shall immediately resolve itself into a Committee of the whole House on the Bill.

(10) Proceedings in Committee of the whole House, any proceedings on Consideration and proceedings up to and including Third Reading shall be brought to a conclusion (so far as not previously concluded) six hours after the commencement of proceedings on the Motion for this Order.

(11) If the Bill is reported with amendments, the House shall proceed to consider the Bill as amended without any Question being put.

**Other business**

(12) At today’s sitting—

(a) any Lords Amendments or Lords Message in respect of any Bill may be considered forthwith without any Question being put (and any proceedings interrupted for that purpose shall be suspended accordingly);

(b) proceedings on any Lords Amendments or Lords Message in respect of any Bill shall be brought to a conclusion (unless already concluded) one hour after their commencement (and any proceedings suspended under sub-paragraph (a) shall thereupon be resumed).

**TUESDAY 25 APRIL**

Finance (No. 2) Bill

(13) Paragraph (14) applies to proceedings on the Finance (No. 2) Bill.

(14) At the sitting on Tuesday 25 April—

(a) the House shall resolve itself into a Committee of the whole House on the Bill without considering any notice of an instruction to the Committee;

(b) proceedings in Committee of the whole House shall be brought to a conclusion (unless already concluded) four hours after their commencement;

(c) any proceedings on Consideration and proceedings up to and including Third Reading shall be brought to a conclusion (unless already concluded) five hours after the commencement of proceedings in Committee of the whole House;

(d) if the Bill is reported with amendments, the House shall proceed to consider the Bill as amended without any Question being put.

(15) Paragraph (14) shall have effect notwithstanding the practice of the House as to the intervals between stages of a Bill brought in upon Ways and Means Resolutions.

**Other business**

(16) At the sitting on Tuesday 25 April—

(a) any Lords Amendments or Lords Message in respect of any Bill may be considered forthwith without any Question being put (and any proceedings interrupted for that purpose shall be suspended accordingly);

(b) proceedings on any Lords Amendments or Lords Message in respect of the Health Service Medical Supplies (Costs) Bill or any other Bill shall be brought to a conclusion (unless already concluded) one hour after their commencement (and any proceedings suspended under sub-paragraph (a) shall thereupon be resumed).

**WEDNESDAY 26 APRIL**

(17) At the sitting on Wednesday 26 April—

(a) any Lords Amendments or Lords Message in respect of any Bill may be considered forthwith without any Question being put (and any proceedings interrupted for that purpose shall be suspended accordingly);

(b) proceedings on consideration of Lords Amendments to the Digital Economy Bill shall be brought to a conclusion (unless already concluded) three hours after their commencement;

(c) proceedings on consideration of Lords Amendments to the Criminal Finances Bill shall be brought to a conclusion (unless already concluded) two hours after their commencement;
THURSDAY 27 APRIL

(18) On Thursday 27 April there shall be no sitting in Westminster Hall.

(19) At the sitting on Thursday 27 April—

(a) any Lords Amendments or Lords Message in respect of any Bill may be considered forthwith without any Question being put and any proceedings interrupted for that purpose shall be suspended accordingly;

(b) proceedings on any Lords Amendments or Lords Message in respect of any Bill shall be brought to a conclusion (unless already concluded) one hour after their commencement (and any proceedings suspended under sub-paragraph (a) shall thereupon be resumed).

GENERAL

(20) Standing Order No. 82 (Business Committee) shall not apply in relation to any proceedings to which this Order applies.

(21) In this Order, a reference to proceedings on or in respect of a Bill includes a reference to any of the following—

(a) proceedings on any Motion to alter the order in which proceedings on or in respect of a Bill are considered;

(b) proceedings on any Procedure Resolution, Money Resolution or Ways and Means Resolution in relation to proceedings on or in respect of a Bill;

(c) proceedings on any Motion under Standing Order No. 83M (Consent Motions for certified England only or England and Wales only provisions) or 83N (Reconsideration of bills so far as there is absence of consent) and a reference to a stage in proceedings on or in respect of a Bill includes any proceedings mentioned in sub-paragraphs (a) to (c) that are relevant to that stage.

(22) (a) The start of any emergency debate under Standing Order No. 24 (Emergency debates) to be held at today’s sitting, at the sitting on Tuesday 25 April or at the sitting on Wednesday 26 April shall be postponed until the conclusion of the proceedings at that sitting to which this Order applies.

(b) No debate shall be held in accordance with Standing Order No. 24 at the sitting on Thursday 27 April.

(23) (a) Any private business which has been deferred to a time appointed under Standing Order No. 20 (Time for taking private business) for consideration at today’s sitting or at the sitting on Tuesday 25 April, Wednesday 26 April or Thursday 27 April shall, instead of being considered as provided by Standing Orders or by any Order of the House, be postponed until the conclusion of proceedings at that sitting to which this Order applies.

Question put and agreed to.
Northern Ireland (Ministerial Appointments and Regional Rates) Bill

Second Reading

4.18 pm

The Secretary of State for Northern Ireland (James Brokenshire): I beg to move, That the Bill be now read a Second time.

Before I move forward with this business, I would like to pay tribute to those in the Police Service of Northern Ireland and in other emergency services who spent yesterday keeping people safe from a significant bomb placed by dissident republican terrorists next to a primary school in north Belfast. I am sickened by this incident, which has caused outrage in the community and far beyond. It is clear that the consequences could have been utterly devastating. Potentially to put children, the wider community and police officers in danger shows a wanton disregard for life. This shows these terrorists for who and what they really are, and is a potent reminder that they have nothing to offer.

Sammy Wilson (East Antrim) (DUP): Does the Secretary of State accept that the attempts this morning by the BBC to try somehow to justify what the terrorists did at the weekend on the basis that there had been no political progress shows the kind of banal reporting we get from the BBC? It is not worthy of a publicly funded body.

James Brokenshire: The hon. Gentleman makes his point in his own way. All I will say is that this was an appalling incident for which there was no justification whatsoever. I think the whole House would wish to pay tribute to the PSNI and all those agencies that do such an incredible job in seeking to provide security for Northern Ireland, for the risks that they often put themselves under as a consequence of that work and for the incredible contribution that they make.

Sir Jeffrey M. Donaldson (Lagan Valley) (DUP): Does the Secretary of State accept that the attempts this morning by the BBC to try somehow to justify what the terrorists did at the weekend on the basis that there had been no political progress shows the kind of banal reporting we get from the BBC? It is not worthy of a publicly funded body.

James Brokenshire: The hon. Gentleman makes a powerful and important point about the incredible job that the PSNI does, the contribution that it makes and what that often means for its officers. I have a huge amount of respect for their professionalism and the personal dedication that they bring. I am sure the whole House would wish to underline that message of support for the incredible job that they do.

Moving on to the Bill, I have updated the House twice on the political situation in Northern Ireland in recent weeks: in my oral statement on 28 March and in my written ministerial statement last week. On both occasions, I set out that I would seek to bring forward legislation with two aims in mind: to provide the legal basis for an Executive to form, and to set a regional rate to enable that important source of revenue to be collected. As we approach the final week of this Parliament, now is the right time to deal with both those matters, in order to provide greater certainty for the people of Northern Ireland and to provide the opportunity for the parties to come together to secure the resumption of devolved government.

The background leading up to the introduction of the Bill will be familiar to many in the House. The collapse of the previous Executive in January placed a duty on me to set a date for a further election. I did so in January, and the election itself was held on 2 March. Since then, the UK Government have been engaged in talks with the political parties and, as appropriate, the Irish Government, in accordance with the well-established three-stranded approach. The talks have had one clear purpose: to re-establish an inclusive, devolved Administration in line with the 1998 Belfast agreement and its successors. Progress was made on several fronts during that phase on the formation of an Executive, including the budget and programme for government.

There was progress on legacy, too. Constructive discussions took place with all the parties on the detail of the legacy institutions set out in the Stormont House agreement and on the need to reform legacy inquests. Although no one will underestimate the challenge of addressing the legacy of the past, the proposals are now sufficiently developed that the next step should be to publish them for consultation. That way, we can listen to the views of victims and survivors and all those who will be most affected by the proposed new institutions.

Despite the progress that was made, there remains a defined number of outstanding issues on which there is a lack of agreement between the parties, and it was clear that a period of reflection was necessary to give the impetus for the discussions to conclude positively. It was with that in mind that the talks were paused over Easter. Since then, meetings have continued between the parties. The restoration of devolved government remains achievable, and it remains the absolute priority. It will, though, require more time and more focused engagement by the parties on the critical issues that remain, building on the discussions over the past seven weeks. The Bill would provide the space, and the opportunity, for the parties to do just that. We will remove the current legal barriers so that the Assembly can meet and an Executive can be formed at any point from Royal Assent to 29 June—three weeks after the general election.

We recognise that there will be focus on the general election, which is why the Bill provides parties with the scope and space to continue discussions to resolve their outstanding issues, while providing a period of reflection for the new Government if a deal still does not prove possible. That said, it remains highly desirable for the parties to continue to work to make progress quickly for the reasons that I have set out, and this Bill does not preclude the formation of an Executive sooner if the parties wish that to happen. That is an important point. In passing this Bill, we make it clear that the responsibility now lies with the parties to come together and make progress, and as I have indicated, I strongly believe that that can still happen. We have removed the legal barrier to progress, enabling an Executive to form without the need for a further Assembly election. If the parties have the will to make progress between now and the end of June, the platform is in place for them to do just that. In the meantime, we should not lose sight of the benefits...
that an agreement would have for the people of Northern Ireland. I am sure that that will be the hope of those voters who gave the parties a mandate on 2 March.

I pay tribute to the Opposition for their constructive and positive engagement in the process leading up to the introduction of this Bill. I pay particular tribute to the hon. Member for Blaydon (Mr Anderson) who may be making his final appearance at the Dispatch Box as shadow Secretary of State for Northern Ireland. Despite our broader political differences, I thank him for the overall support that he and his party have given me since I became Secretary of State in July. Northern Ireland undoubtedly benefits from the broadly bipartisan approach that we take in this House and, whatever the result of the general election, I hope that that will always continue. I wish him all the very, very best for the future. I know that his presence will be missed by many across this House who will wish him well in whatever new opportunities and new challenges he takes forward.

Moving to the substance of the Bill, clause 1 would remove the present legal barrier to an Executive being able to form to implement any deal that has been reached. It would retrospectively reset the 14-day clock in the Northern Ireland Act 1998, which expired on 27 March, with a 108-day period, removing the present duty on me to set a date for an election, with it arising again at 4 pm on 29 June if an Executive have not been formed by that point. This will provide the space for an Executive to form, and makes it clear that the responsibility for progress lies with the parties—indeed that duty to form an Executive and appoint Ministers in that process. As necessary, it would provide a period for further talks in the new Parliament, allowing all sides to take stock and move forward if a deal is not already in place. It would also mean that, if a deal is not struck, there is a period for the new Government properly to consider the way forward. That is important. In the absence of a deal, significant decisions will need to be made in the new Parliament to provide political stability in Northern Ireland. However, it will be for the parties to seize the opportunity, whether in the coming weeks or soon after, to deliver the Executive that they have so clearly a mandate to secure.

I have mentioned the two acute issues of financial uncertainty caused by the lack of an Executive. The first is the absence of a 2017-18 regional rate, which represents more than 5% of the total revenue available to the Northern Ireland Executive. Normally, this would have been set by the Department of Finance earlier this year, via an affirmative rates order in the Assembly. That would have enabled bills to be issued in 10 instalments, giving certainty to ratepayers and allowing various payment reliefs to be applied. However, time has nearly run out for that course. If no rate is set in the next few days, there will be fewer bills in higher instalments, and the longer it takes to set a rate, the worse that situation will become. The only outcome would be bad debt, lost revenue, uncertainty and hardship.

Although we are clear that this is a devolved matter, we are also clear that only the UK Government can take action to secure the interests of individuals, businesses and indeed the Executive. Clause 2 would address the issue by setting a 2017-18 regional rate in Northern Ireland. It does so by setting “pence per pound” rates for both domestic and non-domestic properties. These rates represent a 1.6% inflationary increase, the same approach as was taken by the Executive in setting a rate the year before. As we make clear in subsections (4) and (5), it would not cut across the continuing right of the Executive to set a rate by order in the usual way, so this would be the most limited step available to us, taken at a point beyond which we cannot delay.

David Simpson (Upper Bann) (DUP): The Secretary of State is outlining very well the business that this House may have to do and the business that he has to do today. But does he accept that we would not be in this place were it not for the arrogance of Sinn Féin, who walked away from the Executive and left Northern Ireland in the predicament we are in today?

James Brokenshire: What I can say to the hon. Gentleman is that in the recent election a clear mandate was set for the resumption of an inclusive devolved Government in Northern Ireland, and the focus needs to lie on that, on getting the Executive back into position and on dealing with the differences between the parties in Northern Ireland. We should all feel a responsibility for seeing an Executive back in position, working to serve the best interests and needs of the people of Northern Ireland. Ultimately, that is where our absolute and resolute attention should lie.

For completeness, although it is not covered in the Bill, I should say that the second financial matter is the lack of a 2017-18 budget. Its absence has meant that since the beginning of this month civil servants alone have been in charge of allocating cash, which is clearly not an acceptable solution for the longer term. Before Easter, therefore, I made it clear that I would provide further assurance in that regard if an Executive were not in place, consistent with the UK Government’s ultimate responsibility for political stability in Northern Ireland, so I wish to take this opportunity to provide further clarity to people, businesses and public services in Northern Ireland.

We very much hope, as I have said, that we will see an Executive up and running as soon as possible, but if that does not prove possible, I want to put on record that this Government would be prepared, as a last resort, to pass an Appropriation Act in the next session to provide legislative authority for the expenditure of Northern Ireland Departments. That is not a step that any Government would take lightly, but this House must not forget the duties we must uphold for the people of Northern Ireland.

Sammy Wilson: The Secretary of State has identified a very important issue—the lack of a budget—but does he accept that even with the assurances he has given to the House today there are still tens of thousands of people in the voluntary and community sector who depend on money from Government Departments of which they cannot be assured at this stage, that their jobs are therefore in jeopardy and that they face uncertainty? The longer he leaves this decision, the more he leaves people in that sector of the economy in a vulnerable position.

James Brokenshire: The hon. Gentleman makes an important point about the voluntary and community sector in Northern Ireland. I have very much had that
sector at the front of my mind in publishing my written ministerial statement and in saying what I have this afternoon, knowing that some people have been put on protected notice and about the impact of uncertainty on whether payments will be continued beyond the current window. I know the civil service and Departments have already given assurances on funding for three months, but what further assurance can be given? By providing comfort to permanent secretaries through my written ministerial statement, I am advised that Departments will be able to extend current letters of comfort to give greater support and flexibility for the voluntary and community sector.

The broader point made by the hon. Member for East Antrim (Sammy Wilson) about the need for greater certainty and for a budget to be put in place is absolutely right. This is not a situation that can continue for much longer, which is why I have said what I have about the preparedness of this Government, if re-elected, to make steps to seek an Appropriation Bill should that prove necessary. As I have indicated, I earnestly hope that that will not prove necessary and that an Executive can and will be formed to make those decisions. In no way does the statement that I have made today cut across an Executive’s ability to take up position and set a budget in due course.

Danny Kinahan (South Antrim) (UUP): Flexibility is a key point in running the budget. Civil servants run their departments well with their budget, but those little bits of flexibility matter when we as politicians are asked to help people. How does the Secretary of State envisage that working if we do not have a functioning Assembly? Will there be some mechanism so that people on the ground who have lost money or cannot do something are listened to?

James Brokenshire: The clearest way is for an Executive to be formed. That is the most direct way for assurances to be given and direction to be provided. The lack of political direction at the moment underpins the need for an Executive and political decision making in Northern Ireland at the earliest opportunity. As I have indicated to the House this afternoon, the UK Government are prepared to take action should that be necessary. Our sense of responsibility as the UK Government is to provide the necessary political stability and assurance for the people of Northern Ireland.

Ian Paisley (North Antrim) (DUP): To be absolutely clear, is the Secretary of State stating to the House from the Dispatch Box that the choice is clear: it is devolution or direct rule? By putting in place the points that he has made about appropriations, the ground is being laid for direct rule if that is required.

James Brokenshire: I do not want in any way to prejudge the outcome of the coming weeks. I earnestly hope, believe and want to see devolved government re-established in Northern Ireland. That is profoundly in the best interests of Northern Ireland, so that there is local decision making. There should be a strong message across the House of wanting to put that in position at the earliest opportunity. I have been careful in what I have said in laying out the position on the budget, and I have given assurances to allow flexibility for the Northern Ireland civil service to use residual emergency powers to deal with the pressures that it is experiencing and to ensure that public services continue to be run.

I have published a written ministerial statement that sets out indicative departmental allocations which reflect the budget priorities and decisions of the last Executive. They provide a basis for allocations in the absence of an Executive. It is important to make the point that those numbers are not UK Government numbers, but reflect the advice of the head of the Northern Ireland civil service and his assessment of a position that takes account of the priorities of the political parties before the Dissolution of the Assembly, as well as further allocations that he considers are required. They are intended to give clarity to Northern Ireland Departments about the basis on which they may wish to plan and prepare for more detailed decisions, and to discharge their responsibilities in the meantime.

We should, however, make it clear that those totals would not constrain the freedom of an incoming Executive to amend spending allocations, nor would it prevent the UK Government from reflecting on the final allocations in the light of circumstances at the appropriate time. I underline the position set out in the Bill. If agreement is not reached by 29 June, the electoral duty would essentially return to the Secretary of State, who would call an election in a reasonable period. Any incoming Government would need to reflect carefully on the stability of Northern Ireland and, as I have said, the need to deal with certain financial issues. We need to be resolutely focused on the need to get an Executive into position. That is precisely what the Bill allows for.

Bob Stewart (Beckenham) (Con): I thank my right hon. Friend for his statement, but has he seen the slightest indication from Sinn Féin in the detailed and long negotiations that he has no doubt had so far, that they might consider being part of an Executive?

James Brokenshire: Yes, I have. That is why I believe that agreement is possible. The discussions that have taken place over recent weeks have shown where the space for agreement and compromise may lie. It is important that the Bill provides that space and opportunity for the parties to be able to find resolution of the outstanding issues and get back into devolved government, which is what the people of Northern Ireland voted for.

To go back to the budget, that budget does not allocate the resource and capital funding provided in the Chancellor’s March Budget. This funding was not allocated before the dissolution of the last Executive, and it is right that funding is available for parties to allocate to further priorities as they deem appropriate. Further detail on the spending plans will need to be provided through the Appropriation Act. My hope and belief is that the Act will be taken through the Northern Ireland Assembly, but that obviously relies on the Executive being formed. As I have indicated, that is where the focus should lie. If not, as I have said, we would be prepared to legislate to provide certainty, in line with our ultimate responsibility for political stability and good governance in Northern Ireland.

Mark Durkan (Foyle) (SDLP): Will the Secretary of State clarify whether, in his mind, such legislation in that context would amount to direct rule in the sense
that we have always know it, or would it be some form of downloadable legislative cover for administrative governance when it comes to further budget setting?

James Brokenshire: Again, I would not want to prejudge what the situation might be. That will be for an incoming Government. My point remains that that does not need to be the outcome. The outcome we want is for an Executive to be formed and a devolved Government to be in place, making decisions in Northern Ireland for the people of Northern Ireland. That is why I make these point about what the Bill provides and how it gives the space to allow that to happen. That must be the focus of us all in the time ahead.

By passing this Bill, we can provide the scope and space for a deal to be done by the parties. I will be working intensively with the parties to secure that outcome in the weeks ahead. Northern Ireland needs the restoration of an inclusive devolved Government working in Northern Ireland’s best interests. That is what the people of Northern Ireland voted for. It is what will deliver the public services that people rely upon, and it is what businesses, community groups and individuals across Northern Ireland want. The Bill will secure a framework within which that can be delivered. I commend it to the House.

4.43 pm

Mr David Anderson (Blaydon) (Lab): I thank my comrade, my hon. Friend the Member for Blaenau Gwent (Nick Smith), for being here.

I totally agree with the Secretary of State’s opening words about what happened yesterday in Northern Ireland. This is clearly not where we need to be, and that is the main reason why we need to get resolution, and to get the Executive back up and running again. I also thank him for the kind words he said about me and the role that I have tried to play in this House. I congratulate him on the work that he has done and shared with me over difficult times to try to find a way forward.

I never wanted this debate to take place or to participate in it. The reality is that this is combined political failure on the part of all politicians right across these islands. The failure to constantly shape the crucial progress of confidence and trust has led to the sad situation facing us today. Not many years ago, the world looked on with a mixture of amazement and admiration when people and politicians put to one side centuries of animosity and hatred to build a new future for the people they served. Today we risk losing that vision.

As this Bill comes before the House, I am mindful of the issues that have caused the current impasse. Northern Ireland has seen drastic changes over the past few decades and difficult challenges have been overcome. The current challenges should not, by any means, be insurmountable—these are clearly less serious matters than those that faced us in 1998 or 2007—but the repercussions of failure are equally serious and dangerous. With good will on all sides, agreement could be reached, but people will have to compromise.

There are a number of areas that I wish to highlight. The first, which is one of the sticking points that has been raised, is equalities. The hon. Member for Beckenham (Bob Stewart) mentioned the intransigence of Sinn Féin, and none of us is surprised that it is acting in an intransigent manner. What has surprised me about the position in which we find ourselves is the strength of feelings about the break-up of the Executive right across the nationalist community—it is not just one political party that has real concerns.

One of these serious concerns is about the failure to move on equality legislation. The Democratic Unionist party is proudly a party of Unionism, yet it seeks to limit the equality rights of people in Northern Ireland—access to abortion, and the rights of members of the lesbian, gay, bisexual and transgender community. Those rights are seen in every other part of the United Kingdom, so why does it oppose their extension throughout our United Kingdom? Why should two people who love each other not be able to show that in a formal marriage ceremony in Northern Ireland as they can in Great Britain? Why should a woman in Northern Ireland not have the right to choose what she does with her own body? Surely those ideas of equality and fairness are as core to those people’s identities as they are to the identity of myself and every other person living on these islands.

Another sticking point—again, we are hoping to see progress on this—is the Irish language. This is another example of how rights that are enjoyed by people across Great Britain are not available in Northern Ireland. In Wales and Scotland, legislation provides protections for the respective indigenous languages. Even in Cornwall there is a council-backed Cornish language strategy. Why do some in the Unionist community want to deprive many in Northern Ireland of the same advantages?

Sammy Wilson: Before the shadow spokesman pontificates on these issues, he should at least try to get his facts right. In Northern Ireland, £171 million has already been spent on giving those in the Irish language community the ability to have their own schools—some schools have opened with fewer than 14 children—to have street names written in the Irish language and to have departmental letter headings in the Irish language, as well as to address a whole range of other issues. If the hon. Gentleman is going to pontificate about the promotion of the Irish language, he should at least get his facts right.

Mr Anderson: I am more than happy to leave it to others to pontificate—they have had much more practice of that than me. The point I am making is that there is a difference in the protections in Northern Ireland, and protection is what the nationalist community has asked for. There is not the same legislative basis as in Wales and Scotland, and that is one thing that politicians in Northern Ireland could put right tomorrow. They could have put it right in the last 10 years, and they could have put it right after the talks broke down in January, but they have so far chosen not to.

Sir Jeffrey M. Donaldson: The shadow Secretary of State is going through a list of Sinn Féin demands, but I just wish he would come and talk to DUP Members from time to time, because we have issues. One of those is the armed forces covenant, which is implemented in full in every part of the United Kingdom except for Northern Ireland. Will he now join us in demanding that Sinn Féin honours the obligation to fully implement the armed forces covenant in Northern Ireland?
Mr Anderson: The right hon. Gentleman, for whom I have a lot of respect, says that I am promoting what Sinn Féin is saying. I have been very clear about the issues that have led to the impasse—they are not just Sinn Féin issues. I am raising these issues for this House, and for the people outside in the rest of Great Britain who might not have the inside knowledge that he has, to try to identify where the problems are and to point out that people can negotiate their way out of things if they want to.

On talking to the right hon. Gentleman’s party, I met his leader last week to discuss these very issues. I am very pleased that she is prepared to have discussions across the board. We are trying, as we always have, to work in a non-partisan way.

On the armed forces covenant, I am pleased that the Chairman of the Northern Ireland Committee, the hon. Member for Tewkesbury (Mr Robertson), is in the Chamber. We worked together on the covenant. We agreed a report that called on all parties to do the right thing by the people who have served our country, so I do not need to take any lectures from the right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson) on the armed forces covenant.

I welcome the discussions that the parties have been having. I believe that we can reach an agreement that is not only beneficial to the Irish language community, but—this point has been raised with me by the right hon. Gentleman’s leader in Northern Ireland—that gets more support and respect for the needs and heritage of the Ulster Scots community. I believe that that could be negotiated if people were serious about trying to find a way forward. I understand why some of the parties in Northern Ireland are against legislating on this: it is another relatively small step in the right direction that could be made today to try to resolve the outstanding issues.

Ian Paisley: Does the hon. Gentleman honestly believe in his heart that any of the things that he has read out today have led to the breakdown of the Assembly? If so, he is really saying that he does not believe in devolution, and that no region of the United Kingdom should have its differences recognised, which devolution allows for; because everything should just be the same across the United Kingdom.

Mr Anderson: As somebody who has been a passionate supporter of devolution for many years, I do not accept that criticism.

We have a situation that is at breaking point, and we need to find a way forward. Before I came to this House, I spent all my life in negotiating situations and conflict resolution as a trade union representative. It should be possible to resolve the situation, but that will not happen as long as people are saying that they are not prepared to move on this, that or the other. I am talking about people on both sides, as I shall set out later in my speech. Unless people are prepared to move, the reality is that this House will probably have to take back direct control in Northern Ireland, which would be in nobody’s interests. It would not be in the interests of devolution or of people governing themselves.

I want to move on to the legacy situation. Clearly one of the biggest issues facing all of us—this has been the case for many years—is how we deal with Northern Ireland’s tragic past. The truth is that we have all collectively failed the victims of the troubles, and their ongoing suffering is only compounded by our lack of action. Regardless of the background, or whether they served in uniform, we are depriving them and their families of the truth and the closure that many of them want. The truth, regardless of how hard it is, must be heard.

During my many visits to Northern Ireland, I have heard details of many cases from families who lost loved ones, but one in particular has stayed with me: the case of Samuel Devenney. When I met his family last year, I was informed by them of the details surrounding his death in 1969. I would like the House to bear in mind that date—it is almost 50 years ago. That family have never had access to all the relevant files, which are now held by the Metropolitan police. They were due to be released into the national archives but, yet again, they have been reclassified and are being retained by the police service until at least 2022. That cannot be anything other than a travesty.

I ask Members to think about 1969—it was a very different world. I was a 15-year-old boy starting work as a coalminer. England had won the world cup a few years earlier. We had not joined the Common Market. I thought that would get a cheer. We were two years away from decimalisation—perhaps that will be the subject of the next campaign. The Beatles were still friends. Brian Jones was still in the Rolling Stones, and Jimi Hendrix, Janis Joplin and Jim Morrison were still alive and making great music. Yes, Labour was indeed in office, and doing great things.

At that time, however, on 19 April 1969, Mr Devenney died at the hands of Royal Ulster Constabulary officers, who were never prosecuted due to a lack of evidence. Mr Devenney was seen as one of the first victims of the troubles and still today his family are pleading for justice. This is just one of the many cases in Northern Ireland. The lack of progress made by countless Governments—Labour and Conservative—shows a dereliction of duty from us here in Westminster. I am not making a special case for Mr Devenney, other than to point out how long his family have gone without closure. That is completely and utterly unacceptable.

Tom Tugendhat (Tonbridge and Malling) (Con): The hon. Gentleman is making a powerful speech about, it seems, every sin that has ever been committed by every person in Northern Ireland. As this Parliament comes to a close and there is a clear financial imperative for the Northern Ireland Government to be able to continue throughout our election period, when the Secretary of State and the UK Government will be somewhat constrained, and certainly during the Northern Ireland Assembly’s Dissolution, does the hon. Gentleman accept that it would be more helpful if he made a positive contribution about how he can assist the Secretary of State, who has made a statesmanlike speech about bringing people together, rather than a divisive one, which is more in keeping with the leadership of the hon. Gentleman’s party than his own spirit?

Mr Anderson: Perhaps my accent means that the hon. Gentleman is not getting what I am saying. I am talking about the realities on the ground. It is right and proper
that this House hears what the obstacles are. The Secretary of State and I have talked about them ad infinitum over the past few months. We have tried to play our part in resolving those issues. We try to give people confidence that although there are issues, they are not huge. This is not about people being let out of jail, as they were 20 years ago, on-the-runs or people being pardoned. They are relatively small issues, but they are genuine. If we cannot resolve the issues of equality and legacy, what are we here for?

The hon. Gentleman referred to the Northern Ireland Government, but I remind him that the Assembly is not even sitting. I am very clear that we will, without doubt, offer support. I have also had discussions with the head of the civil service and I am determined that it will be allowed to have the powers that it will need to carry on supporting public services in Northern Ireland. I am a huge supporter of that, which is one of the reasons why I am involved in this work.

Sir Hugo Swire (East Devon) (Con): Given that we are trying to achieve consensus and talk about the issues seriously, the hon. Gentleman will no doubt wish to balance the examples he cites from one side with an acknowledgement that there are still many families in Northern Ireland who have never had a proper inquiry into—or, indeed, an explanation from Sinn Féin or the IRA about—what happened to their loved ones. It is only fair that he should reflect on that and perhaps say something about it.

Mr Anderson: If I had not been so generous in accepting interventions—I have been happy to do so—I would have come on to that point. I did point out that I raised that gentleman’s case only because of how long ago it happened. We, as genuine, reasonable human beings—forget our status as politicians and our party affiliations—should be able to resolve matters and say that it is not right that, 48 years after something happened, families have not had the chance to see a report on the reason behind it.

Lady Hermon (North Down) (Ind): I am grateful to the hon. Gentleman for giving way. I am sorry that I was not here for the start of the debate, but I was here in time to hear the hon. Gentleman’s remarks about Mr Devenney and the Royal Ulster Constabulary. My late husband was very proud indeed of the extraordinary men and women who served with extraordinary courage and made an extraordinary sacrifice—302 RUC officers were murdered. Would the hon. Gentleman like to put on the record his thanks, gratitude and admiration for the RUC and the service it gave during the troubles in Northern Ireland?

Mr Anderson: I will do that, as I fully intended to do in my speech. I think the hon. Lady will confirm that I did point out that I did not wish to refer to the specific case of Mr Devenney, which is why I brought it up. I will do that, as I fully intended to do in my speech. The reason is that I believe that the IRA-Sinn Féin have refused to co-operate in providing the information that would enable those responsible to come on to that point. I did point out that I raised that gentleman’s case only because of how long ago it happened. We, as genuine, reasonable human beings—forget our status as politicians and our party affiliations—should be able to resolve matters and say that it is not right that, 48 years after something happened, families have not had the chance to see a report on the reason behind it.

James Heappey (Wells) (Con): The shadow Secretary of State mentions the contribution of our armed forces in Northern Ireland. As a former soldier, I wonder whether he will confirm that he believes, as I do, that the British Army should not be subject to further investigation over its actions during the troubles. Will he also confirm that the loyalties of the Labour party, under its current leadership, lie firmly with the British Army, not with the IRA?

Mr Anderson: I am sorry, but I cannot agree that people in uniform who acted incorrectly should not be brought to book. What signal would we be sending out if we let that happen—that it is all right to act out of order? We expect the highest standards from our great people in uniform. In response to the hon. Gentleman’s comments about the leadership of the Labour party, it is clear that the party is committed to our armed forces and not to any terrorist organisation.

Sammy Wilson: Would the shadow Secretary of State accept, however—I think this is the point that the hon. Member for Wells (James Heappey) was trying to make—that not every incident in which the police or the armed forces were involved that included a killing should be treated as though it were a murder? This inequality causes the anger that we have seen in so many families. There is no doubt that every killing by terrorists was a murder—it was illegal—but many of the incidents in which soldiers and policemen were involved were in protection of life and property. Therefore, they should not be treated by the authorities, as they are at present, as though they involved something illegal.

Mr Anderson: The hon. Gentleman and I have worked together on these issues, and he knows my view that it is obvious that the vast majority of the things done by our forces were not murder. But the process of investigation has fallen apart, and we need to put it back together.
Ian Paisley: Before the hon. Gentleman moves off the legacy issue, may I challenge him, because he has spent some time detailing a legacy case, to detail any other case that involves listing a Unionist grievance? That would balance the books in the way that the right hon. Member for East Devon (Sir Hugo Swire) suggested. Does the hon. Gentleman know of any Unionist grievances?

Mr Anderson: I do, but I am not prepared to detail such cases today, because I prepared that one, and as I said at the beginning—[Interruption.] If the hon. Gentleman will allow me to speak, I will tell him exactly why. I used that case because it was so long ago. He probably was not listening—he usually listens, but perhaps he was not doing so—but I made it very clear that I make no differentiation between victims. Whoever they were, however they died or however they were injured, they all deserve the right to have a system in place that enables a trial to be won. That is what the politicians in Northern Ireland are failing to do: they have failed to have a system that works properly. We have to build genuine openness, as well as confidence and trust, because if we do not, people will never be able to move this country forward.

Another issue that I want to raise—I am moving on from the legacy issue—is the abuse of the petition of concern, about which discussions with the political parties have taken place during the past few months. That process was put in place in the original agreements to allow a space for remedying issues, including the abuse of power, raised by one community against another. It was to make sure that that such things could not happen in the institutions, but it is now being used as a cover-up for wrongdoing by Governments and other agents of the state. I include in that my former colleagues in Labour Governments as well as the Secretary of State’s colleagues in former Conservative Governments.

Mr Laurence Robertson (Tewkesbury) (Con): I agree with the hon. Gentleman about that particular point, but a year ago—I do not know whether he was at this meeting—I made that very point to the then First Minister, Peter Robinson, and the late Martin McGuinness, and they both defended the petition of concern process and said that it worked well for each side. I entirely agree with the hon. Gentleman, but that is what we tend to come up against.

Mr Anderson: I have no doubt that people who may want to use the process for the purpose I have described—as a veto, rather than as a genuine way of resolving problems—would say that. Of course they would. However, I am relating to the House the things I am being told as part and parcel of my trying, in my little way, to say that we should find a way to get the Executive up and running again. That is what this is all about; it is not about scoring points, or making points about what happened 40 years ago. I am relating the issues that people are telling me are the reasons why they cannot sit down with each other, and I am saying that any reasonable human being should be trying to find a way through this.

Another issue that I want to address—the renewable heat incentive—is again one on which a reasonable position could be reached. We were all told it was the straw that broke the camel’s back. The Government should work with the parties there, saying that we should get the inquiry going, and when its report comes out, we will work to make sure that any funding shortfall is not laid directly at the feet of the people of Northern Ireland, unless that is done in a way that can be managed over a period of time. That is very important if we are not to end up losing funding for vital public services while this matter is cleared up.

We need the parties to begin to trust each other and to move away from entrenched positions. I say clearly to Sinn Féin from the Opposition Dispatch Box that it should drop its demand for the leader of the DUP to stand aside while the inquiry is going on. It should seek assurances from her—I believe she has given such assurances—that she will co-operate fully with the inquiry, accept its outcomes and will not hinder its progress in any way. That would be a huge step in the direction of rebuilding the trust and confidence that have allowed sworn enemies to govern in Northern Ireland during previous years.

I hope that Members will take what I have said today in the spirit in which it is meant. I have laid before the House the issues that people are telling me are the reasons why the system has fallen apart. Some may be cynical and say that those are not the reasons—we will no doubt hear that over the next few hours—but I am reporting back to the House what I am being told about what we should do to move forward.

I am sad to be in the situation of having a general election. Sadly, the Government’s failure to recognise the impact of that on reaching a resolution in Northern Ireland is symptomatic of the approach they have taken during the past seven years. The lack of direct, meaningful engagement by both the present and the previous Prime Ministers has done nothing but show the people of Northern Ireland that they are little more than an afterthought in this Government’s mind. It is no way to act in a situation that is still one of conflict resolution. The “job done” attitude just does not work.

I welcome the Bill, because it provides more time for the parties to engage in discussions about the formation of an Executive. With a general election looming, it is apparent that the Government did not think of the effect it would have on Northern Ireland. Thankfully, the Bill does not represent direct rule, which it may well have done, so I am pleased that it is outside the way, at least in the short term at least. It sets a regional rate, which is necessary to fund vital public services in Northern Ireland, and fills the gap in the short term.
I call on all parties to do what the Secretary of State said: when the Bill receives Royal Assent, hopefully on Thursday, they should sit down on Friday and start working it out, and look at the reality of what they are saying they cannot resolve. I suggest that every one of the points I have laid out today can be resolved if people want to do so. If they do not, we will be back here—well, I won’t be, but others will—in a few weeks’ time with things possibly in even worse shape. Sadly, I believe that what we saw yesterday in Northern Ireland may well be repeated, as a way of people saying, “We’ve tried for 20 years to work together. It isn’t working and it’s never going to work. The only way is to go back to where we were.” None of us should want that and none of us who has any say in this should let anything get in the way of stopping it happening.

Ian Paisley: On a point of order, Madam Deputy Speaker. The shadow Secretary of State indicated in his speech that he was going to list a number of grievances and a number of issues in relation to legacy. Can you confirm for us what time we have left for this debate? The shadow Secretary believed he was running out of time, but he has sufficient time to make those lists available to the House.

Madam Deputy Speaker (Mrs Eleanor Laing): I thank the hon. Gentleman for that point of order. I can answer part of it. I would expect the Second Reading debate to last until 8.16 pm, so there is plenty of time. As to the content of the valedictory speech made by the hon. Member for Blaydon (Mr Anderson) from the Dispatch Box, that is not a matter for me but entirely a matter for the hon. Gentleman. I am sure that if he has something further to add to what he has already said, he will find an opportunity in the next three hours to say it. Later today, after Second Reading, we will hopefully have the Third Reading debate, when I would expect to hear more speeches from both sides of the House.

5.12 pm

Mr Laurence Robertson (Tewkesbury) (Con): I join the Secretary of State in his condemnation of the actions taken yesterday, which were another attempt to kill innocent men, women and children. That is totally unacceptable in any part of the world. For it to continue in the United Kingdom is abhorrent to all right-thinking people. I congratulate the Secretary of State on the work he has done over the past few weeks, which to him probably seems like months. He has done his utmost to bring the parties in Northern Ireland together to get the institutions up and running again. I thank him for keeping in touch with me, as Chairman of the Select Committee. That has been very useful, so I thank him. I wish him well in his future discussions.

I pay tribute to the hon. Member for Blaydon (Mr Anderson) for his performance over many, many years in this House. He has worked here for many years and I was very sorry to hear that he will not be seeking re-election to Parliament. He was a long-standing, very active and extremely good member of the Select Committee for many years before he took up his present position. I can confirm that he is a tough negotiator, but he is a fair man and it was a great pleasure to work with him. I wish him well for the future.

It is unfortunate that we have to be here yet again to discuss these matters and it is unfortunate that the rates have to be set from this place. It is not entirely democratic and it is not in any way satisfactory that, following an election with a high turnout of voters, we end up taking decisions here in this place that should rightly be taken in Northern Ireland. Unfortunately, it is worse than that, because that is just a microcosm of a bigger situation. I know that many individuals and businesses in Northern Ireland see the breaking down of the institutions as a distraction from what they want to do. Only last week, I had a meeting with representatives of a business that wants to expand and bring potentially hundreds of jobs to Northern Ireland. They do not know where they are. They do not know what the position is. They do not know how the planning process will work, because it is a large application. They really do regret the present situation. It is not one in which any of us want to find ourselves, but here we are again.

I am glad that the Secretary of State outlined the options. He did not actually use the words “direct rule”, but that is obviously what we will be sliding towards if no agreement can be secured and we cannot get the institutions up and running in Northern Ireland. I do not want that to happen. What I do want to happen is, for instance, the addressing of the concerns that that company raised with me last week. I want the company to be able to create those jobs in Northern Ireland without the distraction of election upon election upon选举, and the making of decisions in a piecemeal way. That is not what people of that kind want.

I was in Northern Ireland a couple of weeks ago on a social visit, speaking to friends there. They are Catholics, which is an important factor because of what I am about to say. They said to me, “For goodness’ sake, Laurence, get on with it and bring back direct rule, because that is only way we will see any decisions made.” They do not particularly want direct rule—most people probably do not want it—but if it comes to a choice between chaos and direct rule, people will go for direct rule. They will have to.

It is unfortunate that we have reached such a position, but let me say to those who are likely to bring about that situation—and they are not, I believe, those who are in the Chamber today, but those who refuse to take their seats in the Chamber—that it would be rather paradoxical and strange that the one party that says that it does not want rule from this place should be the party that will bring it about. How odd will that be?

If those people are listening, let me inform them of what direct rule really means. I was a shadow Minister when we had direct rule in previous Parliaments, and it does not mean that everything is decided in the Chamber. It does not work like that. There are Committees upstairs with 20 or so members—hand-picked by the Whips: let us be honest about that. Very few of those members would be from Northern Ireland, because of the mathematics involved. Important matters are decided in those Committees. That is the reality of direct rule. I would ask those who are getting in the way of the institutions’ being set up again, “Is that how you want Northern Ireland to be governed?”

Sammy Wilson: Does the hon. Gentleman accept that members of Sinn Féin have form on this issue, and that—this may have some resonance in the current
circumstances—when they want to dodge hard decisions, they are quite happy, despite their “Brits out” rhetoric, to hand powers back to Westminster so that it can make those hard decisions, as they did in the case of welfare reform about a year and a half ago?

Mr Robertson: That is a very good point. I genuinely do not know what their logic is. As I have said, theirs is the party that shouts the loudest about its opposition to British rule, as they call it, yet theirs seems to me to be the party that will shortly bring it about. As I have also said, I do not want us to go down that road, and there is still time to avoid it.

That takes me to my next point, which is about power-sharing. I think that those on all sides, if they sign up to power-sharing, must accept what that means. It means working with people whom you do not necessarily like. It means working with people with whom you do not necessarily want to work. It means compromising on certain policies. You do not always get the exact policy that you want. Come to think of it, I suppose that every political party is like that. We all have discussions within political parties; we all have disagreements on policy within political parties. We all have to work within political parties with people with whom, perhaps, we do not want to work. That is the reality of politics. In fact, that is the reality of many jobs. People who work in companies have to work with people whom they do not like. They have to work on policies which are set by management and with which they may not agree. That is the nature of work. If people are not prepared to accept compromises—if they are going to run away every time there is a difference of opinion, and take the ball home, and bring the institutions down—the system simply will not work. I think that all parties—I am not talking about just one party—must accept that.

Dr Alasdair McDonnell (Belfast South) (SDLP): I am not here to represent Sinn Féin, and I do not think I will ever want to be, but is the hon. Gentleman seriously suggesting that all of us should have turned a blind eye to the crisis over the renewable heat initiative and done nothing? To my mind, he ignores the fact that this crisis was triggered by a serious issue of confidence that was set by management and with which they may not agree. That is the nature of work. If people are not prepared to accept compromises—if they are going to run away every time there is a difference of opinion, and take the ball home, and bring the institutions down—the system simply will not work. I think that all parties—I am not talking about just one party—must accept that.

Mr Robertson: It is a pleasure to work with the hon. Gentleman on the Select Committee as well, and he brings a great deal of calm and common sense to it. I fully understand what he says, and I am not saying that that should be brushed under the carpet, but I do not see why an inquiry could not have been carried out with the then First Minister still in place. To risk bringing all the institutions down is—an issue, to be honest—not worth it. I think this is a big issue; it is worth half a billion pounds over 20 years, but I do not think it is a big enough issue to bring the institutions down.

Sir Jeffrey M. Donaldson: I commend the hon. Gentleman on all he has done as Chairman of the Northern Ireland Affairs Committee. Does he agree that at times we see double standards operating in Northern Ireland? In the constituency of Belfast South, we had a most brutal murder in a pub of a young man by members of the IRA, and as a result my party and others questioned Sinn Féin’s fitness for government and confidence in that fitness, yet the SDLP did nothing, absolutely nothing, to challenge Sinn Féin on that issue and its fitness for government. Are there not double standards operating here? Is one murder not worth more than the RHI scandal?

Mr Robertson: The right hon. Gentleman raises an important point, and it goes back to the point I was trying to make earlier: we either accept that we have to work with people we do not like and do not want to work with, or we do not, and if we do not accept that, there is no power sharing. It is as simple as that.

I am afraid it is a very good point that parties on both sides have had to work with people they do not want to work with. There are accusations about certain Members of the Assembly, and if they were in this place and we had to work very closely with them, maybe we would not like that either, but it has had to happen for the sake of devolution and the institutions.

The right hon. Gentleman is absolutely right to draw our attention to some of the terrible crimes that have been committed. The shadow Minister has been questioned on the issue of citing crimes from across the board; I know that he very much condemns crimes wherever they come from.

The Select Committee is concluding its report into Libyan-sponsored IRA activity, and I was rereading the proposed document this morning. I will not go into the details as the Committee has not considered it, but in that draft report are many examples of IRA violence—of the way the IRA has torn lives apart. Rereading some of those things this morning in the car as I came down to Westminster served as a reminder of what has gone on in Northern Ireland and how unacceptable it was.

I do not want to get into the issue of the prosecution of the soldiers at this point as that strays from the central part of our debate, but of course one side in the conflict always referred to it as “the war.” They did so because that excused the indiscriminate killing of men, women and children. So one side had a “war” and the other side was expected to go by the book—or the yellow card, to be precise. That is a very unfair way of looking at this whole situation and the whole legacy issue.

Ian Paisley: I thank my hon. Friend for giving way—and I do count him as a friend for the support that he has given to Northern Ireland over many years. Does he accept that the Bill before the House will tip the scales in favour of direct rule? Tonight, people in Ulster will be watching their televisions and learning that it will be this House that is setting their rates. For the last 10 years, that has been done in the Northern Ireland Assembly. If that balance is tipped, each piece of legislation that comes forward will make it harder and harder to get back to devolution.

Mr Robertson: My hon. Friend puts his finger on the problem. Yes, this is a slippery slope, but in some ways the Bill offers an opportunity for people to get together
and re-form the Executive. It would allow that to happen. However, my hon. Friends are right. Indeed, it would probably not be the whole of this House that decided the manner in which these decisions would be done by the Secretary of State. With respect to him, that is the only way he could do this. This goes back to what I said about direct rule earlier. Hon. Members will not get a say on the details, whereas if these decisions were being taken in Northern Ireland, there would be much more involvement by local people. That would be far better.

I really hope that the Secretary of State will somehow be able to get the parties together in Northern Ireland so that we can avoid having Committees upstairs here running Northern Ireland, which would be most unsatisfactory. Whether he succeeds or not, we really need to look at the Belfast agreement and the legislation to see whether they need updating. I do not wish to undermine the principles of power sharing in any way, but we need to make an attempt to make it work. At the moment, it is not working. If it were, we would not be sitting here now and we would not have been in crisis 18 months ago. I do not want everything to be set up again, only to find that we are in crisis again after six or 12 months.

The shadow Secretary of State mentioned the petition of concern issue earlier. I, too, raised that matter, and I was told at the time that the parties were happy with the situation. That, and an awful lot of other issues, need to be looked at. We need to modernise and update the arrangements so that they can deal with the situation that we find ourselves in now, rather than the one that we were in 20 years ago. Without doubt, a lot of progress has been made in Northern Ireland. We cannot deny that, and we should not want to, but we have to get the political process right as well. If we do not, people will completely lose faith in it, and that would be in nobody’s interests.

5.27 pm

Deidre Brock (Edinburgh North and Leith) (SNP): First, I associate myself with the Secretary of State’s comments about the terrible discovery that was made yesterday. I commend all the emergency services and the police for the tremendous efforts made on behalf of their community. I also echo his words about the shadow Secretary of State, the hon. Member for Blaydon (Mr Anderson), who is stepping down not only from this position but that of shadow Secretary of State for Scotland. His efforts in both remits have been much appreciated.

The Scottish National party will support the passage of the Bill. The decisions involved would be better made on the other side of the Irish sea, but we are where we are and it is important to set rateable values so that the administration of public services can continue. There are Brexit difficulties coming down the road, especially around border issues, and it is right that we do all we can to minimise the turbulence, but those decisions should properly be made in Stormont. There is a real need to get the political Administration in Stormont back up and running, and I am sure that the electorate who are being asked to go back to the polls for a snap general election so soon after the snap Stormont election will be urging a resolution to the negotiations and a resumption of administration duties. Getting an Administration up and running so that decisions can be taken there rather than here would be the best option all round, and that should be our main aim. As I have said, the SNP will support the Bill.

5.29 pm

Mr Owen Paterson (North Shropshire) (Con): I begin by echoing the previous comments, particularly those of the Secretary of State, on the vile and cowardly bomb left outside Holy Cross Boys Primary School in the Arドyne. I commend all those in the security forces who handled the incident and who handle similar incidents 24 hours a day, seven days a week, every week of the year. We all owe them a great debt of thanks for the manner in which they continue to police Northern Ireland. I also pay tribute to their predecessors who created the conditions, in intensely difficult circumstances and under quite extraordinary provocation, that enabled the peace process to take place.

On that basis, I wholly commend the comments of my right hon. Friend the Secretary of State, who has shown remarkable forbearance and patience, who has been abused and criticised quite unfairly in recent weeks and who has let himself in for a further extension through to 29 June, which is a wholly sensible measure. As he rightly said, there is not a single Member of this House, at least not that I know of, who would like to see direct rule return. The shadow Secretary of State, sadly in his valedictory performance—we will miss him in the next Parliament—rightly concurred that no one here wants direct rule to come back. There is a slightly daft narrative that some crazy Brits really want to reimpose direct rule, but absolutely not.

The institutions were set up and the Belfast agreement was passed after the most extraordinary period of negotiation, man-years of effort and bipartisan agreement in this House when members of Conservative Administrations made intensely difficult decisions that were supported by the Labour Opposition. In turn, when Labour came to power and we were in opposition, we supported the Labour Government. I had the honour to be shadow Secretary of State when the last major element, the devolution of policing and justice, went through, and we backed Labour all the way. There was a similar process in Dublin, where both main parties consistently supported the process, and of course none of this could have happened without the extraordinary support of both parties in the United States of America.

There is exasperation that we have now come to this point. There has been such progress, and I would like to speak up for those hard-working people on the ground in Northern Ireland. I still go to Northern Ireland, and the right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson) and I appeared on “Spotlight” about three weeks ago. A lady in the audience asked me a good question, “What is going to happen about our budget? Who is going to pay our bills?” That was exactly the right question because she, along with many others, probably voted on 2 March to elect local politicians to make these decisions. None of us wants to make these decisions for those local politicians. It is completely exasperating.

I go to see the most wonderful, world-class businesses, which are trying to attract investment to Northern Ireland. They are travelling on behalf of Northern Ireland, representing hard-working, brilliantly skilful Northern Ireland people, and what is the international message?
Mr Paterson: I do not like to comment on the motives of any political party. I would just like to say that, as someone who has been involved in Northern Ireland—I had three years as shadow Secretary of State and two years as the real Secretary of State—there is such good will among the populace across all parts of the community. I do not like talking about communities; I like talking about the whole community. They long for this to work, and there is real good will, but now there is utter frustration.

I am particularly exasperated because my great project, with representatives of four local parties—the fifth local party was also supportive—was to give Northern Ireland politicians the ability to set corporation tax, because we know that the Republic of Ireland’s determination, in the face of intense criticism from other major member states of the EU, to hold on to its right to set corporation tax has been the key to its success. The then Finance Minister in Dublin described it as the cornerstone of that success. As part of what was called the Azores agreement, it was vital for there to be a democratically elected institution in a devolved area to make that decision.

The current situation is exasperating for me, having got this measure through—having got complete unity among Northern Ireland parties and the support of almost all Northern Ireland business—and knowing the tremendous good it has done. The hon. Member for Foyle (Mark Durkan) is sitting there and I have visited his constituency. Just over the border, in Letterkenny, an extraordinary amount of investment is being made because of the corporation tax rate there, yet so much of that could have gone to Londonderry if the rate had been set in Northern Ireland. This measure was one of the great achievements of the last coalition Government, and I pay full tribute to my right hon. Friend the Member for Chipping Barnet (Mrs Villiers), who took it through during her time as Secretary of State. The powers are there, if only local politicians would grab the opportunity and establish an Executive.

Sadly, I must support this Bill; I totally endorse the comments of the Secretary of State and shadow Secretary of State that we would like to see an Executive set up. We had a successful election—that passed off—there are newly elected Members of the Legislative Assembly and they should be working with the institutions to set up a new Executive. Sadly, it is necessary to set a regional rate, but I hope we have to do it only temporarily. It is sensible for the Secretary of State to set a longer-term target of 29 June, and I wish him well on that, if the elected local politicians do not come to their senses by then I ask him to consider introducing legislation by then. I repeat it again: should elected local politicians still do not come to their senses, they should cease to receive public money in salary and expenses. I know full well that the Northern Ireland public—

Mr Nigel Dodds (Belfast North) (DUP): The right hon. Gentleman is about to move on to a subject he takes great interest in. When he was shadow Secretary of State, he promised to people—he went around Northern Ireland and he told this House—that when a Conservative Administration came into power he would deal with the cost of Sinn Féin MPs who are elected to this place: do not do any work and do what he is now going to go on to claim the MLAs are doing at Stormont. He did nothing about that. Will he now agree that if the Government are going to take steps at Stormont, they will need to take steps at Westminster as well to address the same problem that exists in relation to people who are elected to this House and who, voluntarily, do not do their job? For us on the Democratic Unionist party Benches, this will be a critical issue.

Mr Paterson: The right hon. Gentleman knows my position on this issue, but I was Secretary of State in a coalition Government and we now have a robust Conservative Government—

Mr Dodds: You did nothing.

Mr Paterson: I know Members do not like this, but I should say that there are very few tools left in the Secretary of State’s box and one is to put financial pressure on the political parties. [Interruption.] This may hurt the right hon. Gentleman’s party and it may hurt his competitors, but I have not heard anything from the other side as to why this should not be done. I have not heard a single member of the public in Northern Ireland criticise this. The Belfast Telegraph polled a significant number of people and a very large majority supported the idea. We still have time—even if this Bill goes through today, we will still have until 29 June; we will have had four months, or a third of a year. I do not think this approach is unfair, and I think it has huge support across Northern Ireland among the general public. I do not think it is unfair to say that if elected Members cannot get their act together after four months, they should cease to receive public money in salary and their staff should cease to receive public money in their salaries and costs.

Mr Dodds: So I take it the right hon. Gentleman will repeat the same call in relation to Members and their staff here who are in receipt of public money but do not do their jobs. Will he say that clearly to the Government Front-Bench team today?

Mr Paterson: I am a simple Back Bencher, but the right hon. Gentleman knows very well that I believe strongly that, in the words of Lady Boothroyd, as she now is, there is no such thing as “associate membership” of this House. She was exactly right on that. Those elected to this House should take their seats if they are to receive public money, but that does not get away from the point I am making, which is germane to this point about 29 June. I repeat it again: should elected Members not get their act together and form an Executive, the Government should consider taking powers to stop them getting salaries and expenses from the public purse, because that will put pressure on them and that is what the people of Northern Ireland will be looking for. In the light of that, I will support the Bill tonight. I regret very much, as does the Secretary of State and the shadow Secretary of State, that we have come to this point, but it is a sensible measure to buy us more time.
The Northern Ireland Office has made not offending Sinn Féin into an art form. The Secretary of State should pay less heed to the Northern Ireland Office and more to the political reality on the ground. I simply say to him that had he acted more quickly at the beginning of the crisis, we could have avoided this situation in Northern Ireland. Despite the pleas in this House from Democratic Unionists, the Labour party, the Scottish nationalists and some of his own Back Benchers, he did not initiate the investigation that could have taken the sting out of Sinn Féin’s accusation about the renewable heat incentive. Time and again, he said at the Dispatch Box that because there was no agreement between the political parties, he could not initiate an investigation. Cynically, as soon as Sinn Féin had got what it wanted—mainly to bring down the Executive—the first person to announce the inquiry was no less than Máirtín Ó Muilleoir, the Sinn Féin Finance Minister. The Secretary of State should have initiated an investigation.

The Labour spokesman talked about the need to get away from this particular part of the impasse, but Arlene Foster never refused to take part in a public inquiry. She never refused to give her account to or to be questioned at a public inquiry. The problem was that there was not an inquiry. Had the Secretary of State been prepared to grasp that nettle, we could have avoided a situation in which Sinn Féin was able to use the excuse that until it had clarity on the issue, it could not possibly work with Arlene Foster. The lesson for the Secretary of State to learn from what happened is this: despite the threats that might come from Sinn Féin, sometimes it is important not to listen to the wets in the Northern Ireland Office, but to act on political instincts.

Mark Durkan: I agree with the hon. Gentleman. Gentleman that the Government here should have acted more quickly as the RHI scandal emerged, but he is painting a complete fiction by trying to say that the DUP wanted a public inquiry—it entirely opposed a public inquiry. It was on the same page as Sinn Féin in opposing a public inquiry. It said that an inquiry by the Public Accounts Committee in the Assembly would be sufficient, and it was on that cue that the Secretary of State ensured that he and Treasury colleagues stayed out of the issue.

Sammy Wilson: I do not want to bore the House with the details of what happened last December, but the First Minister made it quite clear at that stage that she believed that she had nothing to hide. She was prepared to face an inquiry of whatever status was required to get to the truth, and that is still her position. In fact, she is co-operating on this.

The Bill is also necessary because of the way in which the finances in Northern Ireland have been left. Again, there are lessons to be learned from this. I suspect that the Secretary of State will have to come back at the end of June with another Bill to implement the budget in Northern Ireland. It will not be a satisfactory budget, because it will probably be based on last year’s distribution of finances to ensure that 100% of the budget is spent, and no new priorities will be set. As the former Secretary of State for Northern Ireland, the right hon. Member for North Shropshire (Mr Paterson), stated, one of the central planks of the Executive’s economic policy cannot be contained in that budget, because it will not be possible for this House, while we remain in the EU,
to legislate for the reduction of corporation tax and, of course, to allocate funds for that. That will be a missed opportunity for many firms and prospective investors in Northern Ireland.

Let us look at why we have no budget, because this gives an indication of where Sinn Féin is and the prospects for an agreement. We do not have a budget in Northern Ireland not because the Executive could not agree one, and not because it was rejected by the coalition partners, but because there was never a budget brought forward to the Executive. Why was that the case? I think that Sinn Féin could not face the reality of having to introduce a budget in which hard decisions needed to be made. Of course, that was true about the restructuring of the health service. There was a report on restructuring the health service that set out how money could be saved and how some of the problems it faces could be addressed, but Sinn Féin did not act on it. Why? Because that involved hard decisions. When it came to welfare reform more than a year and a half ago, Sinn Féin did not act either. It was quite happy for that to be dealt with by the Government here.

There is a question that must be asked by those of us who are involved politically in Northern Ireland: is Sinn Féin serious about getting out of the impasse, or is it quite content? Those in Sinn Féin will never answer this, but are they quite content for the process to roll on and on, to have direct rule, and to have difficult decisions about the budget, the allocation of resources, Brexit and all the other things that concern them decided here? They can then blame the big bad Brits, but keep their hands clean and maintain the myth in the Irish Republic, perpetuated by the bearded guru, Gerry Adams, that somehow they have an economic policy that can avoid any austerity measures. The one thing they do not want is to have to introduce austerity measures or cuts in Northern Ireland while they are promising people in the Irish Republic that they have some kind of economic magic wand they could wave if they were only in coalition down there.

This is the question that the Secretary of State has to ask. It is the question that we as a party have to ask, too, as well as the other parties in Northern Ireland. What concessions does Sinn Féin really want, or might direct rule suit its purposes until the election takes place in the Republic? Why did those in Sinn Féin not bring forward a budget? Why did they not make hard decisions when they could in the Northern Ireland Assembly? They consistently—this has always been their position—run away from these decisions. If that is the case, we will have an impasse after the election on 8 June.

The difficulty in the talks is that we have seen the reason why Sinn Féin cannot or will not go into government change almost weekly. First of all it was the RHI, but RHI is hardly mentioned now. The Chair of the Northern Ireland Affairs Committee was right—was the RHI such a big scandal that it should have resulted in a constitutional crisis? At the risk of causing some anger among Government Members, let us look at the RHI throughout the United Kingdom, and at Drax power station, where a coal mine down the road was closed while wood pellets were brought from halfway around the world. There is no cap on the subsidy—it started at £400 million, it is now £600 million, and by 2020 it will be £1 billion. Did any Minister resign? Did the Government fall? No, yet a £25 million overspend that has now been corrected in Northern Ireland caused a constitutional crisis.

**Mr Laurence Robertson:** The hon. Gentleman makes the point very well. I put it to him that there is no issue that this House could face that would persuade us to disband the whole Parliament, is there? That is the point.

**Sammy Wilson:** This is a point that was made time and time again. Of course, Sinn Féin was ably assisted by the BBC, which, for 70 consecutive days, I think, kept the issue in the news bulletins. Of course, now it has been dropped and we hardly ever hear it mentioned.

There are other issues that have come to the fore, such as the Irish language Act and the denial of rights of Irish language speakers. Of course, I wish the hon. Member for Blaydon well when he leaves this House, but we saw the face of the Labour party in this House this afternoon and we heard the voice of Sinn Féin. When Labour’s spokesman gave his speech at the Dispatch Box, we heard the same kind of excuses, we heard that people were being denied their right to speak the Irish language. They are not being denied their right to speak the Irish language. We fund the Irish language through the Assembly to the tune of £171 million. We allow Irish language schools to be opened and fund those schools when there are as few as 14 pupils in them while at the same time closing schools in the state sector with 50 or 100 pupils in them. Yet we are told that we somehow or other do not give proper treatment to those who wish to speak the Irish language. Councils are free, if they wish, after following the requirements of the legislation, to put Irish street names up on streets across their areas, yet we have this myth perpetuated that the Irish language and the refusal to accept an Irish language Act are the big impasse in the talks.

We heart parroted again today—surprisingly, I even saw the Under-Secretary of State nodding his head—ideas about people being denied their rights on gay marriage and denied certain abortion rights. I simply say to the Minister that the whole point of devolution is that people in the regions of the United Kingdom have the opportunity to make the laws that they believe best reflect the views in their society. I would say the same to the Labour spokesman. If you want uniformity, do not devolve the issue. If you are allowing differences in different parts of the United Kingdom, respect devolution and respect the views of the parties elected to those Assemblies, who, by the way, stand on their manifestos, who do not hide their view. We have never hidden our views on these issues in our manifestos; people vote for us on the basis of our manifestos and we then have a duty to reflect that in the decisions that are made.

It is not about rights, of course, because, despite all the rhetoric from Sinn Féin about equality, respect, rights and so on, we have seen that when it comes to the rights of those who served in the security forces, there is no willingness to show respect. When it comes to the views of the people we represent on many of these issues, there is no respect there. In fact, there is a recommendation that we should somehow abandon the promises we made to those people. I say to the Minister and the shadow Minister, do not be taken in by the idea that that is the cause of the impasse in the talks.
We have been told that the issue is Brexit. I find that very strange coming from Sinn Féin, because the one party that will not shape the Brexit talks, the negotiations or the outcome of Brexit decisions in this House is Sinn Féin, because its Members do not attend. Yet they want a broad coalition against Brexit. The Social Democratic and Labour party does not like to say that it wants to get involved with a sectarian pact with Sinn Féin, so it is trying to portray it as a liberal, progressive pact against Brexit, which also includes the Alliance party, which seems a bit reluctant, and the Greens. Let us not be in any doubt: any pact on any seats that involves Sinn Féin and the SDLP is a sectarian pact—it is not about changing Brexit—

Mr Dodds: By their own definition.

Sammy Wilson: Indeed. We have been told that Brexit is another reason why we cannot progress, because the Government have been disrespectful of the vote in Northern Ireland against leaving the EU. The Government have not been disrespectful—if anything, they have worked well with the Administration in trying to address the unique issues that Northern Ireland faces, just as they work with the City of London, the motor car industry and other industries on issues that affect them. Of course, different parts of the country and different sectors of the economy face different issues, but there should be a method of fitting that in. The one sure way that we will not fit in is if we do not have devolution.

The Secretary of State is right about the regional rate—a decision needs to be made. It is an important part of Government finance in Northern Ireland, and we need certainty. Councils have not sent out rate bills, because the regional rate has not been established—it is a source of income for them too. It is therefore important that a quick decision is made. However, as I said in an intervention, the Secretary of State must not allow the delay on budgetary issues to continue because there is uncertainty in Departments, which can have only 95% of the budget allocated, which has a knock-on effect. No one knows—even with the 90-day notice for voluntary and community groups, suppliers and so on—what the full budget will be, so the precautionary principle sets in, and those notices are given out. We will have to move quickly on that.

May I make a point on behalf of my party? There is no reason, even before the general election campaign begins, why devolution should not be up and running. People were elected to the Assembly and they have a mandate to serve in the Assembly. The way to sort out these issues is to debate them in the Assembly. However, one party in particular has made a list of demands. First, it said that it wanted RHI sorted out. When that did not happen, it said that it could not serve with Arlene Foster. Then it said that legacy issues had not been dealt with by the Government. I hope that some of its interpretation of those issues, especially on the unequal way in which terrorists have been treated in relation to incidents involving the security forces, are never accepted by the Government. Then we were told there were lots of new issues about equality and respect.

Mr Gregory Campbell (East Londonderry) (DUP): Does my hon. Friend agree that the problem is not just that Sinn Féin have listed a series of unreasonable demands? They have said that many of those demands are fundamental prerequisites even before the institutions are established again, rather than trying, as he has suggested, to resolve them in the institutions. They want the institution up and running on their unreasonable terms even before they enter the place.

Sammy Wilson: That is exactly the point I was making. These issues can be resolved in the Assembly. If we want to decide what position to adopt on Brexit, who better to do it than Ministers in the Assembly introducing the issues that affect their Departments and reflecting the difficulties that we face? If we want to sort out issues around culture and so on, we should do so in debates in the Assembly, then the relevant Ministers could introduce legislation that could be properly debated. If we want to deal with legacy issues, there is a role for the Assembly in doing so. These things can be dealt with in the Assembly—that is the place to deal with them, rather than saying that unless we get these things sorted out on the terms required by one party we will not have devolution.

This is where I take issue with the former Secretary of State, the right hon. Member for North Shropshire, who spoke about punishing Assembly Members. First, as my right hon. Friend the Member for Belfast North pointed out, if we are going to punish people for not doing their job, we should punish Sinn Féin, who have milked this place dry for the past 10 years, getting millions of pounds from it, but not doing their work. Secondly, we should recognise that it is not the intransigence of Assembly Members generally that has led to this position. Thirdly—and he should know this as a public representative—there are many ways in which public representatives do their job. Of course they have a role in the body to which they are elected, but they also have a role in relation to their constituents. The Assembly Members in my party who were elected have worked tirelessly at constituency level as well as taking part in the talks and preparing material for the talks. As for the notion that somehow or other they are lying around at home watching daytime television and getting paid for it, he should know better, and so should many of the people who have commented on it.

If we want to understand the situation, we ought to ask whether people think we are intransigent because we are on a jolly, it is great and we do not want the Assembly up and running. I do not know any colleagues who do not want to be back in Stormont tomorrow doing their job. I therefore believe that the Secretary of State can push the thing along by spelling out to Sinn Féin that the consequence of not getting the Assembly up and running is that decisions will be made here in Parliament.

I do not want to see that happen. I do not want direct rule, and I do not believe that it will be good for Northern Ireland or for the House to have to do that. The Secretary of State should begin to address the issue and, rather than using the generic term, “the parties”, should begin to point the finger. He knows how difficult Sinn Féin have been. In fact, they took umbrage at him, and did not even want him to chair talks because of his comments about the security forces. That is the kind of arrogance that we have had from them, and until that arrogant bubble is burst we will not make any progress in Northern Ireland.

Several hon. Members rose—
Madam Deputy Speaker (Mrs Eleanor Laing): Order. We have plenty of time for the debate, but if hon. Members take much more than about 15 minutes each we will run out of time. I have a theory, merely put together after spending many hours, days and weeks in the Chair observing the House, that most things that have to be said can usually be said in 15 minutes. I make no criticism of anyone who has taken longer; I merely make a plea that that is a reasonable amount of time to take. I call Sir Jeffrey Donaldson.

6.8 pm

Sir Jeffrey M. Donaldson (Lagan Valley) (DUP): Thank you, Madam Deputy Speaker. I join my colleagues in welcoming the opportunity to take part in the debate. I commend the Secretary of State and his ministerial colleagues for their conduct in the negotiations. At times, they have been disrespected by at least one of the parties, Sinn Féin, which has said some quite nasty things about them, but it is not easy to chair negotiations, particularly when some participants are acting unreasonably. I therefore want to place on record our gratitude to the Government for the role that they have played in trying to bring things together. And we do want things to come together. Let me be clear about that from this party’s perspective. Considering where we have come from in Northern Ireland, it is quite a remarkable thing for the leading Unionist party in Northern Ireland to say that it has no preconditions for going into government with Sinn Féin. Turn the clock back a few years and imagine that the leading Unionist party would be saying, “We’re prepared to go into government today with Sinn Féin without preconditions.” Yet it is Sinn Féin who refuse to form a Government.

I am told that “ourselves alone” is the literal Irish translation for “Sinn Féin”—the hon. Member for Foyle (Mark Durkan) is probably better qualified than me on that—and I am afraid that Sinn Féin are living up to their name on this issue because, as far as I can see, all the other parties in the Northern Ireland Assembly are prepared to see a Government formed, except Sinn Féin. The Government must be and need to be aware of that.

As a supporter of the peace process, I am now left with a very serious doubt in my mind about whether Sinn Féin really want to be in government at all. I am also left with a serious doubt in my mind about the workability of the mandatory coalition model as a basis for government when it gives Sinn Féin a veto over the formation of a Government, as it does. In truth, that is where we are. The government of Northern Ireland is being vetoed. The formation of a Government is being vetoed by one party that is refusing to go into government. Because of the nature of the architecture and the framework for government in Northern Ireland, it has that veto, can exercise it and is doing so at present.

Lady Hermon: If my memory serves me correctly, the written statement published by the Secretary of State for Northern Ireland last week indicated that there had actually been some progress among the parties in the talks, and that those talks had not been a complete waste of time. It would be very helpful for the people of Northern Ireland—and, indeed, this House—to understand where progress among the parties has been made, and to narrow down the stumbling blocks that are being cast up by Sinn Féin.

Sir Jeffrey M. Donaldson: In truth, although some progress has been made in homing in on the issues, it would be wrong to say that we have reached agreement on any of them. What are those issues? Well, they include the legacy of our troubled past, and the quest for justice and truth by the innocent victims. We have come a long way in developing proposals, which I understand the Secretary of State is willing to publish for consultation in the coming weeks. We very much welcome that. A failure to form a Government in Northern Ireland should not prevent the Government in this place from proceeding with legislation to establish new legacy bodies.

I say to the Secretary of State that, although Sinn Féin may have a veto over the formation of a Government, it would be the ultimate irony if we allowed the party representing the organisation that murdered more people in the troubles than anyone else to veto the legacy bodies and institutions that are to be established to investigate those murders. It is just absurd that we would even consider handing Sinn Féin a veto over the investigation of murders that were committed by the Provisional IRA. We need that historical investigations unit up and running to investigate those murders in order to level the playing field. As the Secretary of State knows, because I have said this to him and Minister many times, there is not currently a level playing field. At the moment, we have legacy inquests, the Kenova inquiry, the examination of the events known as Bloody Sunday, and a completely disproportionate focus on what the Army and police did in Northern Ireland.

I echo the comments made earlier that the killings committed by the Army and the police were for the most part lawful, and were about protecting life and the community. Of course, when someone has done something wrong in the past, the law has investigated, but it is entirely wrong that we have a legacy investigation branch of the PSNI that is devoting so much of its resource towards investigating the police and the Army, and little towards investigating the 90% of murders committed by the paramilitary terrorist organisations in Northern Ireland. That is not a sustainable position. After the election, I trust that the next Government will take forward this legislation and establish those legacy bodies.

I also say to the hon. Member for North Down (Lady Hermon) that another issue on which we are waiting to get agreement is the armed forces covenant, which I referred to earlier in an intervention. Sinn Féin talk big on respect and equality, and this is an issue about respect and equality. It is about ensuring that the men and women who have served our country in the armed forces are not disadvantaged by virtue of their service. That is the very basis of the armed forces covenant. It is also about the wider community across the nation showing respect for the men and women who serve. Equality and respect is what we are talking about in relation to the armed forces covenant. We need Sinn Féin to step up to the mark, and all the political parties in Northern Ireland to agree to the full implementation of the armed forces covenant in Northern Ireland as part of the United Kingdom.

Sammy Wilson: Does my right hon. Friend accept that the number of people affected by that is far more significant than the number in some other minority groups that Sinn Féin are demanding equality and respect for?
Ireland, it will be unacceptable for this Government to state that if we arrive at a situation where there is direct rule and there is no Government in Northern Ireland, we are not going to stand by and allow some kind of special status to be created against the interests and wishes of the Unionist community. There has to be a cross-community consensus on this issue—nothing else will work in the absence of devolution. If Sinn Fein, the SDLP, the Green party and the Alliance party want special status for Northern Ireland, there is only one way that that will be delivered, and that is by having a devolved Government, so that we can build a consensus on this issue. In the absence of a devolved Government, Sinn Fein can forget it; they can protest, dress up as funny little customs men and go around the border pretending that we are going to have a hard border, but that will not wash with Brussels. The only way to deliver for Northern Ireland is either for us to have our own Government or for my colleagues and me to be the voice for Northern Ireland in this Chamber, and I fully expect a strong DUP team to be returned after the general election to speak for Northern Ireland in this House.

I say again to the Secretary of State and his colleagues that part of this is about the budget. When the Secretary of State or the Minister winds up, will he tell us whether the budget will continue to include funding for the mitigation measures that were put in place in relation to welfare reform in Northern Ireland? A lot of vulnerable people in Northern Ireland would like to know the answer to that question, and it is important, because we need to expose Sinn Fein on this issue. This House is making provision for the funding of public services in Northern Ireland, so it is important to know whether the mitigation measures in relation to welfare reform will be included and for how long.

Finally, the current crisis proves that mandatory coalition—handing a veto to one side of the community—is a fundamentally flawed way of democratising government. The DUP wants—this has long been an objective of my party—to move towards a system of voluntary coalition in Northern Ireland. We should move towards a situation where the parties come together after an election, negotiate and agree a programme for government. Those parties that want to be part of the Government can voluntarily go into government, and those that do not can go into opposition. What we cannot sustain is a situation where those parties that do not want to go into government have a veto over everybody else in forming a Government. That is not democracy; it is the very antithesis of democracy.

Lady Hermon: I am grateful to the right hon. Gentleman for taking yet another intervention, and I was tempted to make one because he was at the St Andrews agreement. He will recall that the Belfast agreement suggested—this was approved in the referendum in Northern Ireland and the Republic of Ireland—that the First and Deputy First Ministers would be jointly elected, but that was
changed, unfortunately, after the St Andrews agreement. One proposal is that we go back to that and bring the parties together, putting the two names on the same ticket so that the Members of the Legislative Assembly have to vote for them. Is that an option the DUP would consider?

Sir Jeffrey M. Donaldson: We will certainly look at options, but I have to say to the hon. Lady that that proposal does not solve the problem. If we are going to look at solving the problem, we have to be more fundamental about it—a sticking plaster will not do. That is why my colleagues and I believe that, in time, we will have to look again at the whole model of devolution and at the basis of mandatory coalition and whether it will work. It is certainly not working for Northern Ireland at the moment; it is delivering a veto that is preventing the formation of a Government at a time when we have huge decisions to take about our future, not least on Brexit. The people of Northern Ireland are being denied a voice because one single party, representing less than 30% of the vote, refuses to go into government. Surely that is an unsustainable position. While the Bill is welcome, it is merely a first step—a bandage. It will not fix the problem, and we do need to fix the problem.

Mark Durkan: In following the hon. Member for East Antrim (Sammy Wilson), I should say that I was struck by the number of times he condemned Sinn Féin for using a veto—that from the DUP, the most veto-holic of all the parties, not least in relation to Sinn Féin for using a veto—that from the DUP, the most veto-holic of all the parties, not least in relation to the abuse of the petition of concern, which other hon. Members referred to earlier.

Let me join others in referring to the grave attack at the weekend—the attempt to murder police officers and to use the precincts of a school to create disruption in a community and set up a situation where, yet again, a government function to be created in circumstances the DUP is criticising Sinn Féin for not allowing the devolved Assembly having that legislative power. The problem is that the DUP is vetoing and stopping the devolved Assembly having that legislative power. The DUP is criticising Sinn Féin for not allowing the government function to be created in circumstances where the DUP itself is regularly using a veto to prevent the devolved Assembly from having that legislative power.

Sammy Wilson: I am glad that the hon. Gentleman, who argued for power sharing and safeguards within a power-sharing Executive and Assembly, is now happy with majority rule. I am sure that will go down dead well with his constituents.

Mark Durkan: I am entirely happy with operating the Good Friday agreement as the people voted for it—people of Ireland north and south. A petition of concern would mean that a mechanism could be checked and proofed. If there were not concerns in relation to rights or equality—that is all it was provided for. Unfortunately, the legislation did not properly reflect that, and it left things up to the Standing Orders in the Assembly, but those Standing Orders have never been right. Sinn Féin and the DUP have always been happy to leave the petition of concern as a dead-end veto under the Standing Orders of the Assembly. That was never in the agreement, as people will see if they care to look at the relevant paragraphs. Let us return to the petition of concern as an additional proofing mechanism for rights and equality, not as a prevention mechanism against the advancement of rights and equality in areas such as equal marriage.

The hon. Member for East Antrim excoriated the hon. Member for Blaydon (Mr Anderson) and told him that devolution is the opportunity to best make the laws that reflect the views of society. I absolutely agree with that. I am quite happy for the Assembly to make the laws that apply to abortion and to equal marriage. The Assembly is showing a clear wish and a clear intent there, and there have been clear indications of where the support of the people of Northern Ireland lies—it is similar to that in the south, as shown by referendum. The problem is that the DUP is vetoing and stopping the devolved Assembly having that legislative power. The DUP is criticising Sinn Féin for not allowing the government function to be created in circumstances where the DUP itself is regularly using a veto to prevent the legislative function of the Assembly. It is a “Whose veto trumps whose?” situation.

Sir Jeffrey M. Donaldson: The petition of concern was not included in the agreement originally provided for in the Good Friday agreement. The petition of concern was not included in the agreement as a veto; it was provided as a trigger mechanism for an additional form of proofing by a special committee in relation to concerns about rights or equality—that is all it was provided for. Unfortunately, the legislation did not properly reflect that, and it left things up to the Standing Orders in the Assembly, but those Standing Orders have never been right. Sinn Féin and the DUP have always been happy to leave the petition of concern as a dead-end veto under the Standing Orders of the Assembly. That was never in the agreement, as people will see if they care to look at the relevant paragraphs. Let us return to the petition of concern as an additional proofing mechanism for rights and equality, not as a prevention mechanism against the advancement of rights and equality in areas such as equal marriage.

Mark Durkan: I am entirely happy with operating the Good Friday agreement as the people voted for it—people of Ireland north and south. A petition of concern would mean that a mechanism could be checked and proofed. If there were not concerns in relation to rights or equality, it could proceed in the normal way through the Assembly; if there were, it would require cross-community support. I make no apology for my part in negotiating and drafting the Good Friday agreement and in helping to establish the institutions. I regret the fact that we have departed from the Good Friday agreement in so many ways.

The hon. Member for North Down (Lady Hermon) referred to the appointment of the First Minister and Deputy First Minister. Like her, I listened to the right hon. Member for Lagan Valley (Ian Paisley) saying that we need to change things and get to a different way, and that there should not be a situation where one party can veto. Let us remember that the
St Andrews agreement limited the appointment of the offices of First Minister and Deputy First Minister to two parties and two parties only. It specified that the bigger party of one designation would appoint the First Minister, and then the biggest party of another designation would appoint the Deputy First Minister. There was to be no role for the Assembly any more in electing and having a free choice in the joint election of First Minister and Deputy First Minister, as the Good Friday agreement provided. If the right hon. Gentleman is in any way serious about what he is saying, then next time we are tabling amendments in respect of changing how the First Minister and Deputy First Minister are appointed, he should join us in supporting those amendments, not oppose them. I checked with the Clerks as to whether the Bill’s reference to ministerial appointments would have allowed me to table such an amendment. I was advised that the narrow terms of the Bill would not have allowed me again to table the amendment that I have tabled in the past.

Given the way in which acronyms are used in this place, no doubt this Bill, which we might call the ministerial appointments and regional rates Bill, will be referred to as the MARR Bill. However, there is nothing memorable about it. It is purely ephemeral in the sense of making exigent provisions in relation to the striking of a regional rate so that rates bills can be issued and councils can get their take of the district rate. I regret that it has been necessary to bring the Bill forward in this House, but I support it in terms of allowing the revenue to come in to support public services, both those run by councils and those provided by regional government departments.

The Bill is also ephemeral in the sense of resetting the meter on the appointment of Ministers. I note that the Secretary of State has chosen a timeline that would broadly equate to what the timeline under the current legislation would be if there was an Assembly election on the same day as the general election. Therefore, those who have argued for an election on the same day can have no objection to that timeline. As we heard from other hon. Members, there is another coincidence in relation to the timeline with regard to the budgetary pressures and the fact that the civil service is now having to assign a percentage of the budget in the absence of an elected Government in the Assembly. All sorts of groups and budget holders, including in the community and voluntary sector, but not only there, have been given the indication that their funding is guaranteed, as was, for the first 13 weeks of the financial year. Those 13 weeks will bring us to within a calendar week of the same deadline that we have. That should concentrate minds—I hope that it does—about what the consequences of an absence of the institutions would be.

**Tom Elliott:** Does the hon. Gentleman accept that if there is no progress within the timescale set in the Bill, the Secretary of State needs to bring forward further legislation to resolve the budgetary issues, because we cannot keep going through the financial crisis that departments are currently in?

**Mark Durkan:** We have to use the timeline that is created here and now. We also have to use such good will as any of us were able to detect in the talks in Stormont Castle over the past number of weeks.

I personally would not come to the conclusion that one party is determined to prevent the formation of a Government altogether. I wish I had more evidence that I could point to so as to support my hunch that Sinn Féin would want to see the formation of a Government. It would be better if Sinn Féin would say more in public that gave people reason to believe that. In the debate I took part in on the BBC yesterday, I was struck by the fact that Chris Hazzard of Sinn Féin said that Sinn Féin would have a powerful position in relation to Brexit because of having four MEPs and because Dublin was going to have a decisive role as a member state. He put no premium whatsoever on the institutions of the agreement. At no point did he say, "The important thing that will help us to offset some of the challenges and threats of Brexit is having our own devolved Government who are part of using and activating the strand 2 structures that are the best way of doing things on an all-Ireland basis, with relevant sectors being treated as an Ireland market, and that being reflected in respect of the EU construction programme and potential funding, as Michel Barnier has indicated.”

There was none of that whatsoever from Sinn Féin. I can therefore see why people are worried about what it is saying about Brexit and asking, “Where are the institutions of the Good Friday agreement?”

Strand 1 of the Good Friday agreement would be pretty central to making those institutions work because, as we know from what happened before, strand 2 cannot be activated—we cannot have a North South Ministerial Council—unless we have northern Ministers in a northern Executive. It is therefore imperative that we get our institutions up and running. A failure to do so means that we are sentenced to the hard Brexit that people are complaining about and worried about, but also a hard Brexit in the absence of any devolved mitigation—any north-south axis that can be used, including by the Irish Government. Strand 2 provides that the views of the North South Ministerial Council will be reflected and represented in various EU meetings, so it gives the Irish Government a potentially powerful role. However, whenever Chris Hazzard referred to the Irish Government’s role yesterday, none of that related to the fact that they would be reflecting the views of the North South Ministerial Council in EU meetings. We need to get the institutions up and running, although I recognise that there are issues in the way.

I do not accept the rewriting of recent history by the hon. Member for East Antrim in relation to the renewable heat incentive. When questions were put to Treasury Ministers and to NIO Ministers about a Westminster and Whitehall interest in RHI, the DUP was seething at any such suggestion by me, by my hon. Friend the Member for South Down (Ms Ritchie), or by the two Ulster Unionist party Members. The DUP was completely opposed to a public inquiry. The right hon. Member for Lagan Valley made it very clear on TV on several occasions that consideration by the Public Accounts Committee in the Assembly was sufficient and there was no need for any other inquiry. It had Sinn Féin on board with that position for quite a while, and then things fell apart between them.

Like the hon. Member for East Antrim, I ask why the Northern Ireland Executive did not produce a draft budget. Why are we in this position at all, with no hint
or sign of what the devolved budget would have been? Let us remember that back on 21 November the DUP and Sinn Féin issued a joint article, stating:

“This is what delivery looks like. No gimmicks. No grandstanding.”

And that was when there was no sign of a draft budget. The DUP was quite happy to say that it was good government not to have a draft budget at that stage. We are now at a point when we should have long had the revised budget. That is what the joint article by Arlene Foster and Martin McGuinness said and it was accompanied by a lovely photograph: back in November, Sinn Féin and the DUP gave us the Mills & Boon version of lovely government. Then the wheels started to come off after the pressure created by the RHI issues in December.

What was the root cause of the arrogance that manifested itself in the RHI scandal? It was the fact that the DUP felt that it was not accountable to the Assembly and that it had been appointed entirely according to its own mandate. We heard Arlene Foster say that she had a mandate from the people of Northern Ireland. The DUP’s mandate in last year’s Assembly election was no greater than that which the Labour party got in Great Britain, and yet we were told by Arlene Foster that her mandate from the people of Northern Ireland meant that she could ignore the mandate received by everybody else in the Assembly. Given that she was not appointed by the Assembly, contrary to the provisions of the Good Friday agreement, she had no sense of accountability to it, which is why the DUP made it clear that it would veto any motion passed by the Assembly on the RHI. Of course, that is what it did, and in so doing it not only ignored the proper authority and its debt of accountability to the Assembly at large, but broke the ethic of mutuality and jointery in the offices of the First and Deputy First Ministers. That made it very difficult, if not impossible, for Martin McGuinness to continue as though there were no other strains present.

Those are not the only challenges that we need to resolve. Other hon. Members have touched on legacy issues, but unfortunately, given Madam Deputy Speaker’s advice on time, I will not be able to go fully into them. The hon. Member for Blaydon has referred to the Sammy Devenney case, which happened in my constituency. Conservative Members have also raised concerns about former officers being pursued and questioned about previous cases. However, although those cases have been presented here as examples of people being pursued for prosecution, they have actually come about as a result of new inquests about controversial deaths that have shown that some of those who were killed were not terrorists or gunmen as had previously been reported, and that therefore their killing was wrongful. It is entirely legitimate that legacy issues should be pursued and questions asked. Officers gave various accounts—and Ministers in turn, down the years, have in this House given false accounts—of those deaths and incidents. It is entirely proper that those cases should be well pursued.

Although there has been a measure of agreement among Sinn Féin, the DUP and the British Government—notwithstanding the lack of a language Act and regional security—on limited approaches by the historical investigations unit, the Social Democratic and Labour party wants more architecture on legacy issues, not least with regard to thematic approaches. The HIU is able only to produce individual reports on individual cases, and not to join the dots, show the patterns or draw on the wider lessons. It is also confined to looking at killings, but the troubles have many other dimensions and legacies of victimhood that are not just in relation to killings. People have many questions about the pattern, motives and character of the violence carried out by paramilitaries as well as, possibly, by the security forces, and they want those questions to be examined and tested. I think that that would give a more equal assessment of the past.

We considered those proposals in the Haass talks. Richard Haass and Meghan O’Sullivan had particular ideas about a strong approach to thematics, which would have reflected the interest right across the community. It would not only have addressed issues of state breaches and allegations against state forces; it would have been very wide, open, thorough and responsive. We need to return to those sorts of arrangements in respect of the past.

We need to make progress on the Irish language Act, but let us be clear that part of the problem is that people are selling riddles, because in the St Andrews agreement there was a pledge from the British Government that they would legislate for a language Act, whereas the only commitment on the part of the parties was for a language strategy. Ambiguities and contradictions were built into it and some of us sought clarity at the time. Sinn Féin was spinning it that there would be an Irish language Act in the Assembly, but we pointed out our honest interpretation of the literal language. Of course, we were decried simply for pointing out the truth.

Whatever the problems in relation to the Irish language Act and the RHI issue, we need to remember that Brexit is the biggest issue facing us all. What helped bring about the discolouration in the politics around our institutions? The fact is that it was Brexit, which has made a much bigger difference to the political atmosphere in Northern Ireland than certain Members care to admit.

Mr Gregory Campbell: The hon. Gentleman says that Brexit is the fundamental issue. Given his position on Brexit, does he take any comfort from the fact that the British and Irish Governments and the EU have ruled out a hard border? Does he accept that there will not be one?

Mark Durkan: I accept that those bodies have given that indication, but they have not said how it will be done. The Prime Minister has been careful to say that she wants the border to be as frictionless and seamless as possible and that there would be “no return to the hard borders of the past”, but there has been no full commitment that there will be no possible borders of the future. Sector after sector in Northern Ireland worries about such borders, and the best way to prevent them is to properly use the machinery of the Good Friday agreement, which allows for areas of co-operation and joint implementation. It also allows us to take concerted action on a north-south basis and say that different sectors want to be treated as an island market. Given the EU’s historical position, that should be fully respected and reflected. If the British Government are serious about wanting to continue to honour the Good Friday agreement in the context of Brexit, they should allow that to happen.
That is what special status would look like. We do not have to negotiate a new special status for Northern Ireland. We have to have the full optimisation of the Good Friday agreement in the context of any Brexit, so that we can have the strongest regional say in our own interest and a strong north-south axis. We also need to use the east-west structures of the agreement, not least the British-Irish Intergovernmental Conference, which can deal with all of the non-devolved issues that the two Governments have in common, as well as allow devolved Ministers to be part of those meetings, particularly when they touch on devolved matters. I believe that that would be a much more attractive facility for devolved Ministers than even the Joint Ministerial Committee on European Negotiation, because the common experience of all the devolved Administrations is that they find it pretty confusing and belittling.

Using the structures and mechanisms of the Good Friday agreement would give us the best answer to Brexit, but we will not do that unless we use the additional time given by this Bill to make sure that we form an Executive in the Assembly that was elected on 2 March.

6.48 pm

Jim Shannon (Strangford) (DUP): I did not expect to get called at this point, Madam Deputy Speaker; I usually get called at the end of debates. The good book says that “the last shall be first, and the first last”, but today I am somewhere in the middle. It is always a pleasure to speak in this House.

I congratulate the Secretary of State and the Government on presenting the interim measures in the Bill. This is not where we want to be, but we are committed to the Northern Ireland Assembly and the democratic process. The Bill gives us all an opportunity to make a contribution. A number of valuable speeches have been made, some of which raised questions in my mind, which I will speak about later.

Until recently, we had a functioning Executive that was more than fit to handle the issue of rates and to make Northern Ireland’s economy prosperous. In the short time that I have, I want to talk about the positive things that the Northern Ireland Assembly has achieved. The statistics are quite incredible. Unemployment numbers in Northern Ireland dropped to 39,320 in 2016. In my constituency, the percentage of people who claim for unemployment dropped from 5.3% to approximately 3.5%. The Democratic Unionist party has achieved that by being in government in Northern Ireland, making things work and getting the business done. That is what we do—we get the business done.

We have supported the creation of more than 40,000 new jobs, smashing the target of 25,000. We have instigated £2.9 billion of investment, which is almost three times the target of £1 billion. Such positive things are made possible by a good Assembly in which all parties are committed to working together, without one party stopping the whole process. We have had £585 million of research and development investment—almost double the target of £300 million—and 72% of new jobs supported by the “Rebuilding our Economy” programme have paid above the Northern Ireland public sector median salary. That gives some indication of what can happen when the Northern Ireland Assembly works. It has delivered at the highest level, and the figures have been way beyond many people’s expectations.

We took control of air passenger duty on long-haul flights leaving Northern Ireland and reduced the charge to zero. That power was taken off us by Europe, but we will now divest ourselves of Europe and wipe the dust off our coats in that regard. If we have a working Assembly, we will have a chance to reinstate that measure and put ourselves back in the market for long-haul flights.

Northern Ireland received more than 1 million more visitors than previously over the past three years. We have achieved year-on-year growth in tourism spending, which reached £752 million in 2014 and has increased in each successive year. The number of cruise ships docking in Northern Ireland has increased year on year. Some 80 vessels and an estimated 145,000 guests came to Northern Ireland in 2016, and the figures for this year show that there has been even more growth in the sector. That is what happens when we have a working Assembly to which all parties are committed, but one party—Sinn Féin—is not, and that has to be addressed.

On business taxes, the DUP has continued the policy of industrial de-rating, which has saved local businesses tens of millions of pounds, protecting jobs and encouraging investment. We have protected the small business rates relief scheme, which has benefited many small businesses across Northern Ireland by approximately £18 million per year. Small and medium-sized businesses across Northern Ireland have benefited directly from that action by the DUP. We delivered a Northern Ireland-wide rating revaluation that reduced rates bills for many businesses. Since 2012, 525 new businesses have benefited from the introduction of empty premises rate relief. When the Assembly was operational, it brought success to the people of Northern Ireland. The DUP remains committed to that, and we are looking forward to other parties making their contribution.

For years, business organisations have campaigned for the devolution of corporation tax and for the setting of a lower rate. Those powers have been described as potential game-changers for our economy. Other parties had second thoughts and were not sure what to do, so they gave up on it, but the DUP persisted and secured them. A date has been set in 2018 for the rate to be lowered to 12.5%, but there is now a question mark over that, because Sinn Féin’s intransigence has made the Assembly unworkable. If the Assembly was back up and running, we could deliver on that, and thereby deliver more jobs and a stronger economy across Northern Ireland. The cut in corporation tax will build on the strength of our workforce and the comparative cost base that makes Northern Ireland an attractive investment opportunity.

When the Executive was up and running, it delivered, and it should continue to do so. This does not read like a non-functioning, defunct Executive; it reads like an Executive in which one party was working hard to deliver for the people of the Province, but which was unfortunately brought down by another party that aspired to be in control to push a political point. Members have spoken eloquently today about the political aspirations that Sinn Féin has pushed hard to achieve. The Assembly was brought down by a party that does not send representatives to this House to fight for Northern Ireland—Sinn Féin representatives never sit on these green Benches and never take part in the decisions made for the people of Northern Ireland who elected them—but that will ask people to vote for it in a
Westminster election, even though it will return nobody here to work for them. That is hard to believe. Sinn Féin Members refuse to take their seats in this place to fix what they have broken.

Members of my party and I will stand in the forthcoming election as people who work hard on the ground for our constituents. We work hard in this place, as the statistics show, for our constituencies, people and country. We are left in a position in which the Secretary of State has to step in. I am thankful for his willingness to do so, but that is not what we want or what the people of Northern Ireland deserve, and it must change.

Just a few weeks ago, the hon. Members for South Down (Ms Ritchie) and for Fermanagh and South Tyrone (Tom Elliott)—he has just left the Chamber—and I had a very constructive meeting with the chief executive of the Education Authority, at which we pressed for funds for outdoor centres. The chief executive indicated that even before the setting of the budget, the EA was £73 million short this year on its education spend. If it is short to that extent when the Assembly is not functioning, what will happen if the situation continues?

**Sammy Wilson:** Does my hon. Friend recognise that even if the Secretary of State took powers to handle all the budgetary issues, the pattern of spending would be as established in previous years of the Assembly—no new initiatives could be implemented, because the power would be simply to disburse the funds on the basis on which they had previously been distributed—even though the priorities might now be different? Taking over budgetary powers will not resolve the issues that my hon. Friend is talking about.

**Jim Shannon:** My hon. Friend is absolutely right. Taking those powers will not address the issues, and we cannot address the issues because we do not have a working Assembly—if we did, we could at least make some decisions. We need the Finance Minister to bring forward a budget, as others have indicated, and we need all parties to be committed to the Executive. It is very frustrating to be in this position.

My hon. Friend the Member for North Antrim (Ian Paisley) referred to the case that the shadow Secretary of State raised. I look on the shadow Secretary of State as a friend—I wish him well in his retirement—so I was disappointed by the fact that he did not give any examples of similar cases from among the Unionist community. He could have mentioned Bloody Friday, when the IRA bombed people and blew them to bits. He could have mentioned Darkley, where the Irish National Liberation Army attacked and murdered people who were worshipping their God. He could have mentioned La Mon, where the IRA murdered innocent people who were on a night out. He could have mentioned the Abercorn restaurant, where people were murdered while they were having a meal. The Unionist community wants to know where the inquiries are.

**Sammy Wilson:** Does my hon. Friend accept that we see this pattern from the Labour party, especially under Jeremy Corbyn—

**Madam Deputy Speaker (Natascha Engel):** Order. I am sure the hon. Gentleman means the leader of the Labour party, or the right hon. Member for Islington North.

**Sammy Wilson:** Does my hon. Friend accept that this is a pattern established by the Labour party under the leadership of the right hon. Member for Islington North (Jeremy Corbyn), who has refused even to acknowledge, let alone read, letters sent by Colin Parry, whose son was killed at Warrington?

**Mr Anderson rose—**

**Jim Shannon:** I thank my hon. Friend for that intervention. I am happy to give way to the shadow Secretary of State.

**Mr Anderson:** I thank the hon. Gentleman. Gentleman for giving way—I also look on him as a friend. May I make it very clear that I raised that case specifically to make a point about how long it has taken to resolve? I wanted to say to people in Northern Ireland and in this House that we have had 48 years to put the legacy thing right. I fully agree that the other cases that the hon. Gentleman has just spoken about could have been mentioned. It is unreasonable for victims’ families to have to wait for any length of time, but it is particularly unreasonable for them to have to wait for 48 years—that was why I raised that particular case.

**Jim Shannon:** My cousins and our family have been waiting 46 years for such a matter to be addressed. The families of the four UDR men about whom we recently had a debate in the House—Members on these Benches took the time to attend and offer their support—have been waiting some 27 years for justice for those people. We are looking for justice, we want to see it coming, and we want to hear people saying that throughout the Chamber—[Interruption.] I am quite happy to respect everyone else, and if there is a case to be answered, let us answer it, but to be honest, if there is a case involving our side, I want to hear people talking a wee bit more about it. I want to hear about inquiries for Unionist people who have endured some 35 years of terrorism—[Interruption]—and, yes, ethnic cleansing. Down by the border, people were murdered. Why? Because they were Protestants and Unionists. Why did others do that? Because they wanted to get the land. That is an example of what has happened, but we never hear about it from certain elements in this House. We are going to talk about it tonight, because it is a fact that has to be heard.

**Ian Paisley:** As my hon. Friend has heard, we have been chastised for representing certain traditional values. I have a letter from a parish priest in my constituency thanking me for the work our party does—

**Dr Alasdair McDonnell:** Name him.

**Ian Paisley:** No, I will not name him, but I will show you the letter, Alasdair. If the hon. Gentleman wants to see it, I am happy to share it with him.

**Madam Deputy Speaker (Natascha Engel):** Order. I have a couple of things to say. Interventions are getting extremely long. Members are also referring to each other directly—we do not do that; we speak through the Chair. The whole tone of the debate until now has been very good, and I really do not want that to disappear. I understand the passions and the tensions, and I understand the importance of these matters, but the tone of the debate should be maintained as it has been so far. I call Jim Shannon.
Jim Shannon: Thank you, Madam Deputy Speaker. I will move on to my last few comments.

I thank the Secretary of State for introducing the Bill and for the positive contribution that he and the Under-Secretary have made to the talks process. They have tried hard to move the talks forward, and they have our support for the Bill. We fully support these interim measures in the hope that our Executive will be able to function soon, and that we can achieve more of all the things I have mentioned, such as reducing unemployment, creating jobs and prosperity, and focusing on what matters for the young people of today and those of a different age.

I hope that those who seek to stand in the way of democracy will realise what we have been dealing with for years. We do not enjoy sitting beside unrepentant terrorists, but we must do so as they have a mandate, and the country must function as a democracy. We accept that and we understand the process. They may not look forward to sitting beside us, but we have a mandate as the largest party in the Northern Ireland, and that is the definition of democracy. I say to Sinn Féin, “If you cannot work with us, resign your seats and allow those who look to the good of Northern Ireland—Unionists and nationalists, and all those thousands who designate themselves as neither—to do the job so that we do not have to come to this Chamber again with more interim measures, which indicate a failure for democracy and a worse failure for the people of Northern Ireland.” Let us be positive. Let us hope that this is only interim legislation and that by the end of June the parties will have come together. I ask Sinn Féin to make such a contribution and to step away from the high bar it has set so that we can have negotiations—with those from both traditions, and those who want a way forward—that will actually lead somewhere for the people of Northern Ireland.

7.3 pm

Danny Kinahan (South Antrim) (UUP): May I congratulate the hon. Member for Strangford (Jim Shannon) on his positive contribution to this debate? It was really what we needed, because the debate was getting a little bleak at times.

I thank the Secretary of State for all the work he has put in on Northern Ireland, including going out and meeting people throughout the community and really listening to them. I want to echo his sentiments about the bomb outside the primary school, which is quite disgraceful. That sort of thing should never have been happening, and we thought we had moved away from it all. It really emphasises how brittle the situation is in Northern Ireland, and how it falls on all of us everywhere to try to find the right way forward.

I also thank the hon. Member for Blaydon (Mr Anderson) for all that he has done, including coming to speak to our party conference. I may not agree with everything he has said today—he stirred up the debate, which got quite lively—but we did talk about some of the issues that really needed to be discussed today. That includes the fact that one party is not in the House. It takes all the money and fees, but does not represent its people. It paints itself to the rest of the world as the cuddly bear of Northern Ireland politics, when it is in fact a very different kind of bear altogether.

We very much welcome the Bill and its provisions, and the breathing space that it has provided up to 8 June. It will allow us to put in place what Northern Ireland wants to meet its needs. Key decisions on the public finances were needed, and we know that when such things are put on ice, the most vulnerable always pay the price.

However, there are still great difficulties with the budgets. Schools I have talked to say that they are already working on budgets that are not based on plans for the future: they are just using guesswork. In one constituency case, the Gaelic Athletic Association, which was borrowing the pitches of local integrated schools, can no longer use them because the cuts mean that schools cannot provide a caretaker to look after the pitches, so people cannot now train for their games. In other cases, a mass of capital expenditure is needed in education. I note that the budget that has been presented has a 2.5% cut for education, and a slight rise for health.

There are a lot of problems ahead, and we need flexibility. As I said in my earlier intervention, we also need a mechanism so that when people approach politicians while the Stormont Government are in limbo, such information can be fed to heads of Departments and action can be taken. We need a little bit of such flexibility. I note that what is being put in place does not entirely have a statutory footing, so I hope that it will not lead us into a world where it cannot be challenged in the courts.

The issue of corporation tax was raised earlier. We would like to hear what the intentions are for it. The change was meant to come in during 2018. Will the Secretary of State confirm that that would still be the case if Stormont was not in place?

Several Members have mentioned that we now have 90 MLAs who are working away, with their offices looking after the people on the ground, but we need decisions to be made. We should be focusing on health, education and welfare, but we are instead being dragged into discussing the Irish language and other matters on which we are finding it difficult to get everyone to agree.

As others have done, I want to emphasise the legacy issues. We have to find a way forward. I note that the Secretary of State is looking at bringing in a consultation, and I welcome such an outcome, but we must at no time forget the victims. They must always be well looked after, and not just in Northern Ireland, because there is a mass of victims over here who are not properly looked after either. The Secretary of State knows that I am keen for us always to look after the servicemen, and to make sure that there is no equality with the terrorists, but at the same time we must find a way forward on the legacy issues. There has to be a solution, but it will need all of us to sit down, and pressure must be put on Sinn Féin for that to happen.

Because of Brexit, getting the Assembly up and working will be key. Whether or not those involved were remainers—I was a remainor, but the people have spoken and we must listen to them—we need their involvement. During visits to various areas, such as the Northern Ireland Affairs Committee visit to Dublin, and in speaking to others, I have found that Unionism does not have a voice, either because of the limits of strand 2, or because we have not got a Government of our own. We need to have a way to ensure that all types of Unionism—not just the DUP, but the UUP and others—are listened to throughout the Brexit negotiations.
We need to have 18 MPs back here in the Chamber, not just 14. We need to make sure that everyone is represented. If we look into it, we find that 250,000 people in Northern Ireland are not represented. That will be key in the Brexit negotiations, and we need to make sure that our farmers in every constituency are listened to, just as much as we need to look after our universities, our businesses, and the community and voluntary sector. Our environment keeps being left out all the way through, and we must make sure that it is very much part of the Brexit negotiations.

I was fascinated to hear Members suggest that mandatory coalition may not be the right way forward. When I have spoken to the Secretary of State, I have many times said that the definition of insanity is doing the same thing again and again, so it is great to hear others changing their minds or looking at something different. We need to find another way of all working together. That may be a voluntary coalition, but if so, we must make sure that we look after the minorities, so that is not without its difficulties. We could even have a minority Government if the two major parties cannot agree, but we all need to sit down and find a way forward. I know that every single person sitting here wants solutions and can work together. One party that is not here does not make it easy, but that does not mean that the other parties here are not at fault too. With a little humility, and a little consideration of the RHI issue and a realisation that it was a certain party’s fault, we could all work that much better together.

I long to see Northern Ireland working. I do not want to see devolved government failing. If it is not working and we have to have direct rule, it has to be as short a time as possible and as effective as possible, but it also has to be done by listening to all of us in Northern Ireland. I thank the Secretary of State for what he has put in place today. I hope we can get there and I look forward to seeing Northern Ireland really thrive in the future.

7.10 pm

Dr Alasdair McDonnell (Belfast South) (SDLP): Like many in Northern Ireland, I am saddened that we have come to this impasse which has created the issues we are trying to solve. There are so many problems that need to be faced, but we will not face them or solve them by trading insults or abuse. I will attempt to be as positive as possible and I will avoid that well known pastime in Northern Ireland called whataboutery.

I pay tribute to the shadow Secretary of State the hon. Member for Blaydon (Mr Anderson) for his outstanding public service over many years, both in this House and in the years before he arrived here. Thank you, David. I know that all in this House will wish him all the best and that we all need to sit down and find a way forward. I know that every single person sitting here wants solutions and can work together. One party that is not here does not make it easy, but that does not mean that the other parties here are not at fault too. With a little humility, and a little consideration of the RHI issue and a realisation that it was a certain party’s fault, we could all work that much better together.

I would like to touch on what I consider to be an absurd and relatively insulting suggestion by the right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson) that the SDLP did nothing about the killing of Robert McCartney in a bar in Belfast in 2005. His point is neither accurate nor well made. No one can criticise me on how outspoken I was about the murder of Robert McCartney. Sinn Féin, in the immediate aftermath, were still trying to pretend that it was the result of some sort of knife crime when I unequivocally pointed the finger at IRA involvement in that murder.

Sir Jeffrey M. Donaldson: I thank the hon. Gentleman for giving way. I would like to correct him. I may have got the location wrong in terms of where the murder was carried out, but I was talking about the tit-for-tat double murder of Jock Davison and Kevin McGuigan that occurred during a period when Sinn Féin were in government. One of those murders was carried out in the hon. Gentleman’s constituency. I was simply making the point that I did not hear the hon. Gentleman on that occasion when there were multiple murders involved, culminating in question Sinn Fein’sfitness for government or his confidence in the Government in those circumstances. I think that is a fair point to make.

Dr McDonnell: The record will show that the right hon. Gentleman referred to a murder in a bar and the only murder in a bar was that of Robert McCartney. I was active politically in criticising both the murder of Jock Davison and the murder of Kevin McGuigan.

Sir Jeffrey M. Donaldson: And the Government?

Dr McDonnell: I am being heckled here.

Mark Durkan: I remind my hon. Friend that when it came to the Stormont House talks, it was the SDLP who submitted the papers on a whole community approach to tackling paramilitarism, it was the SDLP who put in a whole enforcement approach to tackling paramilitarism, and, in fact, it was the SDLP who wanted paramilitarism and criminality on the agenda of those all-party talks. It was the DUP who helped to veto that originally.

Dr McDonnell: We risk getting into whataboutery. In fact, we are probably deeply into whataboutery. I just want to put on the record that at the time I was very critical, publicly and aggressively, of the murder of Robert—

Madam Deputy Speaker (Natascha Engel): Order. We are in danger of ranging far outside the Second Reading of the Bill and getting bogged down into specifics about individual parties. I understand why and where that is coming from, but if we could keep more closely to the Bill, that would be fantastic.

Dr McDonnell: Thank you very much, Madam Deputy Speaker, but allegations were made and I felt that I had to refute them. I will leave it at that and perhaps sort it out with the right hon. Gentleman privately. [Hons. Members: “Ooh!”] We can sort it out over a cup of tea.

Sir Jeffrey M. Donaldson: I am glad for that clarification.

Dr McDonnell: I am not a violent man, Madam Deputy Speaker.

Moving on, we are in this situation because of a failure to face a new reality. Some may not agree with me, but the difficulties and the fiasco around the renewable heat incentive triggered a sequence of events that spun out of control. People out there want answers and they...
feel that they deserve them. Many of those who want answers are not nationalists. I have met many Unionists who are horrified by events relating to the RHI. I will leave it at that. Clouds of confusion or poking each other in the eye only make things worse.

I say to the Secretary of State that it is vital that no stone is left unturned until devolution is restored in Northern Ireland. We have massive problems that must be faced. Northern Ireland is suffering from a total lack of confidence in its institutions. There are many issues facing us, but four jump out. The first is Brexit. Northern Ireland voted against it and to my mind it will be very difficult for Northern Ireland. The issue is multi-layered, but I will take just one example. I am being inundated by community groups and community workers from peace building groups from various marginalised communities who are heavily dependent on European peace funds to carry out their work. Those groups are currently facing collapse through lack of funding. They are not from any particular tribe or side of the political divide.

The second issue is our economy. The delay in the reduction in corporation tax was mentioned earlier. Aside from corporation tax, there was meant to be a prosperity dividend following the peace process. It never came. To my mind, peace will not be fully sustained unless our economy gets a boost and real jobs are created. Currently, we have no budget. This has serious consequences, in particular for our schools and our health service.

The hon. Member for South Antrim (Danny Kinahan) mentioned many of the problems in education. I will not repeat them, but I will make one point. We have very serious problems with underachievement, despite some very powerful successes at some schools. I urge the Secretary of State to work with me, the right hon. Member for Belfast North (Mr Dodds) and the hon. Member for Belfast East (Gavin Robinson) to do what we can to solve the crisis in underachievement in education in marginalised areas. It is frightening. I would be glad if, in conjunction with my colleagues from neighbouring constituencies, the Secretary of State or the Minister could find the time to visit some of those schools, because it is despair-plus-plus for the people who try to teach in and run them. These are the people who are really suffering now, more than any others, as a result of the present difficulties. We need to deal with the problem of education despair and disadvantage in these areas. If we do not deal with it, we will create an underclass of people with no stake in society and they will be disruptive to society in the years ahead. That is the narrow self-interest. The broader interest is that we have a duty to ensure that all children of the nation are treated equally.

Our health service is stumbling towards despair. Primary care struggles to cope when hospital waiting lists, in particular surgical waiting lists, are in great difficulty. I will not go into detail on that.

I want to make an honest point about the attacks on the Irish language and I hope it will be taken as such. I was tempted to make this speech “as Gaeilge”, but I felt that not too many people would understand me so out of courtesy I decided not to. I am talking about attacks on the Irish language, and the immature abuse that is heaped on those who wish to speak Gaelic. It is not a crime to speak Welsh in Wales, and it is not an offence to speak Gaelic in Scotland. I remind the House that 100 years ago the revival of the Irish language in my county, the proud county of Antrim, was led by Unionists, not by nationalists. It would be disastrous to hand the ownership of the Irish language exclusively to Sinn Féin. I will never agree to that, whatever form it might take. The Irish language is the possession of no political party or grouping; it is the right and the property of all, culturally and in all other dimensions.

The hon. Member for Strangford (Jim Shannon) requested support for victims of the IRA. I could not agree more. Many of my friends were murdered by the IRA, and I am very willing to put on record my support for any campaign for justice, honesty, openness and answers for all victims and survivors, regardless of who they are or what their political aspiration might be. That includes every single victim.

A general point has been made about the legacy issues, and other Members have spoken about the details. I merely say that we must find a solution, and beg the Secretary of State to press on, because otherwise instability and discontent will be fuelled.

In the remaining few minutes or seconds of my speech, let me wish the Secretary of State every success in his efforts to ensure that devolution is re-established, because it is the best deal for Northern Ireland. I genuinely hope that the extension to 108 days will allow space for the restoring of the institutions. I also hope that striking a temporary regional rate will help to restore a degree of financial stability. As for the allocation of the billions of pounds that the Brexit people promised us on the back of a leave vote—as Members may recall, they promised us £350-odd million a week for the health service—I urge the Secretary of State to ensure that some of the money that is released is spent on the creation of a prosperity process that will deal with educational underachievement and strengthen the health service so that it is able to cope with the demand in Northern Ireland.

7.22 pm

Mr Nigel Dodds (Belfast North) (DUP): It gives me great pleasure to speak in the debate, and to follow the hon. Member for Belfast South (Dr McDonnell). I welcome the Bill, as far as it goes. It is necessary, but unfortunate. There is now a new deadline, but as it is the same deadline that was imposed for the first set of talks, it is, in fact, not really a deadline. Let me say to the Secretary of State, with great respect, that he may find that a hard rather than a soft deadline would produce more dividends by making it clear to some people during the talks process that it is time for them to make their minds up and decide whether or not they really want devolution.

Whatever our differences are on these Benches—there are three Northern Ireland Benches here, and things can get heated at times, especially when Members talk about historical events—the one thing that binds us together is the fact that we are here to represent not just the people who voted for us, but all the people in our constituencies. We all take our seats, and we all speak up and stand up for Northern Ireland. Whatever differences there may be between us, that is something that we have in common.

In recent days, eulogies have been delivered about the former Deputy First Minister, who passed away. Some people said that he had gone down a certain path because
he had no choice, but other people who grew up in
places like Londonderry and west Belfast at the same
time—people like John Hume and John Cushnahan, in
west Belfast—did not take up an Armalite or a bomb. It
could be said that they came from the same background,
but, although they chose a different path from my
colleagues and me in terms of their politics and outlook,
it was a democratic path. They deserve praise and
honour for that, but it is sometimes easily forgotten.

We have, of course, been here before. Not so long
ago, we had to pass emergency legislation to sort out
the issue of welfare reform in Northern Ireland. That
was another crisis that led to intensive talks and agreements.
It was another crisis that was brought about because
some Members of the Northern Ireland Assembly, for
whatever reason—we will not go into the details tonight—
did not want to make the decision to implement welfare
changes that were an inevitable result of changes agreed
to here at Westminster. We opposed those changes, but
we accepted that a budget had been set and we had to
got on with the reality of the situation that had presented
itself to us. We brought in mitigations, but, sadly, some
of them may be at risk if we do not get devolution up
and running.

Sinn Féin, however, appeared willing—in fact, was
willing—to allow this Parliament, whose authority,
legitimacy and validity it questions, queries and lambasts
all the time, to do the heavy lifting and implement the
hard decisions that were necessary. Indeed, I understand
that Westminster still has the legal authority until the
end of this year, because the sunset clause has not yet
kicked in. There has not been a word about that from
Sinn Féin. The sovereign Westminster Parliament has
full control in that regard, yet we are told that in no
circumstances must there be a return to direct rule.
There has already been a partial return to direct rule
in respect of welfare reform, and Sinn Féin agreed to it.
That is the reality.

Let me make our position very clear. We want devolution
to be restored in Northern Ireland. Those of us who sit
in Westminster might have more influence if matters
were to be decided here, but it would be far less influence
than the influence that Members of the Legislative
Assembly—members of all parties—would have in
Stormont in deciding on the affairs of Northern Ireland.
That is what we want to see.

Lady Hermon: The right hon. Gentleman has made a
valuable point. We are heading towards a general election
campaign, and harsh words will be said by one party
about another, because that is what happens during
general election campaigns. Will he take this opportunity
to reassure the people of Northern Ireland that even
during the campaign, there will be low-level discussions—
perhaps not even low-level discussions—between his
party and Sinn Féin in an attempt to get positive talks
up and going immediately after 8 June?

Mr Dodds: We have made it clear that we are happy
to continue contacts during the election campaign, and
I am sure that there will be such contacts, at official and
other levels. We have no difficulty in trying to reach out
and secure agreement on the issues that are outstanding.

We want to make it very plain today that we do not
stand in the way of the restoration of devolution, and
nor, I understand, do some other parties to the process.
We will form an Executive tomorrow, on Monday, on
Tuesday, or on any day on which the Secretary of State
cares to call the Assembly together. We will go into
government, but as my right hon. Friend the Member
for Lagan Valley (Sir Jeffrey M. Donaldson) said, people
should not take that for granted. People should not just
say, “That is okay.” Given what we have come through,
as a community and as political representatives, representing
people who have been on the receiving end of IRA
bombs, bullets and all the rest of it, we are making a
massive statement. However, we are prepared to do that,
and willing to do that, for some of the reasons given by
the hon. Member for Belfast South (Dr McDonnell).
He mentioned education and the levels of underachievement
in places like north, east and south Belfast in particular,
but also in many other parts of the Province. This is a
critical issue, and steps to address it were being taken in
the Assembly by the Minister of Education—and not
just our Minister, but previous Ministers as well.

I wish that that work could continue across government
in Northern Ireland, because it is better that local
Ministers who have an understanding of, and a feel for,
these issues and know what will and will not work drive
these policies, listening to people on the ground. That
applies, too, to the health service and all its needs and
the big decisions that need to be taken. On the voluntary
and community sector, again we share common ground
on the fact that people need certainty about budgets
and do not know what is going to happen. Recently,
Arlene Foster and I met representatives of the business
community; right across the board, their consistent
message was that they wanted devolution up and running,
and we agree, so we will work to achieve that.

My hon. Friend the Member for Strangford (Jim
Shannon) outlined in his speech some of the achievements
of devolution. They are sometimes easy to forget given
the general view that “Devolution never did anything
for us; local Government in Northern Ireland never
achieved anything.” Leaving aside the big prize of peace
and stability, we must reiterate the benefits of devolution;
it is important that they get repeated over and again.

One thing that is slightly reassuring is that, while in
the run-up to January everybody said, “Get rid of
Stormont; it’s a waste of time and nobody wants it,”
and nobody was speaking out in favour of it, since it
has been down, everybody has been coming out and
saying, “Make sure you get Stormont up and running;
it will be a disaster if it fell.” I just wish some of those
people would speak up a bit more loudly at the time
when difficult decisions are being taken by the Executive
and the Assembly, because it is easy to join the general
throng and say “Everything’s terrible” when tough decisions
have to be made. With regard to what Sinn Féin is now
saying, I read an article by Declan Kearney recently,
in which he berated the Conservative Government; he said
that since 2010 there has been a change in attitude from
British Governments. He blamed the DUP, with no blame
whatsoever attaching to his party, of course.

There is a rewriting of the past going on: not just a
rewriting of the last 30 years of the troubles, but a
rewriting of the last seven or eight months. The House
needs to be reminded that before January, when the late
Martin McGuinness resigned and collapsed the Assembly,
even though the RHI issues were being addressed and could be addressed and there was no reason for the Assembly to be collapsed, we had had a joint letter signed by the First Minister and Deputy First Minister on Brexit. It was a very helpful and positive letter. There was no issue then about special status or how this was a matter that would destroy Northern Ireland’s Government.

We had also had a draft programme for government agreed that was out for consultation, and, indeed, it had received a great deal of positive reaction from most people across the community. We had also had a joint article penned by the late Deputy First Minister and First Minister in the *Belfast Telegraph*, setting out a very positive vision for Northern Ireland. There were regular and very good meetings happening between Sinn Féin and the Government and the DUP and others in relation to legacy issues, and all of that was being worked through, too. But now we are told that this was all a total disaster and that government could not possibly continue in Northern Ireland because of Brexit because of the legacy issues, and because of the Irish language issues. Yet Sinn Féin went into government in mid-2016 with a draft programme for government that did not mention the Irish language; no such demand was made then, but suddenly it has become a demand.

Then Sinn Féin said, “It’s about respect.” Some people have talked about the use of insulting language, and I have to remind the House of some of the things said by Sinn Féin members. Gerry Adams referred to Unionist b******s—I will not use the expletive. He said that equality was a means of breaking Unionists; how insulting and awful is that sort of language? We did not walk out of the Government, however, and nor did we when the Secretary of State was recently disparaged and insulted by Gerry Adams in the talks process, or when the right hon. Member for North Shropshire (Mr Paterson) was referred to in insulting language on the radio, again by Gerry Adams. We did not walk out, either, when Martina Anderson stood up in the European Parliament and told people in the most insulting, revolting, vile language where to put the border. Indeed, I see that Mary Lou McDonald, deputy leader of Sinn Féin, was running around today in a T-shirt glorying in that vile language; what does that say to Unionists? What, indeed, does it say to honest, decent people who took a principled position to leave the EU? This is insulting to many of us. And as to when Michelle O’Neill left the talks and travelled down to Coalisland to stand there and eulogise IRA murderers, how insulting is that to the rest of us?

What I am saying is that there are issues that cut across both communities. On the way forward, yes, we can have another election. We are having an election on 8 June, so there will have been plenty of elections since last May when we had the first Assembly election, and we can have another Assembly election, so that accounts for another three months, but where do we go after that—to direct rule? If that is what Sinn Féin is really aiming for, I do not understand, for the reasons I have outlined, why it would want to go down that path. I welcome the fact that the Government have made it very clear that there will be no border poll, again because of the reasons set out in the Belfast agreement. They have made it very clear that the stability of Northern Ireland and its future is a matter for the British Government, and so it is. The only way forward is to have devolution.

A Member on the Conservative Benches said in this debate that people have had to make intensely difficult decisions. He referred to the Conservative party and the Labour party, and I want to add my personal best wishes to the shadow Northern Ireland spokesman, who is leaving the House at this election. We may disagree on many issues, but I wish him personally very well for the future. The Member on the Conservative Benches said that, despite the differences between Conservative and Labour, intensely difficult decisions were made by both of them during the political and peace process. He also referred to the parties in the south and the parties in the United States, but may I add that the parties in Northern Ireland had to make intensely and personally difficult decisions, too? We represent constituents who have been murdered and butchered by terrorists, and there are Members here who represent constituents murdered and butchered by loyalists. We represent and have family members who were murdered. Some of us saw close colleagues done to death in front of us. Some of us were personally attacked and assassination attempts were made on us. People had their offices bombed and letter bombs sent. We have been through years of this; we have made intensely difficult decisions, and despite all of that we are committed to devolution.

Some people say that we want to throw it all up in the air; we have come too far for that, but we need a partner to work alongside us in government. I have no doubt about the commitment of parties like the SDLP, the Ulster Unionists and the Alliance to working for the best for Northern Ireland, but I begin to worry about Sinn Féin when it continually threatens the institutions every time there is a difficult problem. We need a partner that wants to work in government and that recognises the parameters within which we operate, which are that we are a devolved government that is part of the United Kingdom, but there are north-south and east-west arrangements and we all play our full part in that, and there is guaranteed power sharing and people’s rights are protected, and that we will leave the EU as part of Brexit, but there will be special arrangements, recognising the special circumstances of Northern Ireland across a number of areas. Because we share a land frontier, there has to be a different arrangement, of course.

So that is what we are seeking, and I hope that we can achieve it in the coming days. However, we cannot achieve it on our own. The Secretary of State will recognise that we have tried to reach out in the recent talks at Stormont, and we will continue to try to resolve these difficult issues. He is a player in all this as well, because Sinn Féin have criticised him, just as it criticises us, for not moving on the legacy issues. He knows the kind of criticism that we have to take. However, we want to find a way through all that. We are totally committed to doing that, after 8 June, and we will continue to do whatever needs to be done during the election period. I welcome the Bill and I hope that it will go through without any opposition tonight.

7.40 pm

Mr Anderson: This has been a—
Madam Deputy Speaker (Natascha Engel): Order. The hon. Gentleman must ask for the leave of the House, as it is the second time he has spoken. I am sure that he will be given it.

Mr Anderson: With the leave of the House, I want to apologise for the absence of my hon. Friend the Member for Ealing North (Stephen Pound), who has been at the dentist all day—no doubt preparing for his photoshoots. I want to thank everyone who has said kind words about me, particularly those who did not mean them.

I will not take long, but I want to mention one thing that has stayed with me during all my time in this House. In the winter of 2007, the Northern Ireland Affairs Committee was doing an investigation into community restorative justice. I was sitting in a minibus behind Sir Patrick Cormack. To his left sat a mountain of a man named Maguire. It was a dark, cold night, and we got off the bus at a community centre where that man was going to speak to some young people. Patrick said to me, “David, that’s the hardest thing I’ve had to do in my life.” I said, “What’s that, Patrick?” He replied, “That man just told me that he had committed two murders on behalf of the IRA. Now he is going in there to tell young people not to follow his path.”

Patrick talked about losing colleagues, including Ian Gow and Ross McWhirter, and my heart went out to him, but he then said that we had to put those things to one side and act as parliamentarians. That is exactly what we are asking people to do today. People have asked questions about the blockages that are making it impossible to move forward, and they may well be right, but the Secretary of State and I both know that that is the hand we have been dealt and that we have to try to move things forward.

I reiterate that I do not believe any of these issues to be irresolvable. On equalities, I do not believe that asking the Unionist parties to move and to bring Northern Ireland into line with the rest of the United Kingdom it is too big an ask. Indeed, I have been led to believe that a majority vote in Stormont in November 2015 agreed that that should happen, but the process was then blocked by a petition of concern. On the Irish language, we are asking for what the other parts of the UK have—namely, for the proposal to be put on a statutory footing. At the same time, we must recognise the real issues around the heritage of the Ulster Scots and put forward work to develop those areas.

On the renewable heat incentive, I reiterate that Sinn Féin should stop making its unreasonable demand that the leader of the DUP should step aside. That would be a huge step in the right direction. On legacy, despite all the criticisms, we need a system that will protect all victims, that treats them all equally and that, as far as possible, brings justice and closure to them and their families. I do not believe that any of those are unreasonable requests. We should call the bluff of those who are trying to block this process and get them back to doing the jobs that they volunteered to do in the first place.

7.44 pm

The Parliamentary Under-Secretary of State for Northern Ireland (Kris Hopkins): It is a pleasure to follow my hon. Friend—I will call him my hon. Friend—the Member for Blaydon (Mr Anderson), and I am pleased that we have the full support of Her Majesty’s Opposition today. I have had the pleasure of knowing him since 2010, when we served together on the Northern Ireland Affairs Committee and on the British-Irish Parliamentary Assembly. There are many issues that we do not agree on, and our politics may be somewhat different, but he is a good and kind man. I want to echo a couple of the points that he has just made. On women’s rights, he was right to say that we should stand up and challenge the situation. He also suggested that I should respect the fact that LGBT issues were a devolved matter, and I do. As an individual, however, I look forward to attending Belfast Pride between 28 July and 6 August, where I shall stand alongside the best part of 50,000 people from Northern Ireland. They have a significant voice that needs to be represented and recognised. I pay tribute to those on the Opposition Front Bench for their support, and for the bipartisan spirit in which we are able to take these steps to deliver political stability and good governance in Northern Ireland. This is especially important given the forthcoming general election.

My right hon. Friend the Secretary of State covered the substance of the measures proposed in this short Bill. It first proposes to give the space for an Executive to form, providing the framework for success in the final phase of the talks before us. It also takes the modest steps needed to set a regional rate, to provide certainty for ratepayers and a future Executive alike. Rather than covering that ground again, I should like to respond to some of the specific points that have been raised in the debate.

My hon. Friend the Member for Tewkesbury (Mr Robertson) was among the many who condemned the terrorist attack and attempted murder involving the placing of a bomb outside a school. Many depraved acts have taken place in Northern Ireland over many years, but to place a bomb outside a school is probably one of the most despicable I can think of. I am sure that the community around that school will be appalled that young people were put in danger by those psychopaths, and I am sure that every part of our community will stand up and condemn this act. My hon. Friend also mentioned the fact that it was unfortunate that the rates were going to be set here, and rightly said that those decisions should be made in Northern Ireland. He also pointed out the impact on businesses of the uncertainty that sits over Northern Ireland at the moment. He said that he did not want direct rule, and warned of the consequences of its introduction. I reiterate that we do not want direct rule either.

The hon. Member for Edinburgh North and Leith (Deidre Brock) made a very succinct speech—perhaps others who have made contributions today could learn a lesson from her—and I thank her for her support. She rightly said that the political Administration in Northern Ireland should be taking the decisions, and we agree with her on that. My right hon. Friend the Member for North Shropshire (Mr Paterson) has given his apologies; unfortunately he has had to go. He paid tribute to the brave police officers in Northern Ireland, and I completely agree with that sentiment. We should never forget them. He said that not a single Member of the House wanted direct rule, and I can tell him that no one on this side wants it. We want local politicians who have been given a mandate to take responsibility and to deliver an Assembly and an Executive who can make decisions on behalf of the hard-working people he talked about.
He rightly said that good will existed among the people of Northern Ireland to try to make this work, and that just required the elected politicians to take responsibility. The right hon. Member for East Antrim (Sammy Wilson) condemned the attempted murder of the police officers outside the school, and I welcome his support for our police. He has long had a reputation of speaking up for them. I also welcome his support for the Bill.

The right hon. Member for Lagan Valley (Sir Jeffrey M. Donaldson) supports the Bill, and I put on record my gratitude for his support on issues of legacy, too. He has secured several debates in recent months that have given us opportunities to discuss this important issue, to get a balanced view and to make sure that the issue of proportionality is put out there—there is a recognition that 90% of the people killed in the troubles were killed by terrorists. He asked specifically about welfare, and the function of the Bill is to make sure that moneys can be sent through to the civil service in Northern Ireland. As part of the agreement, regulations are already in place for the civil service to make decisions. The agreement has been actioned in full, so the resource is there. It will be for the permanent secretary and the team to make choices about that money.

The hon. Member for Foyle (Mark Durkan) regrets the necessity for the Bill—again, that sentiment came out several times—but he does support it, which I appreciate. He wants to get the institutions up and running.

The hon. Member for Strangford (Jim Shannon) made a positive contribution, which is good to see because many negative elements have been raised this afternoon. There was a degree of “statto” in there being so many positive statistics that he wanted to give us. It is important to reiterate that devolved government has been in place and that services have been delivered as a consequence, and we need to keep demonstrating that this is about local people delivering for their communities.

The hon. Member for South Antrim (Danny Kinahan) made a measured contribution in welcoming the Bill, which I appreciate. He mentioned the issues of corporation tax and asked whether it will be incorporated. It is a devolved matter but, as we have said for some time, the Executive are required to demonstrate their competence on moneys. There is a fundamental bit missing, because we need an Executive in order to demonstrate that in the first place. I agree that we want to see corporation tax delivered, too, but we need an Assembly in place to be able to move forward. I put on record again his support for finding solutions to the issues of legacy that affect all communities in Northern Ireland.

The hon. Member for Belfast South (Dr McDonnell) is a good friend of mine, and he spoke with much warmth about his friend, the hon. Member for Blaydon. It is positive to hear that cups of tea will be consumed between the hon. Member for Belfast South and the right hon. Member for Lagan Valley, which is the kind of politics we need to promote in Northern Ireland—a good chinwag over a cup of tea.

The hon. Member for Belfast South made an important point about the Welsh language. Gaelic is spoken in Scotland, and nobody should be ashamed of the treasured Irish language, which is a massive cornerstone of a culture across Ireland that I know many people in Northern Ireland treasure, too.

The right hon. Member for Belfast North (Mr Dodds) welcomes the Bill and laid out clearly the merits of a democratic path. He reiterated his commitment to devolution, which we appreciate.

Lady Hermon: I am grateful to the Minister for kindly and enthusiastically giving way. There appears to be one key issue that he, to my disappointment, has not yet addressed. The issue was raised by a couple of people who contributedvaluably this afternoon, and it is about Sinn Féin’s allowances in this place when they sit as absentee MPs. Are this Government prepared to take a hard-line, hard-headed and proper approach towards Sinn Féin, which does not take its seats but is still able to take advantage of a huge amount of public funding from this House for administrative and secretarial assistance? I say that with great passion, because I sit here as an independent. I do not have a party. I receive no allowances in support of additional secretarial or administrative assistance, and I am hugely resentful that the absentee MPs who claim to represent constituencies in Northern Ireland are able to be paid thousands of pounds of taxpayers’ money.

Kris Hopkins: I could give a diplomatic answer to a lot of that. My first ever point of order asked why Sinn Féin gets paid when it does not come here, so I will not contradict myself on that issue. The hon. Lady knows my view on this and, in talking about the future of the Assembly, it is about making sure that we create the right political space in which all parties can find agreement and come together to offer leadership for Northern Ireland. I could engage in that partisan debate. My comments are already on the record, and I will not contradict myself.

I sincerely hope that a deal can be reached, regardless of the broader context of the talks. We will all work towards that outcome, but it will be the parties that need to take up the mantle and deliver inclusive, stable government for the people of Northern Ireland. If they do not, it will be for this or any future Government to continue doing what is required to ensure that Northern Ireland has the political stability it needs.

Sir Jeffrey M. Donaldson: Will the Minister give way?

Kris Hopkins: I have a sentence and a bit to go, but I will give way.

Sir Jeffrey M. Donaldson: I have listened carefully to the Minister, and I know his background as a former serving member of the armed forces. I would not want him to underestimate the importance of the armed forces covenant as an issue in these negotiations. It leaves me a little concerned when I hear the Opposition spokesman and now the Minister refer to issues in the negotiations and make no reference to the armed forces covenant. I would not want him to conclude his remarks without making reference to the importance of that issue and its full implementation in Northern Ireland. That is important to getting agreement.

Kris Hopkins: I thank the right hon. Gentleman for his intervention. I appreciate that this is about putting stuff on the record. I have a service record, and I have spoken to many councils during my time in Northern Ireland about the delivery of this issue. I will never shy
away from making sure that our armed services and veterans have the best possible services. It is important that we constantly challenge people who are responsible for delivering that, and I assure the House that, so long as I hold my position, this issue will always be at the forefront of my mind.

The Bill will provide the framework for success, and we hope it will be the catalyst for the resumption of devolved government. With that in mind, I would be grateful if we proceeded with support across the House.

Question put and agreed to.

Bill accordingly read a Second time; to stand committed to a Committee of the whole House (Order, this day).

8 pm

Mr David Anderson (Blaydon) (Lab): I take great pleasure in saying the last words I will say in this House: I have nothing more to say.

Northern Ireland (Ministerial Appointments and Regional Rates) Bill

Considered in Committee (Order, this day)

[Mr Lindsay Hoyle in the Chair]

Clauses 1 to 3 ordered to stand part of the Bill.
The Deputy Speaker resumed the Chair.

Bill reported, without amendment.

Third Reading

8.3 pm

The Secretary of State for Northern Ireland (James Brokenshire): I beg to move, That the Bill be now read the Third time.

I thank all right hon. and hon. Members who have contributed to today’s proceedings, which have provided valuable and important exchanges on the Bill. They have made very clear the unequivocal support of this Government and this House for devolved government in Northern Ireland. I extend my thanks to Her Majesty’s Opposition, to the Scottish National party and to all others for their support for the Bill, and for agreeing to its faster than usual passage through this House.

As we have heard, this Bill is short and modest in scope, but it provides the framework within which the parties may come together, reach agreement and, yes, form an Executive. If an agreement can be reached, it will give the parties the platform to convene the Assembly, appoint Ministers and get on with the resumption of devolved government. That is what the people of Northern Ireland voted for on 2 March, and it must remain the focus. This Bill will also provide the flexibility for an incoming Government to act in the best interests of Northern Ireland and the space for the parties to conclude a deal. I am very appreciative of the support of the House for this approach.

I was grateful, too, for the support there was for the Government taking the exceptional step of having this Parliament set a regional rate for Northern Ireland for this year. Although very much a step we had hoped to avoid, that is an essential move for securing greater financial certainty for individuals and businesses in Northern Ireland. It stands alongside the remarks I made on Second Reading about the budget situation in making it clear that this Government will always uphold their responsibilities on political stability and good governance in Northern Ireland.

In conclusion, I am grateful to all right hon. and hon. Members for their support for the passage of this Bill. I thank my officials for the support they have provided. I am also grateful for the support of the Northern Ireland civil service and of my hon. Friend the Member for Keighley (Kris Hopkins). The Bill provides the scope and space for a deal to be done, which is what businesses, community groups and individuals across Northern Ireland want to see. I am sure I speak for the whole of this House when I express my sincere hope that all sides use the opportunity this Bill provides to secure the resumption of devolved government in Northern Ireland at the earliest opportunity, and so I ask right hon. and hon. Members to support this Bill on its Third Reading.

8.3 pm

Mr David Anderson (Blaydon) (Lab): I take great pleasure in saying the last words I will say in this House: I have nothing more to say.
8.4 pm

Deidre Brock (Edinburgh North and Leith) (SNP): The Bill has not been amended and I have already indicated that in the current circumstances we will support it, but I just want to wish all the parties the very best in the negotiations. I devoutly hope that an agreement can be reached soon and that the institutions can be restored as soon as possible.

Question put and agreed to.

Bill accordingly read the Third time and passed.

Business without Debate

DELEGATED LEGISLATION

Mr Deputy Speaker (Mr Lindsay Hoyle): With the leave of the House, we shall take motions 3 to 5 together.

Corporation Tax

That the Corporation Tax Act 2010 (Part 8C) (Amendment) Regulations 2017 (S.I., 2017, No. 364), dated 13 March 2017, a copy of which was laid before this House on 13 March, be approved.

Dangerous Drugs

That the draft Misuse of Drugs Act 1971 (Amendment) Order 2017, which was laid before this House on 14 March, be approved.

Immigration

That the draft Immigration Act 2016 (Consequential Amendments) (Biometrics and Legal Aid) Regulations 2017, which were laid before this House on 13 March, be approved.—(Andrew Griffiths.)

Question agreed to.

Primates as Pets

Motion made, and Question proposed, That this House do now adjourn.—(Andrew Griffiths.)

8.4 pm

Richard Drax (South Dorset) (Con): It is a pleasure to be here to see off another day, Mr Deputy Speaker. At the outset, I wish to thank Dr Alison Cronin, the director of Monkey World, the international primate rescue centre in my constituency, which assists Governments around the world to stop the smuggling, abuse and neglect of primates. Her time and input into this debate have been invaluable.

It seems barely credible in this age of enlightened animal welfare provisions and animal rights, but it is still entirely legal for someone to walk into a pet shop and buy any one of 66 species of monkey as easily as they can buy a goldfish in a plastic bag. These monkeys—all types of marmoset, tamarin and squirrel monkey—are snatched away from their families as infants and sold in birdcages for well over £1,000 each. There are no licensing demands or special regulations for their care. The pages of Loot, for example, are full of advertisements for these animals. A brief search of the internet shows that it is a wash with monkeys for sale, supplements for their diet and advice on looking after them. According to Dr Cronin, at least half these advertisements are scams. Many demand large amounts of money up front for vet checks and transportation, all too often for non-existent monkeys.

Although not all breeders are unscrupulous, the public and the primates need to be protected. It is a fact that most buyers are well meaning, wanting only an entertaining and lovable pet that can be fed on scraps from the table, but the truth is that almost no domestic owner is equipped to look after primates properly. When, months after buying one of these tiny creatures, they call for help because their monkey is lying on the floor of the cage crying, it is far too late. Most south American monkeys—all 66 species for sale come from there—are extremely sensitive to a lack of vitamin D, and the lack of sunlight in a British birdcage deprives them of this crucial nutrient, as we might expect. Without it, they can, almost overnight, develop rickets. Although, with the right treatment in expert hands, rickets can be reversed, the agonising skeletal damage is permanent. Even without rickets, a marmoset frequently becomes aggressive and/or withdrawn, as its unnatural confinement takes hold, with it starved of its natural habitat and unable to mix socially with other monkeys.

Jim Shannon (Strangford) (DUP): It is always a pleasure to listen to anything the hon. Gentleman has to say. He and I agree on many things, the first of which is that we need to be out of Europe. However, in this instance, does he think that we should follow the lead of the 15 European countries that have banned keeping primates as pets, because they have shown the way? I think that he and I agree on that too.

Richard Drax: It is always a pleasure to be in the same place as the hon. Gentleman, as we are in this debate. I will come on to address that point and a possible solution, which the Minister has heard before, having kindly agreed to me myself and Dr Cronin.
As I was saying, there is no doubt that these monkeys are suffering. Let us compare the circumstances in a cage in someone’s kitchen with what happens in the wild, where marmosets pair-bond for life and bring up extended, exuberant families, and every monk ey participates where marmosets pair-bond for life and bring up extended, exuberant families, and every monkey participates in caring for the younger ones. They are never alone and they live for 15 years. Tragically, barely weaned infants are handed over by unscrupulous breeders who rely partly for their profits on the fact that marmosets almost always bear twins, after a gestation period of about four months. The males are sold on, while the females are kept for breeding. They may survive physically, but their captivity is nothing short of torture. Remember, these are primates: they share more than 90% of their DNA with their human cousins—us. That proportion rises to approximately 98.6% for chimps and bonobos, which are our closest relatives on the evolutionary tree, according to the Smithsonian Institution. Such treatment of chimps and bonobos would be considered immoral; indeed, there are laws to protect them.

Almost exactly a year ago, Dr Cronin and I, along with the former Genesis front man Peter Gabriel, delivered a petition bearing 110,000 signatures to Downing Street. The UK primate pet trade petition asked the Government to change the law so that all monkeys would be guaranteed a standard of care, as is already mandatory in zoos and wildlife parks. The Minister kindly said that he would put forward a law for a regulatory system that would ensure appropriate care. Since then, regrettably, we have heard nothing. That is understandable, given all the recent political upheavals—I know that my hon. Friend the Minister has been extremely busy—but according to the Department for Environment, Food and Rural Affairs code of practice working group, the number of primates kept as pets in the UK is thought to be between 1,200 and 5,000.

Dr Cronin says she has seen an “exponential explosion” in the British monkey pet trade, with ever-growing numbers of monkeys needing rescuing. In the past 30 years, Monkey World in Dorset has rescued 106 pet-trade monkeys. Of those, 53 have been rescued since 2012, in an accelerating catastrophe caused mainly, Dr Cronin suspects, by social media. Many rescued primates come from decent, well-meaning but inexperienced owners who were duped into thinking they had bought pets with the former Genesis front man Peter Gabriel, delivered a petition bearing 110,000 signatures to Downing Street. The UK primate pet trade petition asked the Government to change the law so that all monkeys would be guaranteed a standard of care, as is already mandatory in zoos and wildlife parks. The Minister kindly said that he would put forward a law for a regulatory system that would ensure appropriate care. Since then, regrettably, we have heard nothing. That is understandable, given all the recent political upheavals—I know that my hon. Friend the Minister has been extremely busy—but according to the Department for Environment, Food and Rural Affairs code of practice working group, the number of primates kept as pets in the UK is thought to be between 1,200 and 5,000.

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The 2006 Act was passed to cover the care and welfare of all animals—domestic and wild. Under it, DEFRA published a code of practice for the welfare of privately kept non-human primates in 2010, which explained, among other things, that it was inappropriate to keep these animals alone in domestic settings for the purposes of companionship or personal interest. In March 2016, DEFRA announced that it planned to review the code of practice and would make recommendations for any changes to the code within a year. However, the Commons Library has been unable to find any information on the result of the review or any plans or proposals. Dr Cronin says that although the Animal Welfare Act can be enforced, it does not enforce the conditions in which primates should be kept. Instead, it is most often used to prosecute cruelty or neglect cases after the fact.

Five different laws cover the care of any one monkey in this country. The Zoo Licensing Act 1981 has the strongest laws governing species-specific care, and applies to any parks that are open to the public. Under that Act, some 200 Government inspectors on a constant inspection regime apply extremely rigorous standards covering animal welfare, health and hygiene, safety, ethics and other areas.

Under British law, primates are divided into two classifications. Non-dangerous primates, which can be bought and sold without any form of checking or regulation, make up the 66 species that I mentioned earlier. The rest are classified as dangerous, as specified under the Dangerous Wild Animals Act 1976, which focuses on protecting owners, not the animals, and fails to acknowledge any duty of care for them. Interestingly, smaller monkeys were declassified on the basis of the size and shape of their canine teeth.

Thirdly, the pet shop licence laws of 1951 and 1983 cover pet shops that sell primates. Fourthly, the Performing Animals (Regulation) Act 1925 and its 2012 regulations cover circus animals, while fifthly the Animals (Scientific Procedures) Act 1986 covers animals in laboratories. Dr Cronin believes it is not logical that the same monkey could be subject to all the above laws to a greater or lesser degree, particularly as none seems to work properly. For example, she says that Monkey World’s most chronic problem is with the legal trade in primates as pets in the United Kingdom.

How do we solve this problem? The Royal Society for the Prevention of Cruelty to Animals, the British Veterinary Association and the Born Free Foundation all advocate an outright ban on the ownership and trading of primates. However, Dr Cronin believes that such a move is neither realistic nor necessary. She suggests that we need a practical solution to ensure that these small primates are kept appropriately—I agree with her. Marmosets, tamarins and squirrel monkeys need to be registered under the Dangerous Wild Animals Act 1976. Alternatively, a register of primates that are kept as pets could be implemented, like the one for dangerous dogs, as suggested by the Minister himself at a meeting with Dr Cronin and me last June.

Additionally, the Zoo Licensing Act 1981, policed by local authorities, could be imposed on licensed private owners, pet shops, breeders and dealers. If required, the existing large national team of professional zoo inspectors could then be used to assess applications. Extending this existing standard of care to the pet trade would prevent the sale of individual monkeys over the counter, or on the internet, to those who simply do not understand what they are taking on. It seems to me and Dr Cronin, as well as many others, that the best solution is to require private owners to meet the standards imposed on zoos and game parks. Were those standards applied, I am sure we would all agree that no domestic user could possibly meet them, so keeping a monkey in one’s home, garage or anywhere else would be impossible. I humbly ask the Minister to please consider changing the existing laws, as he suggested last year, to make sure that all primates sold in Britain are properly protected, as they surely deserve to be.
The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice): I congratulate my hon. Friend the Member for South Dorset (Richard Drax) on securing this debate on the welfare of primates. He has championed this issue for several years, and Monkey World is located in his constituency. The issue has been the subject of a number of private Members’ Bills over the years, most recently the one promoted by my hon. Friend the Member for South East Cornwall (Mrs Murray). I recall meeting my hon. Friend the Member for South Dorset and his constituent, Dr Alison Cronin, the director of Monkey World, in June to discuss this very topic. I was pleased to have the opportunity to visit Wild Futures in Cornwall; staff there have similar concerns and have also raised this issue with me.

I wish to begin by discussing primates’ welfare needs. I listened to the examples my hon. Friend gave of primates being kept in inadequate conditions, and of the medical conditions that they can develop as a result of that treatment. This is obviously completely unacceptable, and it is also unacceptable in law: under the existing law, the Animal Welfare Act 2006, anyone who keeps an animal must ensure that its welfare needs are provided. That is in addition to not causing it any unnecessary suffering—one of the key developments or evolutions in the 2006 Act, compared with the legislation that had gone before it. This applies to anyone keeping a mouse, a dog or a primate. Failure to provide for an animal’s welfare is a breach of the Animal Welfare Act 2006.

The Government understand that primates have special requirements, and that is demonstrated in the statutory code of practice for the welfare of privately kept non-human primates to which my hon. Friend referred. This states: “Primates should not be considered as pets in the accepted sense of the word. They are not a species that can be treated as part of the family in the way that a cat or dog might be.”

In addition, in section 1.1, the code goes on to state: “All gregariously social species should display social affiliative behaviours, including physical behaviours and vocal and visual displays appropriate to the species. These include, but are not limited to, social grooming, food sharing, communal resting and interactive play as appropriate to the species. Primates should be housed in stable groups of sufficient size and composition to allow the full expression of these behaviours.”

It goes on to state: “Social interaction with companions of the same species not only provides essential stimulation and learning opportunities, but it also provides a source of comfort, reassurance and enjoyment. Removing a primate from its family or social group may have adverse psychological, emotional and physical welfare implications.”

Section 2 of the code goes on to describe in some depth the environment in which primates should be kept. It states:

“In planning a suitable environment, keepers should provide...A suitable location...An appropriate amount of space...An appropriate enclosure with sufficient three-dimensional content, including climbing structures to facilitate species-specific behaviour...The correct temperature, humidity, ventilation, noise levels and lighting...Appropriate feeding and sleeping sites...A means of, and location for, visual welfare assessment...A method of safe capture, handling and isolation of the animals...Security to prevent animal escape and unwanted entry by unauthorised people.”

It states that enclosure design and materials used should also ensure:

“A good hygiene regime to avoid disease transmission...A safe environment for the animals...A good regime of environmental enrichment...A wide range of appropriate behaviours.”

Anyone keeping a primate in solitary conditions or in a small cage or feeding it an inappropriate diet would already be breaking the law and could face up to six months’ imprisonment. That is a fundamental point of the Animal Welfare Act and one reason why animal welfare and veterinary organisations widely regard the Act as being such a success.

Primates are long-lived, intelligent, and socially complex animals. They engage in imaginative problem-solving, form intricate social relationships, and display complex patterns of behaviour. Being social is a striking feature of primates, and perhaps the most important in terms of meeting their needs. With few exceptions, they live in complex societies that can comprise tens of individual animals. In relation to their total life history, primates have long infant and juvenile phases, with social independence occurring long after nutritional weaning. This period is crucial for learning about the physical and social environment, parenting, survival, and reproduction. All primate species are long-lived, and need to be managed in old age.

Richard Drax: I am listening very intently to my hon. Friend. Is he saying that the law is already sufficient to deal with this problem? If that is the case, why are more and more monkeys being kept in these conditions, and why is Dr Cronin having to rescue more and more of them as the years go by?

George Eustice: I was going to come on to deal with that point. There is an issue here around educating people about this code, raising the prominence of the code and ensuring that local authorities understand what is required to be enforced. I was going to touch on that later.

It is important for anyone thinking of buying an animal to understand what is involved and the associated costs of looking after that animal. In the case of a primate, it is even more important because very few people in the country possess the necessary skills to look after such animals.

I want to turn to the point about irresponsible owners. DEFRA receives many representations from people and organisations about problems associated with the welfare of animals—exotic or domesticated. Most of those problems can be traced back to a common denominator, which is irresponsible ownership. Some animals can also be dangerous to people and to our native wildlife if not kept or controlled appropriately. They can also carry diseases transmissible to humans.

Let me turn now to the key issue of advertising. My hon. Friend mentioned the way that primates are often advertised for sale online. The Pet Advertising Advisory Group, which is a collection of welfare and veterinary organisations, has managed to set minimum standards for six online advertising providers, which are: The Hut Group; FridayAds; Epupz; Pets4Homes; Gumtree; and Vivastreet. The standards of all those subscribing to the code, which include the largest classified sites dealing with pet sales, include a complete ban on the advertising of primates. This is an encouraging development and we would like to see other online providers adopt PAAG’s minimum standards.

I met my hon. Friend and others to discuss laws around this issue of keeping primates. Although my noble friend Lord Gardiner has taken responsibility for
this issue since last July, I can tell my hon. Friend that, as the Minister for companion animals and animal welfare, one thing that I was keen to deliver was a review of animal licensing establishments. In February, DEFRA published its Next Steps document, which sets out how we will change the law in relation to licensed animal establishments. I believe that that will add additional barriers and safeguards when it comes to the sale of primates.

As regards the selling of pet animals, vendors will have to provide information to any prospective buyer, and that applies to traditional pet shops or sales online. That will do a great deal as it will require in law that the existing code is publicised and given to any prospective buyer. In addition, vendors will also have to comply with statutory conditions setting minimum welfare standards in line with the Animal Welfare Act 2006. This is an extra layer of protection for all animals being sold from licensed premises. It also creates further barriers to any trade in primates as it raises the prominence of that code. It means that nobody would be able to sell a primate unless they had been licensed by a local authority, and a local authority would not be able to license any such seller unless that seller complied fully with the code.

It is important to note that, in the case of granting licences, a local authority is able to list the types of species that can be sold and indeed to preclude people from selling certain species. It is therefore possible, and indeed highly likely, that local authorities will take an incredibly tough line on anybody selling primates. The likelihood is that it would only be a tiny number of specialist skilled collectors who understand what they are doing who would be licensed to do such a thing.

I concede that there is more work to do to raise the quality of inspections and the consistency of enforcement, so we will also improve the quality of local authority inspections by providing officers with guidance and, wherever necessary, additional expertise, so that we can strengthen the consistency of enforcement.

My hon. Friend mentioned the Dangerous Wild Animals Act 1976. The species covered by the Act were last reviewed between 2005 and 2006, with the schedule of animals considered to be dangerous being amended in 2007. Certain animals, including a number of species of smaller primates, such as marmosets, were removed from the schedule, as they were considered to be no more dangerous than domestic cats or dogs. At the time of the review, there were no records of serious incidents involving the primates removed from the list. It is important to recognise that the Act does what it says on the tin and regulates the control and keeping of animals deemed to be wild and dangerous. It is not in itself about animal welfare.

I want finally to deal with the Zoo Licensing Act 1981, and I commend my hon. Friend’s constituent, Dr Cronin, for her proportionate approach in coming up with a pragmatic, middle-way solution that goes beyond outright bans to strengthening the licensing. As I have said, I believe that the small changes that we have made to the profile of the primates code within the law through the Pet Animals Act 1951 and other legislation go a long way to strengthening the prominence of that code. The Zoo Licensing Act sets standards for zoos and requires all zoos to have a licence, although there are exemptions from some or all of the provisions of the Act for small collections in specific circumstances. The standards required go much wider than requiring minimum welfare standards for the animals. For example, the standards also set out how zoos should meet conservation and education requirements, and also how public safety should be secured. Clearly for individual owners or other keepers of primates these requirements might not be appropriate. We would therefore not expect to apply the standards to individual owners in full.

We consider that the standards set out in the primate code of practice provide primates with the same level of welfare protection as those in zoos. In both cases, the Animal Welfare Act 2006 applies and we would expect it to be used in cases of cruelty or poor welfare.

In conclusion, there is considerable debate about how many primates are kept in private ownership in this country. There are some estimates that it could be under 1,000, and the Select Committee on Environment, Food and Rural Affairs has raised sceptical concerns about some of the figures that are bandied around. As my hon. Friend pointed out, estimates tend to range between 1,200 and 5,000, but the really important thing is not so much the numbers but the standard of welfare. That is the overriding factor. As I say, there are already laws in this area and we are looking to update and improve them where necessary and when we can. We should continue to explore with stakeholders how to reach more owners and potential owners to make them better understand the importance of primate welfare.

Once again, I commend my hon. Friend for securing this debate, and his constituent, Dr Cronin, for the approach she has taken. I appreciate that he will be disappointed that I have not gone as far as he or she would like in adopting the type of licensing regime that he proposes, but I hope that he will continue to work with us as we strengthen the prominence and profile of the primates code in the Animal Welfare Act so that we can tackle some of the problems that he has highlighted this evening.

Question put and agreed to.

8.32 pm

House adjourned.
The House met at half-past Eleven o’clock

PRAYERS

[Mr Speaker in the Chair]

BUSINESS BEFORE QUESTIONS

NEW SOUTHGATE CEMETERY BILL [LORDS]
Third Reading opposed and deferred until Tuesday 2 May (Standing Order No. 20).

FAWERSHAM OYSTER FISHERY COMPANY BILL [LORDS]
Bill read the Third time and passed, with an amendment.

CITY OF LONDON CORPORATION (OPEN SPACES)
Bill, as amended, considered.
Bill to be read the Third time on Wednesday 22 May.

11.35 am

Mr Speaker: Today, 25 April 2017, marks the 200th anniversary of the first printing of the daily Votes and Proceedings and an Order Paper setting out the business of the House. This followed an initiative by my predecessor in the Chair, Speaker Abbot. Members have relied ever since on these papers. This is a good moment for us to thank all those responsible in the House service for their unfailing appearance, rain or shine, printed or digital.

Oral Answers to Questions

JUSTICE

The Secretary of State was asked—

Domestic Violence: Legal Aid

1. Andrew Stephenson (Pendle) (Con): What progress the Government have made on their review of legal aid domestic violence evidence requirements. [909794]

10. Mr Alan Mak (Havant) (Con): What progress the Government have made on their review of legal aid domestic violence evidence requirements. [909803]

The Minister for Courts and Justice (Sir Oliver Heald): Following our completion of the review we announced our intention to make changes by secondary legislation that would make it easier for victims of domestic violence to access legal aid. These changes include removing the time limit on all forms of evidence and accepting evidence from domestic violence support organisations.

Andrew Stephenson: I thank my right hon. and learned Friend for that answer. I appreciate that he might not be able to go into detail just yet, but can he offer a commitment to the victims of domestic violence of his continued support for them in the justice system in the next Parliament, if a Conservative Government are returned?

Sir Oliver Heald: I can certainly do that, and I can also point to the recent changes made in courts to help victims of domestic violence to give evidence, such as the video links that we have introduced, and the provision for recorded evidence and cross-examination which is about to be rolled out. It is also important to say that the House generally supported the end to cross-examination by perpetrators.

Mr Mak: I thank the Minister for his answer and welcome the announcement. Will he join me in commending the Southern Domestic Abuse Service, a Havant-based charity that helps victims of domestic violence report to the police, and ensure that he continues working with such charities to make sure that the evidential guidelines are consistent with the sensitivity of this issue?

Sir Oliver Heald: I am happy to pay tribute to organisations that help victims of domestic violence on their work, and I know from talking to my hon. Friend, who is a strong advocate for them, that that service in Havant is excellent—so, yes, I agree with him.

Yasmin Qureshi (Bolton South East) (Lab): The Ministry of Justice committed to reviewing the domestic violence evidence requirements for legal aid. That was a clear admission that the scheme was not working and was not fair. Since the passing of the Legal Aid, Sentencing and Punishment of Offenders Act 2012, the family courts have become more adversarial. Should the Minister not admit that the withdrawal of legal aid for so many family cases has caused real unfairness to families?

Sir Oliver Heald: As the hon. Lady will remember, we promised at the time that there would be a review of LASPO and the legal aid provisions, and we have announced the timetable for that review, which has been welcomed, but I agree that we should have a process of constant improvement in helping the victims of domestic violence.

Ben Howlett (Bath) (Con): The Government have made huge progress in tackling domestic violence both at home and overseas. However, my surgeries are often filled with people who are suffering or have suffered from domestic violence and who are stuck in the family courts system. They are receiving legal aid, but the situation has caused distress. I know the Minister has personally looked into these issues, but will he meet me, hopefully after 8 June, to discuss them further?

Sir Oliver Heald: I would never take the electorate for granted, but if I am here, I will meet my hon. Friend.

Novel Psychoactive Substances

2. Ian C. Lucas (Wrexham) (Lab): If she will review the effectiveness of legislation relating to novel psychoactive substances. [909795]
The Parliamentary Under-Secretary of State for Justice (Mr Sam Gyimah): This is a matter for the Home Office. The Psychoactive Substances Act 2016 requires the legislation to be reviewed within 30 months, so the review of that Act will happen in late 2018.

Ian C. Lucas: Wrexham, like many other towns up and down the country, is being blighted by the impact of so-called Spice. I received a letter this month from the Home Office that directly contradicts a letter from the Minister on the question of whether the possession of Spice is an offence. The confusion is causing real enforcement problems for police officers, who have already had their numbers cut by this Government. Will the Minister take this matter more seriously and act urgently to confront this really serious problem?

Mr Gyimah: I agree with the hon. Gentleman that it is a serious problem and, as I have said before, it is also a problem in our prisons. Possession of Spice in a custodial setting is an offence and is subject to imprisonment. If the hon. Gentleman could forward me his letter from the Home Office, I will look into this in more detail and get back to him.

Sir Julian Brazier (Canterbury) (Con): May I say how much I welcome the 2016 Act, having lost two young men to what we used to be called legal highs? The extra powers that it provides and the rigorous application of the law to rapidly changing chemicals are extremely welcome.

Mr Gyimah: I thank my hon. Friend for his question. I should also like to emphasise that the possession of Spice has been subject to further controls, and that that includes making it illegal.

Lucy Powell (Manchester Central) (Lab/Co-op): As the Minister will be aware, the use of Spice and its impact on our communities are now reaching epidemic levels. This is particularly hitting city centres such as Manchester and other towns and cities across the country. What discussions is he having with colleagues in other Departments to get a proper handle on this issue and to crack down on it? It is putting intolerable pressure on our public services.

Mr Gyimah: The hon. Lady makes an important point. Spice is a blight on our communities as well as in our prisons, where it fuels the disorder and violence that we see there. We take this extremely seriously and I am working with my colleagues in the Home Office to deal with the issue not only in the custodial system but in the community.

Mr Philip Hollobone (Kettering) (Con): Banning psychoactive substances is one thing, but physically keeping them out of our prisons is quite another. Will the Minister tell the House what active measures he is taking to prevent these substances from getting inside our jails?

Mr Gyimah: My hon. Friend is right. We are determined to keep these drugs out of our jails, and that is why we have trained 300 dogs to detect them. We have also introduced a new drug test for psychoactive substances, and the UK is the first jurisdiction in the world to do that. The testing has been rolled out, although we cannot comment on its impact because it started only last year. However, we know from the evidence that drug testing has a deterrent effect on use and possession.

Gavin Robinson (Belfast East) (DUP): With four suspected drug-related deaths in one weekend at the start of this month in Belfast and the coroner reporting that the number of such deaths has doubled in the past two years, is this an important issue that affects cities right across the United Kingdom? Will the Minister confirm that his review in 2018 will also draw on the experience of the implementation of the Act in Northern Ireland, Scotland and Wales in order to get the full picture of how well the legislation has been operating?

Mr Gyimah: As I have said, the review will be carried out by the Home Office, but I am sure that the hon. Gentleman’s question has been noted and will be reflected in the review.

Extremism in Prisons

3. Mrs Cheryl Gillan (Chesham and Amersham) (Con): What steps she is taking to tackle extremism in prisons. [909796]

14. Rehman Chishti (Gillingham and Rainham) (Con): What steps she is taking to tackle extremism in prisons. [909807]

The Parliamentary Under-Secretary of State for Justice (Mr Sam Gyimah): Extremism in prisons is something we take very seriously. The Department has set up a new directorate to oversee all aspects of our work on extremism and terrorism. We have also created a new joint unit encompassing the Prison Service, the national probation service and the Home Office, with enhanced resources to deliver our extremism strategy.

Mrs Gillan: Extremism in prisons means that vulnerable people, such as those with mental health problems or those on the autistic spectrum, could be at great risk in those closed environments. Will the Minister tell me what work the Government are doing to protect people from extremism within the prison system and what reasonable adjustments are being made to help those particularly vulnerable people?

Mr Gyimah: My right hon. Friend, as chair of the all-party parliamentary group on autism, understands the particular vulnerabilities of such people within the prison system. Prison staff take extra care in monitoring and understanding the threats to vulnerable people such as those with autism, and robustly intervene where there are any threats, including of extremism and radicalisation.

Rehman Chishti: There has been an issue with some religious converts being drawn into extremist ideology and going on to carry out terrorist acts without knowing the true values or teachings of those religions. What specific steps are being taken to address that, and what extra support is being given to religious faith representatives to ensure that we tackle this evil issue?
Mr Gyimah: My hon. Friend, the chair of the all-party parliamentary group on communities engagement, makes a vital point. We have to be clear that conversion to a religion, including Islam, does not necessarily mean radicalisation but, where conversion happens in the prison estate, people are encouraged to go on education courses. There is also support for imams to make sure that people do not get drawn to the poisonous ideology that often seeks to prey on vulnerable individuals.

Mr David Hanson (Delyn) (Lab): Ian Acheson, who reviewed this matter for the Government, told the Select Committee on Justice only last year:

“I do not have confidence that the National Offender Management Service...has the capability or, indeed, if I may be frank, the will to implement some of the recommendations that I have made.” Does the Minister feel that his changes are not just recommendations but that there is capacity to deliver them?

Mr Gyimah: Absolutely. As I said right at the start, we have a new directorate within Her Majesty’s Prison and Probation Service and a new team across the Home Office and the Prison Service, with new funding to tackle that and to roll out our anti-extremism strategy. The right hon. Gentleman, who is a member of the Justice Committee, will also be aware that just last week we announced the separation centres that Ian Acheson recommended in his review and that will remove the most poisonous individuals from the main population of our prisons.

Keith Vaz (Leicester East) (Lab): About 1,000 individuals have been identified as extremist or as vulnerable to extremism, so the creation of those separation units is welcome. However, the key is monitoring people when they come out of prison. Can the Minister reassure us that that will happen?

Mr Gyimah: To be precise, there are actually about 700 people of concern. Of those 700, about 180 are in prison or on remand for terrorism-related offences. The right hon. Gentleman is absolutely right about what happens when people come into the community. The multi-agency protection arrangements with law enforcement mean that those people are subject to strict licence conditions, and if they breach those licence conditions, they can and do end up in jail. The police are obviously part of that.

I take this opportunity to thank the police, especially those who protect us here as we go about our daily jobs.

Nigel Huddleston (Mid Worcestershire) (Con): Are the Government planning to provide any specific training for prison officers to help to identify those inmates with extremist tendencies?

Mr Gyimah: Prison officers play a vital role in combating extremism in our prisons, given the contact and proximity they have with prisoners. Just last December we rolled out a new extensive training programme for all our prison officers to enable them to identify that threat and to help to deal with it.

Jim Shannon (Strangford) (DUP): Northern Ireland Ministers have had to deal with extremism in prisons over the years, with the segregation of loyalist and republican prisoners being an example. Has the Minister had any opportunity to discuss those matters with the relevant Minister in Northern Ireland in order to learn from what we have learned in Northern Ireland to help him to do his job across the UK?

Mr Gyimah: We have looked very carefully at the lessons from Northern Ireland in setting up the separation centres that we announced last week. There are significant differences between what is happening in England and what happens in Northern Ireland. No prisoner will default to a separation centre. Ending up in a separation centre will be the result of a prisoner’s behaviour behind bars, and they will be selected by a panel that has been told about their behaviour. The panel will decide where those prisoners go in the prison system, so there are appropriate safeguards in place.

Yasmin Qureshi (Bolton South East) (Lab): These units will affect only a small section of the prison population, but the rising lack of safety in our prisons is itself a potential breeding ground for extremism. Has the Secretary of State considered the extent to which that environment of violence has contributed to extremism?

Mr Gyimah: The hon. Lady is right; the separation centres will hold 28 prisoners, and our evidence suggests that that is sufficient. We have a broader strategy to deal with extremism in our prisons, which includes support to imams, looking at religious texts and a range of education programmes to deal with the challenge of extremism in our prisons.

Yasmin Qureshi: It is understood that the prisoners designated for these separation units will be able to appeal against that decision, and their places in the units will be reviewed every three months. Given the Court of Appeal’s recent decision that denying legal aid to many prisoners is unlawful, will these individuals have access to publicly funded legal advice?

Mr Gyimah: We are considering the result of that Court of Appeal case, and the Government will make their position known on it. As part of due process in prisons, if an individual is selected to go into a separation centre, it is of course right that the panel tells them why they have been selected and allows them to make representations.

Leaving the EU: Justice System

4. Gavin Newlands (Paisley and Renfrewshire North) (SNP): What assessment she has made of the effect on the justice system of the UK leaving the EU.

The Lord Chancellor and Secretary of State for Justice (Elizabeth Truss): The Government are clear that they want a smooth and orderly exit from the EU. Legal certainty is fundamental to that, as is laid out in the great repeal Bill White Paper. We will bring an end to the jurisdiction of the European Court of Justice so that our courts will be the ultimate arbiters of our laws.

Gavin Newlands: The recognition of enforcement of judgments across the EU has benefited millions of citizens. Does the Justice Secretary agree with the Law Society of Scotland that if we leave the EU with no deal
and return to pre-EU mechanisms, the likely outcome is that the weakest and the poorest in society will suffer, as the processes become costlier?

Elizabeth Truss: I completely agree with the hon. Gentleman that having mutual enforceability of judgments and civil judicial co-operation is very important, which is why we have made it a priority in the Brexit negotiations.

Robert Neill (Bromley and Chislehurst) (Con): May I commend to the Secretary of State and to the House the Justice Committee’s report on the implications of leaving the European Union for the justice system, which was published last month? In particular, on the basis of overwhelming evidence, we stressed the importance, first, of continuing co-operation in criminal justice matters, including information sharing, the recognition of judgments and having proper transitional arrangements, so that commercial and civil justice sectors have certainty going forward.

Elizabeth Truss: My hon. Friend is absolutely right about that, and I would add to that list by saying that family law co-operation is also extremely important. We are working very closely with the legal profession, a working group is looking at working with industry across Europe, and, as I have said, this is a key priority as part of our Brexit negotiations.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Does the Secretary of State share my concern that leaving the EU will weaken our power on extradition? She will know that I have been dealing with a case of someone who fled to Pakistan after killing 11 members of a family, and we have been working across Europe to try to bring this man back. He is now in prison in Pakistan. Will our getting out of the European Union hamper extradition in the future?

Elizabeth Truss: We are working very closely with the Home Office on criminal justice co-operation, and we want to secure a good deal, but it is important that we all get behind what the British people voted for and get a secure deal with the European Union.

11. [909804] Sir Edward Leigh (Gainsborough) (Con): Brexit will, in a new, deregulated environment, provide a great opportunity for legal services, but what plans do the Government have to support our legal services abroad after Brexit?

Elizabeth Truss: My hon. Friend is absolutely right; four of the 10 top global legal firms are based here in the UK. We have huge opportunities to promote English law and Scots law, and we are working on a global Britain legal summit to bring together leading figures in the industry to promote what we do overseas.

Louise Haigh (Sheffield, Heeley) (Lab): My Bulgarian constituent murdered his wife by stabbing her to death 25 times in broad daylight. The Home Office has finally agreed to have him deported. Will the Secretary of State assure me that he will serve his full sentence in Bulgaria, both pre and post-Brexit?

Elizabeth Truss: It is important that that individual is brought to justice. That is part of how we organise our prisoner transfer agreements and it will be part of our Brexit discussions.

Mr David Nuttall (Bury North) (Con): Does my right hon. Friend agree that we cannot remain part of the European single market because that would inevitably mean that the European Court of Justice would retain jurisdiction over us? That is exactly not what the British people voted for.

Elizabeth Truss: My hon. Friend is absolutely right that we are leaving the jurisdiction of the European Court of Justice. The ultimate arbiters of our laws will be our own courts here in the UK. That is incompatible with being in the single market.

Prison Staffing

5. Sir Simon Burns (Chelmsford) (Con): What assessment she has made of the effect of increasing the number of prison staff on the (a) safety of prison officers and (b) capacity of prison staff to spend more time directly engaging with and supervising prisoners.

12. Victoria Prentis (Banbury) (Con): What assessment she has made of the effect of increasing the number of prison staff on the (a) safety of prison officers and (b) capacity of prison staff to spend more time directly engaging with and supervising prisoners.

13. Craig Williams (Cardiff North) (Con): What assessment she has made of the effect of increasing the number of prison staff on the (a) safety of prison officers and (b) capacity of prison staff to spend more time directly engaging with and supervising prisoners.

The Lord Chancellor and Secretary of State for Justice (Elizabeth Truss): I pay tribute to my right hon. Friend the Member for Chelmsford (Sir Simon Burns), whose 30 years in the House have been a joy to behold—although I have been here for only seven of them. We recently visited Chelmsford prison together, and I saw at first hand his commitment not only to his constituents but to the cause of improving prisons in this country. Chelmsford prison is one of the 10 prisons we selected for the early recruitment of prison officers. We said that 400 prison officers would be recruited by the end of March. I can confirm that they are now in training or in post in those prisons, including Chelmsford.

Sir Simon Burns: I thank my right hon. Friend for the extremely kind and generous comments at the beginning of her answer. I welcome the fact that, following the recognition that more staff are needed at Chelmsford prison, new staff are now being trained up. Does she know when those staff are likely to come on stream, to ensure that we have proper staffing levels and the proper protection for prison officers?

Elizabeth Truss: The training period for a prison officer is 10 weeks, so we will see them come on stream very shortly. Since November, 43 job offers have been made to new prison officers at Chelmsford. Following our visit to Chelmsford prison, we announced a rise in starting salaries for prison officers there, so they will now be paid a minimum of £26,500.
Victoria Prentis: Prison officers have to be both tough and humane; it is a difficult path and a difficult job to do. What plans does the Secretary of State have to increase the professionalism of the people who do that job? That may in turn help with their retention.

Elizabeth Truss: First, may I say what a fantastic group of professionals we have in our country’s prison officers? I want to make sure there is good career progression right through from entry into the Prison Service to becoming a governor, and good training—we are launching a new apprenticeship scheme for prison officers to make sure people have the right skills all the way through.

Craig Williams: The Unlocked scheme is being rolled out. When will the graduates start?

Elizabeth Truss: The Unlocked scheme is like Teach First for the Prison Service. We have had an incredible number of applications to join it. The final assessment was held on 1 April and we are now able to offer places to 60 candidates, who will start their training on 18 July. It is a really important scheme for not only bringing top graduates into our prisons but exposing employers to the fantastic work that goes on there.

Kate Green (Stretford and Urmston) (Lab): Of course we all welcome the recruitment of new prison officers, but does the Secretary of State not agree that the problems in our prisons stem from the mistaken actions of her Government in cutting 6,000 prison officers in the first place?

Elizabeth Truss: I have been very clear that we need to recruit more prison officers. It has been my No. 1 priority in this job. We are on track to achieve the 2,500 officers. We have faced a number of challenges across our prison estate, and we have already talked about psychoactive substances, drones and mobile phones. I am clear that we need the prison officers in place. When we have achieved the 2,500 officers, we will be able to ensure that each one has a caseload of six prisoners whom they will look after, and that will help us to turn those lives around.

Mr Gregory Campbell (East Londonderry) (DUP): I have been pressing for a number of years for a new-build prison in Magilligan in my constituency. Hopefully, that will take place in the next year or two. Will the Secretary of State undertake to ensure that any future Government in cutting 6,000 prison officers does not result in a new prison officer? I am clear that we need the prison officers in place. When we have achieved the 2,500 officers, we will be able to ensure that each one has a caseload of six prisoners whom they will look after, and that will help us to turn those lives around.

The Parliamentary Under-Secretary of State for Justice (Dr Phillip Lee): I believe the question refers to petition number 1961/2013 by Edward Marnell, on behalf of Cammell Laird strikers. I welcome the questions and recognise the hard work and dedication of the hon. Members involved in this. Industrial relations and how they were historically dealt with are not a matter for the Ministry of Justice, and as such it would be inappropriate for me to comment. A conviction and/or sentence can be challenged by way of appeal. Once the appeal route has been exhausted it is possible to apply to the Criminal Cases Review Commission.

Ms Angela Eagle: In 1984, workers at Cammell Laird’s shipyard took official strike action over job losses just as the Thatcher Government were trying to privatise British shipbuilders. They were dismissed, jailed in a
category A prison for 30 days, and lost their redundancy and pension rights. The Minister has tried to give us a technical answer today, but will he now undertake to release all the documents relating to the decision to prosecute and to the severity of the sentence so that this clear miscarriage of justice can finally be put right?

Dr Lee: I thank the hon. Lady for her question. Of course I am sympathetic to the case and to the individuals affected by it, but as I said, the Criminal Cases Review Commission has the power to review and investigate possible miscarriages of justice in England and Wales and Northern Ireland. Where there is a real possibility that the conviction or sentence will not be upheld, the commission can refer the case to the appropriate court, which will treat the referral as a new appeal.

Jim McMahon: Ten Cammell Laird workers and one apprentice have died since those events without the answers to why the decisions were taken to imprison them and who took those decisions. Surely it is now time to listen to calls from family members and the GMB trade union to do the right thing by having a proper inquiry and publishing the information that the Government have access to. What is there to hide?

Dr Lee: This is clearly a difficult case for the people concerned. As I said, when a conviction is subsequently quashed, compensation can be sought by an application to the miscarriages of justice applications service. I am not in a position to comment on whether a future Government should engage in an inquiry, but I assure the hon. Gentleman that I will look at this case further if I am returned to this role after the election.

Pat Glass: This is the last time that I will speak in this House. Therefore, I was keen that it should be a really important question. This was something I championed when I was the shadow Europe Minister, and I was delighted when the European Union joined the GMB and the Cammell Laird workers in demanding the release of Government evidence and papers. This is about papers that the Government hold. I hope the Minister will respect the fact that this is my last time speaking in the House by giving me a proper answer, not the fob-off that we have had so far. Will he commit to releasing the papers that the Government hold and putting an end to one of the most shameful episodes in British industrial relations?

Dr Lee: The hon. Lady has represented a beautiful part of the country, in which I have some family roots. I am sure that the Prime Minister, as a former candidate in that constituency, would agree with me about that. This case is clearly emotive, judging by the responses on the Opposition Benches. As I have said repeatedly, I will look at this case again once we are outside of purdah and once we are returned. I hope and expect a Conservative Government to be returned in a few weeks’ time, and I promise to look at this case again in detail then.

Mr Speaker: As this is the last week of questions, I am especially keen to try to get through the Order Paper. I appeal to colleagues to help each other to achieve that objective.

Reoffending

7. Bob Blackman (Harrow East) (Con): What steps she is taking to reduce reoffending rates. [909800]

The Lord Chancellor and Secretary of State for Justice (Elizabeth Truss): Of course, prisons should be places of punishment, but they also need to be places of safety and reform. Around half the people who leave prison reoffend within a year. We know that getting offenders off drugs, dealing with their mental health and housing issues, improving family ties and getting them into work are all critical to reducing reoffending. That is why we are giving governors power over all those issues.

Bob Blackman: Hopefully, my private Member’s Bill will become the Homelessness Reduction Act on Thursday. Under the Act, prison governors will have a duty to provide prisoners with homes and prepare them for life outside prison so that they do not reoffend. What communication and training have been given to prison governors in preparation for that Act becoming law?

Elizabeth Truss: First, I commend my hon. Friend on his fantastic Bill. We have recently written to governors about their new powers over areas such as preparing prisoners for release, education and employment. Housing is one issue covered in that communication.

HMP Lewes

9. Maria Caulfield (Lewes) (Con): What improvements there have been at HMP Lewes since that prison was placed in special measures. [909802]

The Parliamentary Under-Secretary of State for Justice (Mr Sam Gyimah): A new governor was appointed in January 2017 and is developing an action plan in response to the issues in Lewes prison.

Maria Caulfield: I thank the Minister for his reply. Could he set out how the Government’s prison reform will help HMP Lewes—particularly prisoners who are trying to stop reoffending, and the prison officers, who do a difficult job?

Mr Gyimah: A key part of our reform programme is adding 2,500 staff to our Prison Service. As far as HMP Lewes is concerned, we have made 24 job offers for additional prison officers since November. Starting pay...
at HMP Lewes is now £26,500, and along with more prison officers, that will enable the prison to support and challenge prisoners to turn their lives around.

Andrew Selous (South West Bedfordshire) (Con): Prisoners in Lewes, as elsewhere, will reoffend less if they get sustainable work. Many private sector employers are rising to the challenge of providing ex-offenders with work. Will the Minister give us an update on what is happening across the wider public sector so that it can lead by example?

Mr Speaker: Notably in the area of Lewes.

Mr Gyimah: Employment in prisons, but also preparing prisoners for employment on release, is vital if we are to stop reoffending. The New Futures Network, which my right hon. Friend the Secretary of State has launched, will work with a range of organisations, including public sector organisations, to help to create employment opportunities for prisoners.

Leaving the EU: Human Rights

15. Carol Monaghan (Glasgow North West) (SNP): If the Government will provide more detail on the extent of these diminished human rights protection as a result of the UK leaving the EU are provisions proposing changes to human rights protection in UK law which result from the UK leaving the EU are laid before Parliament for scrutiny. [909808]

The Minister for Courts and Justice (Sir Oliver Heald): The answer is yes.

Carol Monaghan: Amnesty International, Liberty and other human rights groups have raised the issue of diminished human rights protection as a result of the great repeal Bill and the Government’s plans to correct the statute book through secondary legislation. Will the Minister provide more detail on the extent of these correction powers and whether the changes will include human rights protections?

Sir Oliver Heald: As the hon. Lady will know, I cannot make any announcements today because of purdah, but what I can say is that, as I explained in giving evidence to two Select Committees, it is not our intention to have any gaps in our human rights protections.

Sir Desmond Swayne (New Forest West) (Con): Why is it reasonable to expect our justices to be any less creative than European ones?

Sir Oliver Heald: We do want a British jurisprudence, and that is what we will have following Brexit. Human rights were not invented with the Human Rights Act; this country has been a leading pioneer in human rights since its first gasps of breath as a nation, so there is no reason for us to think that we will not continue to express our values.

Greg Mulholland (Leeds North West) (LD): Why are the Government continuing to confuse and, indeed, deceive people by suggesting that the European convention on human rights is anything to do with the EU? It was signed up to by nations that had just come together after the most disastrous war in our history, and it was supported by Winston Churchill. Why can the Minister not support it?

Sir Oliver Heald: I have always tried to uphold the vision expressed by Sir Winston Churchill in his great speech at the Place Kléber, when he spoke up for the need for human rights across Europe, and, of course, he did not mean the EU.

European Convention on Human Rights

17. Patrick Grady (Glasgow North) (SNP): What the Government’s policy is on the UK remaining party to the European convention on human rights.

The Minister for Courts and Justice (Sir Oliver Heald): We are in favour.

Patrick Grady: The European convention on human rights guarantees the right to free and fair elections to the legislature, but the vast majority of legislators in this country are unelected peers of the House of Lords. Have the Government ever taken legal advice on whether the existence of the House of Lords is compatible with protocol 1, article 3 of the ECHR?

Sir Oliver Heald: I spent about 18 months on the Joint Committee looking at reform of the House of Lords and, we took legal advice on every possible issue. If the hon. Gentleman would like to read the proceedings, he will enjoy them.

Joanna Cherry (Edinburgh South West) (SNP): What the Government’s policy is on the United Kingdom from the European convention on human rights.

Mr Speaker: Order. Even though the hon. and learned Lady is a very distinguished lawyer, I shall still appeal to her for reasonable brevity.

Joanna Cherry: Earlier this month, when I met UN officials in New York to discuss human rights issues, they were appalled to hear that the British Prime Minister had said that at the next general election she would be campaigning to withdraw the United Kingdom from the European convention on human rights. Can I take what the Minister said previously as a guarantee that this abhorrent commitment to withdraw from the European convention on human rights will not be in the Tory party manifesto for 8 June?

Sir Oliver Heald: That was a good try, but I am afraid that I am not going to be launching the manifesto here at Justice questions. The hon. and learned Lady will have heard my earlier answer.

Joanna Cherry: Article 8 of the European convention on human rights guarantees the right to respect for family and private life. The Equality and Human Rights Commission has written to the Government saying that the controversial rape clause raises serious issues under article 8. Can we assume from the Government’s insistence on proceeding with the rape clause that article 8 covers one of the rights guaranteed by the ECHR that they find inconvenient?

Sir Oliver Heald: The Government are committed to supporting victims of rape and domestic abuse. This approach is crucial to protect women who face very difficult circumstances, and that is what the Government have been doing through the reforms to which the hon.

Joanna Cherry (Edinburgh South West) (SNP) rose—
and learned Lady refers. As part of these reforms, we have made sure that victims are able to use third sector professionals to endorse their claim while they receive support to help them to cope and recover. No Government have a better record on helping victims.

**Child Arrangement Orders**

19. Suella Fernandes (Fareham) (Con): What steps the Government are taking to ensure effective enforcement of child arrangement orders.

The Minister for Courts and Justice (Sir Oliver Heald):
The family court has powers to address a breach if someone has been wilfully obstructive. When a child’s welfare requires it, the court can transfer the child’s residence to the other party. This Government are keen that there should be effective action, and a Green Paper on family justice has already been announced.

Suella Fernandes: Unfortunately, enforcement is a serious problem in the courts because of the criminal threshold and a lack of an effective penalty. In some of the worst cases, the non-resident parent—usually but not always the father—can be cut out of the child’s life. Does my right hon. and learned Friend agree that this issue needs to be addressed if we are to see equity in the family justice system?

Sir Oliver Heald: It is right that there should be a clear system to establish the facts about a breach, and it should then be possible to deal with the breach effectively. Of course I am unable to make any announcement today but, as I have indicated to my hon. Friend, a Green Paper on family justice has been announced for later in the year, and she and I have already had the opportunity to discuss some of her ideas.

**Courts: Digital Technology**

20. Mark Menzies (Fylde) (Con): What assessment she has made of the effect of increased use of digital technology in the courts system on the effective delivery of justice.

The Minister for Courts and Justice (Sir Oliver Heald):
We are investing over £1 billion to create a straightforward courts and tribunals system so that people can have confidence in using the system themselves or with the help of their excellent lawyers.

Mark Menzies: The current reliance on printed documents in civil courts burdens people with significant unnecessary costs, and the UK is lagging behind many countries, including Australia and even Turkey, in the use of innovation and technology in civil claims. Does my right hon. and learned Friend agree that we must speed up the process of digitising courts in England and Wales if we are to retain our place as a world-leading provider of legal services?

Sir Oliver Heald: My hon. Friend is absolutely right, and I do agree. We are making progress. We have equipped our criminal courts to work digitally, reducing reliance on paper bundles, and we are doing the same in the civil courts. So far we have saved, in one year, an enormous pile of paper. Devotees of these questions will know that I measure this by the height of the Shard, and we have now saved 4.3 Shard-loads of paper.

Mr Speaker: Well done!

**Prisons: Mental Health Provision**

21. Kelvin Hopkins (Luton North) (Lab): What steps she is taking to review mental health provision in prisons.

The Parliamentary Under-Secretary of State for Justice (Dr Phillip Lee): Prisoners are more likely to have mental health problems than the broader population. We are looking at custody and community for improving the mental health offering. We are looking at a community protocol to be followed and enhancing custodial mental health services.

Kelvin Hopkins: There were 119 prison suicides in 2016—an increase of 32% on the previous year—and cases of self-harm were up by 19%, at more than 10,000. Does the Minister agree that these are appalling statistics? What are the Government going to do to address this human misery?

Dr Lee: Each and every one of those cases is a human tragedy, and I have looked at a large number of them in detail. Indeed, last week I was at HMP Downview, a women’s prison at which a suicide took place. We are investing in better healthcare facilities at that prison, and I am also looking at access to secure accommodation across the country, because that might well be an issue.

**Extremism in Prisons**

22. Mr Andrew Turner (Isle of Wight) (Con): What steps she is taking to tackle religious radicalisation in prisons.

The Parliamentary Under-Secretary of State for Justice (Mr Sam Gyimah): The Government introduced an amendment to prison rules last week meaning that prisoners can be placed in a separation centre if they are involved in planning terrorism or are considered to pose a risk to national security. Those who are spreading views that might encourage or influence others to commit terrorist crimes, or whose views are being used in a way that undermines good order and security in prisons, may also be placed in one of the centres.

Mr Turner: What is the Minister doing to ensure that prisoners with extremist beliefs do not oppress other prisoners for their faith?

Mr Gyimah: People in prison convert to religion for all sorts of reasons. As I have said, conversion does not mean radicalisation. It is important that prisons have a regime whereby people who convert are not exploited in any way. The separation centres are one way of removing dangerous people, but obviously education and the support of prison officers play a vital role.
23. Fiona Mactaggart (Slough) (Lab): What assessment she has made of the effectiveness of women's centres in reducing reoffending; and if she will make a statement.

The Parliamentary Under-Secretary of State for Justice (Dr Phillip Lee): The data on women's centres are quite mixed. I am a strong advocate of the benefits of women's centres in the community. On reoffending rates, the figures are somewhat mixed across the county. We continue to look at the situation closely to find out exactly what works about those women's centres to reduce reoffending.

Fiona Mactaggart: But is it not a fact that most women in prison are extremely vulnerable and have been victims themselves, including of domestic abuse, addiction and mental health problems, and that women's centres actually deal with the whole problem? I was a Home Office Minister who helped to persuade Baroness Corston to produce her excellent report, and the reason why we did that was the number of women who were killing themselves in jail. The Government are planning new women's jails, but more women will murder themselves—we are at a record level. How is the Minister going to stop that happening without investing in women's centres?

Dr Lee: I thank the right hon. Lady for her question. I should have wished her the best of luck as she stands right turn in life, a way from crime.

Elizabeth Truss: I am very sympathetic to the hon. Lady's concerns and I offer my sympathy to her constituents. We are supportive of local historical investigations, but we are not planning to order an historical inquiry in Hull or elsewhere. Hull has made significant improvements, including putting in place measures to improve practices and communication between the cremation authority, local funeral directors and NHS trusts.

T2. [909785] Craig Tracey (North Warwickshire) (Con): Following the important work done by the parents of my constituent Sean Morley, who was tragically killed in a hit-and-run incident in Bedworth, and the representations that I have made to the Secretary of State, will she confirm whether she intends to see through the progress that has been made towards much tougher sentences for dangerous drivers in the next Parliament, should the Conservatives be returned to government?

Richard Burgon (Leeds East) (Lab): Yesterday the Leader of the Opposition confirmed that a Labour Government would launch inquiries into blacklisting and Orgreave; the current Government have blocked all such efforts. Successive Conservative Justice Secretaries have also refused to release papers concerning the Shrewsbury 24. As her final act, will the Justice Secretary do the decent thing, review that decision, and release the papers to give those men and their families a chance of justice?

Elizabeth Truss: I am sure that the hon. Gentleman understands that we are currently in purdah, so we are not able to make announcements at this point.

Richard Burgon: According to the legal commentator Joshua Rozenberg, this is the Secretary of State's very last Justice questions, so I will give her one last chance. In March, the Lord Chief Justice said that the Secretary of State was "completely and utterly wrong" to say that she could not speak up for the judiciary in the face of personal abuse. Will she finally admit that rather than doing her duty, she kowtowed to her friends in the press?

Elizabeth Truss: I am a great believer in a strong, independent judiciary, but another bulwark of our democracy is a free press, and I do not think that Ministers should be saying what it is and is not acceptable for the press to print.

T6. [909789] Will Quince (Colchester) (Con): Colchester is home to the Military Corrective Training Centre. If the Government are returned to power, will the Secretary...
of State visit the MCTC with me to see its education work, in particular, and to find out what civilian prisons can learn from it?

Elizabeth Truss: I have heard great things about that facility in Colchester, and I would be delighted to come and visit my hon. Friend, perhaps in the next few weeks.

T3. [909786] Ms Angela Eagle (Wallasey) (Lab): When I was recently called to do jury service, I got the chance to experience at first hand the current state of our courts. The jury canteen had to close down because it malfunctioned, the water machine malfunctioned, the computers malfunctioned, and the ladies' toilets malfunctioned, meaning that juries could not even be chosen. Despite the fantastic and very patient work of the employees of the court system, the whole thing was a mess, and it was in need of substantial financial investment. The Justice Secretary should not be proud of her record on this matter, so what is she going to do about it?

Elizabeth Truss: What we are doing about it is investing £1 billion in modernising our courts, bringing more cases online and improving the physical facilities, including all aspects of the way in which our courts operate. I launched a joint statement with the judiciary late last year about precisely that.

Mr Gyimah: I pay tribute to the work done by the staff at Dickson House and all who work in approved premises around the country—they do a great job. Accommodating ex-offenders as they transition to life outside prison. Will the Minister join me in paying tribute to the team at Dickson House, and explain what more support is available to ensure that ex-offenders secure housing so that they do not fall into homelessness and, thereafter, criminality?

Mr Gyimah: I firmly believe that the punishment must fit the crime. In the case of dangerous driving, there is a need for the law to be toughened up, which was why we launched a consultation to achieve precisely that last year. Obviously a general election is coming up, but if a Conservative Government are elected, I am sure we will see through these vital reforms.

Caroline Ansell (Eastbourne) (Con): Section 33 of the Criminal Justice and Courts Act 2015 is landmark legislation that makes revenge porn a specific offence. In Eastbourne, we have just had a high-profile case in which a serial offender walked free with a caution. One of his victims was a minor, and to add further insult to injury, images posted with incitements are still online. What more can the Government do to make sure that this groundbreaking legislation really delivers justice?

The Minister for Courts and Justice (Sir Oliver Heald): My hon. Friend is known for the way in which she has highlighted in the House such incidents of criminality and really pressed the case for proper and effective punishment. In relation to this particular incident, the offence is relatively new, and the good news is that many people have come forward to report instances of disclosure during the short period since it came into force. There have been a number of prosecutions, with more than 60 convictions so far. It is early days, but I agree that the Crown Prosecution Service needs to treat these cases very seriously.

Elizabeth Truss: We have been working on this issue very carefully, and we will announce the results in due course.

Robert Neill (Bromley and Chislehurst) (Con): I welcome my right hon. Friend's statement that a fresh Conservative Government would be committed to ongoing prison reform. Will she use an early reintroduction of the Prisons and Courts Bill as an opportunity to follow the evidence given to the Justice Committee about placing our excellent national preventive mechanism on a statutory basis to fit in with our international obligations?

Elizabeth Truss: I thank the Chairman of the Justice Committee for his question. I know how committed he is to prison reform, given the leadership that he and the Committee have shown. I have to tell him that our manifesto will be announced in due course, and the Prime Minister will be making such decisions.
Government making exceptional funding available to remedy a situation in which the victims have been denied justice for 35 years?

Sir Oliver Heald: May I say that our deepest sympathies remain with those affected by the dreadful Hyde Park bombings? Those terrible terrorist atrocities were really dreadful for the nation at the time. Decisions on legal aid in such cases are made through an independent process. A fresh determination was given by the Legal Aid Agency on 2 February, but my understanding is that there is a right of review and that the case is still ongoing with the agency. I therefore cannot comment further at this time, and a decision would have to be made before any meetings occurred.

Dr Matthew Offord (Hendon) (Con): My constituents very much welcome the Department’s decision not to proceed with the change to probate fees because the increases would have fallen disproportionately on London and the south-east, given the cost of housing there. Will the Secretary of State confirm that the next Conservative Government will not again proceed on such a basis?

Elizabeth Truss rose—

Sir Oliver Heald: As the Secretary of State said a moment ago—I think she was about to say this again—I am afraid that we are not in a position to say what will be in the manifesto. However, I thank my hon. Friend for his comments, and we will obviously take full account of them.

T9. [909792] Neil Coyle (Bermondsey and Old Southwark) (Lab): I am helping families across Southwark who have been denied access to justice as a direct result of the coalition’s legal aid cuts. Three years ago, the Children’s Commissioner said that those cuts were undermining human rights. Was the former Liberal Democrat Justice Minister speaking for the Government when he promised a review and did he break that promise in not delivering it, or was his promise a cynical ploy to deflect attention from the damage his cuts were having on my community and the rest of the country?

Sir Oliver Heald: As the hon. Gentleman is aware, I know Simon Hughes well, having been his opponent in the 1987 general election. I think that I am still the president of Bermondsey Conservatives.

Ms Angela Eagle: The only member.

Sir Oliver Heald: No, I deny that I am the only member—we have quite a few.

The Government have announced the timetable for the review, which has been welcomed. It was odd that Simon Hughes called for a review when he was the Minister, but it was a Liberal Democrat press release, and we all know about those.

Mr Speaker: The Minister’s presidential duties are evidently not very onerous.

Amanda Solloway (Derby North) (Con): Pictures have recently emerged of people on the streets of Derby city centre that reveal the shocking effect of Black Mamba and the zombie-like state the drug can induce. The police in Derby have been very proactive in taking a stance on this matter, but can the Secretary of State assure me that everything is being done to tackle the availability and use of this type of drug?

Elizabeth Truss: I completely agree with my hon. Friend about the effect that such drugs have on people both outside and inside prison. One of our key priorities was to roll out testing, which we did by September, to detect such substances and eliminate their use in prison.

T10. [909793] Mr Stephen Hepburn (Jarrow) (Lab): Under this Government, poor people have had their legal aid cut by 40% and thousands upon thousands of people have been denied an employment tribunal because they cannot afford it. Are the Government proud to be on the side of the rich, the powerful and the bad bosses?

Sir Oliver Heald: It is, of course, a union campaign to talk about employment tribunal fees. Let us be clear that the number of people taking up cases about the workplace has increased, not gone down—it is up to 92,000. Those people are being helped by a free service from ACAS, which the Labour party used to support. Fewer cases are going to tribunal because of the work of ACAS.

Tom Pursglove (Corby) (Con): Exclusion zones are an important tool to protect victims, but for those living on a county boundary, an exclusion zone that just covers the county is not particularly helpful. Will the Minister undertake to look into that?

Mr Gyimah: My hon. Friend does great work on behalf of victims in his constituency. He raises an important point about the way in which exclusion zones, which are there to protect victims, are designed and operated. I am sure that that is something we will look at in great detail.

Peter Kyle (Hove) (Lab): Websites such as Craigslist are being used by corrupt individuals to advertise free accommodation in return for sex. Does the Secretary of State agree that that is currently happening within the law and that a review needs to take place so that the people who are exploiting extremely vulnerable young women in that way face the full force of the law?

Elizabeth Truss: I agree with the hon. Gentleman that this issue is concerning and I am very happy to look at it.

Mr Philip Hollobone (Kettering) (Con): How many foreign nationals do we have in our prisons, and what steps are being taken to send them back to prison in their own country, at the expense of their own Governments?

Mr Gyimah: We are taking active steps to ensure that every foreign national who should be deported from our prisons is deported. Since 2010, 33,000 foreign nationals have been deported from our prisons. In 2016-17, a record 5,810 were deported, and I am sure that that progress will continue.

Mr Dennis Skinner (Bolsover) (Lab): Would we not be more reliably informed about justice if we were not hearing from a Tory Minister whose friend the Prime Minister has called a snap election on 8 June, about a
fortnight before the Director of Public Prosecutions was due to adjudicate on 30 Tory MPs who are being investigated for election fraud at the last election?

Elizabeth Truss: The Prime Minister is absolutely right to call a general election. We need strong and stable leadership of this country, and we need to ensure that the Prime Minister has a mandate to deliver for Brexit and beyond.

Andrew Selous (South West Bedfordshire) (Con): The all-party group on preventing modern slavery, chaired in an excellent manner by the sadly departing right hon. Member for Slough (Fiona Mactaggart), heard from the parents of a young man who had been imprisoned for 15 years as a slave. The culprits were sent to prison for only two and a half years. Will the Justice Secretary agree to speak to the Sentencing Council about the severity of sentences for those who imprison our fellow citizens as slaves?

Elizabeth Truss: First, I echo my hon. Friend in paying tribute to the right hon. Member for Slough (Fiona Mactaggart) for her work on modern slavery. I also pay tribute to our Prime Minister, who has made huge strides in putting people away for these heinous crimes. We are doing more, and I am working closely with the Home Secretary to make sure that we crack down on this further.

Imran Hussain (Bradford East) (Lab): In correspondence with the Criminal Cases Review Commission over recent months, I have repeatedly asked it to release and review crucial evidence that is vital to the case of one of my constituents. However, the CCRC has been less than helpful. As the deadline for the evidence to be deleted approaches, my constituent’s chances of justice could be killed for good. Will the Minister step in to ensure that the crucial evidence is released and reviewed so that justice can be done?

Sir Oliver Heald: If the hon. Gentleman writes to me, I will certainly look at that.

Thangam Debbonaire (Bristol West) (Lab): The dedicated governor and staff at HMP Bristol do a brilliant job, but right now they are struggling with inadequate staffing ratios, prisoner use of the dangerous drug Spice, and poorly delivered privatised maintenance contracts. When will the Government give the prison in my constituency the tools it needs to do the job?

Elizabeth Truss: I can tell the hon. Lady. That when I visited HMP Bristol I found some fantastically dedicated prison officers who are doing excellent work. We are investing £100 million to recruit 2,500 officers across the country, and we are on track with that recruitment.

Alison Thewliss (Glasgow Central) (SNP): In order to make a claim under the rape clause, a woman has to sign a form stating: “I believe the non-consensual exemption applies to my child”. Will the Government explain how that can possibly be in the best interests of the child and in respect of our duties under the UN convention on the rights of the child?

Sir Oliver Heald: The hon. Lady does not seem to understand that this is about supporting victims of rape and domestic abuse. This approach is crucial to protect women who are faced with very difficult circumstances—[Interruption.] I am answering. As part of these reforms, we have made sure that the victims are able to use third sector professionals to endorse their claim while they receive support to help them to cope and recover. No Government have done more to help victims.

Several hon. Members rose—

Mr Speaker: Order. May we please have two short, one-sentence questions? That is what topical questions is supposed to be about.

Ruth Cadbury (Brentford and Isleworth) (Lab): Will the Justice Secretary have it in her heart to look into the case of Charlie Gard, a very sick eight-month old baby boy with a rare mitochondrial depletion condition who is legally unable to leave Great Ormond Street hospital to receive treatment in the US that might just save his life? His family are constituents of mine and my hon. Friend the Member for Feltham and Heston (Seema Malhotra), and they have raised £1.25 million to get Charlie to the United States. This is a complex legal case, but if the Justice Secretary has any powers to intervene I plead with her to do the right thing.

Mr Speaker: I will say in the hon. Lady’s defence that there were probably a number of semi-colons in there, but I accept that this is a very important matter.

The Parliamentary Under-Secretary of State for Justice (Dr Phillip Lee): This case is particularly emotive and has been in the media. As I understand it, clinicians at Great Ormond Street have made a judgment on this case. I think that that should be respected.

Greg Mulholland (Leeds North West) (LD): Knowing the huge cross-party support for better justice for victims of criminal driving, will the Minister today commit to bring in the legislation that has been promised before the end of this year if the Government are re-elected?

Elizabeth Truss: I understand that the hon. Gentleman has been campaigning on this issue for some time, but we cannot make commitments as we are in purdah.
Points of Order

12.44 pm

Sue Hayman (Workington) (Lab): On a point of order, Mr Speaker. I seek your advice and guidance regarding parliamentary protocol in the case of a Member writing to another Member’s constituents as part of an election campaign. The hon. Member for Copeland (Trudy Harrison) has written, as a Member of Parliament, to postal voters in my constituency on Conservative-branded paper ahead of the Cumbria County Council elections asking them to vote for the Conservative candidates. I know of postal voters in her own constituency who have not received any such letter from her.

This is the second time since her election to this place only two months ago that the hon. Lady has campaigned for the Conservative party in my constituency using her status as an MP without informing me. I did not make a fuss the first time as she was new to the House. However, she is now fully aware that in the British parliamentary system one Member represents a single constituency and conventions have developed so that one Member’s relations with her constituents are very much a preserve that other Members should not interfere with.

I have had complaints from constituents, some of whom are now confused about who their Member of Parliament is. My constituency office is receiving phone calls from constituents who think that this must mean that the boundary changes have gone through and that I might no longer be their representative. As far as I am concerned, this is unacceptable. Mr Speaker, I would be grateful for your comments and advice on this serious matter.

The Minister for Courts and Justice (Sir Oliver Heald)

Mr Speaker: I will allow the Minister to respond to that point of order now.

Sir Oliver Heald: Further to that point of order, Mr Speaker. Has it not always been the case that if a Member writes, on Conservative party notepaper, a political message to anyone, that is in order, and that it is only a problem if someone represents themselves as a Member of Parliament, on Conservative party notepaper, a political message to anyone, that is in order, and that it is only a problem if someone represents themselves as an MP, for a particular constituency using our stationery? I must say to the hon. Lady that, disquieting though the experience might have been, and relatively irregularly though it might occur, it is not clear to me that the hon. Member for Copeland (Trudy Harrison) has broken any convention. It is certainly a convention to notify another Member of an intention to visit his or her constituency in a political public capacity. It is also a very well established convention that a Member of Parliament should not purport to represent or offer to represent people who are not her or his constituents.

I say to the hon. Lady, whose concern I treat very seriously, that I appreciate that concern, but it seems to me that courtesies between Members of the House, which are important, are best arrived at and adhered to by informal discussions between colleagues. It is not desirable that they should ritually be attempted to be resolved by being raised on the Floor of the House with the Chair. That is to say, to be clear, that they are not matters of order but matters of informal agreement and understanding. It is much better if such understandings can be reached between neighbouring colleagues.

Clive Lewis (Norwich South) (Lab): On a point of order, Mr Speaker. You have often stated from the Chair that answers to written parliamentary questions from Back-Bench Members from all parts of the House should be answered in both a timely and a substantive manner by Ministers. On 24 March, I tabled a named day question to the Parliamentary Secretary, Cabinet Office, the hon. Member for Kingswood (Chris Skidmore), asking, very simply, how much the Government had spent on advertising in the Evening Standard in the last financial year. Three days later, I received a holding answer. Now, over a month later, I still have not received a substantive answer. I am concerned that the Government might now simply be winding down the clock, with the intention of not providing an answer before we prorogue. The public might also draw the conclusion that they have something embarrassing to hide that they do not want to reveal during an election campaign. Is there anything you can do from the Chair, Mr Speaker, to encourage Ministers to answer such questions substantively this week, so that both Members of the House and the public can know the truth?

Mr Speaker: I am grateful to the hon. Gentleman for giving me notice of his point of order. I do appreciate his concern. The content of Ministers’ answers is, of course, not a matter for the Chair. That is a matter exclusively for the Minister giving the response. However, the hon. Gentleman references my repeated exhortation to Ministers to provide timely and substantive responses, an exhortation in which I am regularly joined by the Leader of the House. Many Ministers attach a premium to adhering to that principle and expectation. I agree that it is unsatisfactory if the Government are unable to give a substantive answer to a named day question tabled well before Prorogation. No doubt the concern articulated by the hon. Gentleman has been heard on the Treasury Bench. In so far as he further seeks my advice, it is encapsulated in one sentence: the hon. Gentleman should seek to speak to the Leader of the House, sooner rather than later.

Rob Marris (Wolverhampton South West) (Lab): Nice semi-colon, there.
Mr Speaker: No semi-colon was required. I was deploying a number of sentences to try to attend to the substance of colleagues’ inquiries, but I am always grateful to the hon. Gentleman for his observations, even when they are proffered in a disorderly manner from a sedentary position.

Mr Richard Bacon (South Norfolk) (Con): On a point of order, Mr Speaker.

Mr Speaker: I call Richard Bacon, whom I congratulate warmly upon his choice of tie.

Mr Bacon: That is extremely kind of you, Mr Speaker. This is the tie of Anglia Farmers, one of the largest buying co-operatives in the agricultural sector in this country. I gave one to the last Prime Minister and the last Chancellor of the Exchequer, in the hope that they would wear one on the Treasury Bench, but they have not so far done so.

I was only going to ask whether the hon. Member for Wolverhampton South West (Rob Marris) agreed with me that the semi-colon is a very fine thing and that it should be used more often.

Mr Speaker: I agree; the hon. Gentleman is an authority on the matter and on a number of other matters relating to language and syntax.

Rachel Reeves (Leeds West) (Lab): I beg to move, That leave be given to bring in a Bill (Standing Order No. 23)

12.52 pm

Unauthorised Overdrafts (Cost of Credit)

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

Rachel Reeves (Leeds West) (Lab): I beg to move,

That leave be given to bring in a Bill to require the Financial Conduct Authority to make rules restricting the cost of credit for unauthorised overdrafts on bank accounts in certain circumstances; and for connected purposes.

I want to begin by urging all parties to include in their election manifestos a commitment to capping charges on unauthorised overdrafts. Following the great work by my hon. Friend the Member for Walthamstow (Stella Creasy), huge progress has been made on the charges faced by people who access finance through payday loans, with the introduction of a cap. Mandated by the Financial Services (Banking Reform) Act 2013, the Financial Conduct Authority has introduced a cap set at £24 a month for anyone borrowing £100 for 30 days. Millions of people are struggling with spiralling debts and overdrafts. They deserve to be protected from excessive charges and rip-off practices that only make their situations worse. We have seen from the payday loan cap that this can be achieved. Legislation would allow the FCA to implement a cap without delay or the risk of the banks taking the matter to the courts.

Imagine, Mr Speaker, that you are £200 overdrawn. It is not great, but as you have an overdraft arrangement with your bank that allows you to go £200 overdrawn without incurring charges, it will not cost you anything except for the interest. Then, imagine that a direct debit goes through and puts you into your unarranged overdraft. Unless you can quickly pay money into your account during any grace period, you will quickly start to rack up charges. Going as little as 10p overdrawn can mean charges of £5 a day from high street banks.

Research published in February by Which? found that consumers needing to borrow as little as £100 could be charged up to seven times more, or £156, by some major high street banks than the Financial Conduct Authority allows payday loan companies to charge when lending the same amount over the same period. Because bank overdraft charges apply to monthly billing periods, not the number of days that money is borrowed for, consumers who need £100 could pay up to £180 in fees if they borrow over two calendar months from their high street bank in the form of an unauthorised overdraft. The same applies if they go just a few pence over the overdraft limit. These charges are totally disproportionate to the offence committed.

Last year banks made £1.2 billion from charges on unauthorised overdrafts, mostly from financially vulnerable customers. These are customers who banks should be helping, not pushing further into the red. These are customers who the Competition and Markets Authority has labelled in its report a “captive audience” for the banks and their “uncomfortably high” charges. The CMA has described unauthorised overdraft charges as “the biggest single problem in the personal banking market”. Action needs to be taken.

StepChange Debt Charity estimates that 1.7 million people in the UK are trapped in an overdraft cycle and consistently use overdrafts to meet essential and emergency
costs. Too many vulnerable customers who are already struggling regularly have to go into an overdraft or over an overdraft limit, which can exacerbate their financial difficulties. Many hard-working families live constantly on their overdrafts, and those in chronic financial difficulties face impossible choices between meeting the costs of essential bills and going further overdrawn or over their overdraft limit. As fees and interest build up over time, these families find it increasingly hard to get out of their debt.

Last year StepChange surveyed its clients with overdraft debt to explore their experiences of overdraft charges. It found that people with overdraft debt who contact the charity regularly go over their overdraft limit. Almost two thirds—62%—of the people StepChange helps with overdraft debt regularly exceed their overdraft limit as they struggle to make ends meet, and on average they do so in five of the past 12 months. These borrowers face average charges of £45 a month for slipping into unauthorised overdrafts, which adds up to a massive £225 a year of unauthorised overdraft charges, and for many the charges are much higher.

StepChange has told me of two cases of vulnerable customers being unfairly pushed into debt spirals by the decisions of banks. The first is of a 42-year-old man who racked up overdraft charges after losing his job. Interest on his overdraft and persistent charges for going over his limit meant that, on average, £80 a month was added to his debt. Over a year, his overdraft debt increased by more than £1,000 because of interest and unauthorised overdraft charges. The second case is of a 38-year-old woman who faced spiralling overdraft debt after getting divorced. The increased burden of managing financial commitments on her own meant that she slipped into an unplanned overdraft by just £90. That led to a cycle in which she was consistently in and out of overdraft, which increased to £1,000 due to interest and charges. Those people, like so many others, were already in difficulty and trying to manage their debt from day to day.

Overdrafts are among the most widely used credit products in the market and form part of a worrying trend in our economy. Our savings ratio as a nation is now at a record low of 3.3%. Our household debt-to-income ratio is at 145%, up 6% in the past year. Unsecured debt has grown by 10% in just 12 months. I am worried about the sustainability of our personal finances and about a consumer demand too heavily reliant on debt and personal borrowing. The Government need to do more to ensure that our economy is not built on the shallow foundations of debt and overdrafts, but instead on investment and secure, decently paid jobs. Rising debt is symptomatic of a wider problem in our economy, which is reflected in growth levels and rising inequality. We need an economy that works for the many and not just the few, and a banking system that does the same.

Last year the Competition and Markets Authority published a review, which disappointingly fell short of proposing an independently set maximum cap on the charges on overdrafts, as we have with payday loans. Instead, the report said that banks will be required to set their own ceilings on their unauthorised overdraft charges, in the form of a monthly maximum charge. However, most banks already have that—it might be £5 a day or £90 a month. The problem is not that there is not a voluntary cap; the problem is that we need a lower cap, set by the regulators and not individually by the banks. The monthly maximum cap proposed by the CMA will do absolutely nothing to stop the deepening of a person’s debt crisis. Banks should be passing on the low bank rate to their customers, not punishing them with disproportionate charges.

Competition in this section of the market in personal banking is weak, and in the past few years it has become weaker still as a result of the merger of many high street banks. The recent troubles at the Co-operative Bank, which has lower charges than many others, could reduce competition further. As the CMA’s review found, heavy unauthorised overdraft users are the least likely to switch bank accounts. Given the substantial revenues that unauthorised overdrafts generate for the banks, there is little financial incentive for them to lower their charges. I do not want to deny the banks the right to charge for the services that they provide, but what I am calling for is some fairness and proportionality. There are simply no great offers among the high street banks for financially vulnerable customers; in fact, the exact opposite is the case.

Most of us regard banks as more reputable and fair than payday lenders, so it is a bitter irony that it is a better deal for some people who need short-term credit to go to payday lenders rather than their high street banks. Banks need to improve their behaviour, and I urge them to step in and protect their customers. After the CMA effectively passed the buck to the Financial Conduct Authority, the FCA made the welcome decision to include this issue in its ongoing—and welcome—review of high-cost short-term credit, which will report later this year, but in order to take action, the FCA would benefit from a mandate from Parliament.

I urge the Government to support the Bill and make those changes a reality; to help the customers who are being ripped off by their banks. This cannot continue.

Question put and agreed to.

Ordered,

That Rachel Reeves, Stella Creasy, Wes Streeting, Helen Goodman, John Mann, Yvonne Fovargue, Chris Evans, Gloria De Piero, Stephen Hammond, Chris Philp, Sir David Amess and George Kerevan present the Bill.

Rachel Reeves accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 12 May and to be printed (Bill 172).
Finance (No. 2) Bill

Considered in Committee (Order, 24 April)

[MR LINDSAY HOYLE in the Chair]

Clause 1

INCOME TAX CHARGE FOR TAX YEAR 2017-18

Question proposed, That the clause stand part of the Bill.

The Chairman of Ways and Means (Mr Lindsay Hoyle):
With this it will be convenient to discuss the following:
Clauses 2 to 6, 16 to 47, and 52 to 56 stand part.
Government amendments 13 to 29.
That schedule 3 be the Third schedule to the Bill.
Government amendments 30 to 56.
That schedules 4 to 15 be schedules to the Bill.

1.3 pm

The Financial Secretary to the Treasury (Jane Ellison):
I will speak briefly, as we have a fair amount to get through this afternoon. Obviously, I shall attempt to address any points that are made during the debate.

The Bill is progressing on the basis of consensus and therefore, at the request of the Opposition, we are not proceeding with a number of clauses. However, there has been no policy change. These provisions will make a significant contribution to the public finances, and the Government will legislate for the remaining provisions at the earliest opportunity, at the start of the new Parliament. The Government remain committed to the digital future of the tax system, a principle widely accepted on both sides of the House. We recognise the need for the House to consider such measures properly, as called for by my right hon. Friend the Member for Chichester (Mr Tyrie) and his Treasury Committee. That is why we have decided to pursue those measures in a Finance Bill in the next Parliament, in the light of the pressures on time that currently apply.

Clauses 1 and 3 provide for the annual charging of income tax in the current financial year and maintain the basic, higher and additional rates at the current level. The annual charge legislated for in the Finance Bill is essential for its continued collection, and it will enable the funding of vital public services during the coming year. Maintaining these rates, while increasing the tax-free personal allowance and the point at which people pay the higher rate of tax, means that we are delivering on important manifesto commitments. On top of that, as of April this year, increases in the personal allowance since 2010 will have cut a typical top of that, as of April this year, increases in the personal allowance since 2010 will have cut a typical basic-rate taxpayer’s income tax bill by more than £1,000, taking 1.3 million people out of income tax in this Parliament alone.

Clause 4 will maintain the starting-rate limit for savings income—applied to the savings of those with low earnings—at its current level of £5,000 for the 2017-18 tax year; clause 6 will charge corporation tax for the forthcoming financial year; and clauses 17 and 18 will make changes in the taxation of pensions. Clause 18 legislates for a significant anti-avoidance measure announced at the spring Budget. It will make changes to ensure that pension transfers to qualifying recognised overseas pension schemes requested on or after 9 March 2017 will be taxable. The charge will not apply if the individual and the pension savings are in the same country, if both are within the European economic area or if the pension scheme is provided by the individual’s employer.

Before the changes were announced in the spring Budget, an individual retiring abroad could transfer up to £1 million in pension savings, without facing a charge, to a pension scheme anywhere in the world provided that it met certain requirements. Overseas pension transfers had become increasingly marketed and used as a way to gain an unfair tax advantage on pension savings that had UK tax relief. That was obviously contrary to the policy rationale for allowing transfers of UK tax-relieved pension savings to be made free of UK tax for overseas schemes. This charge will deter those who seek to gain an unfair tax advantage by transferring their pensions abroad. Exemptions allow those with a genuine need to transfer their pensions abroad to do so tax-free.

Clause 17 will make various changes in the tax treatment of specialist foreign pension schemes to make it more consistent with the taxation of domestic pensions.

Clause 21 will simplify the payment of distributions by some types of investment fund. Following the Government’s introduction of the personal savings allowance, 98% of adults have no tax to pay on savings income. In line with that, the clause will remove the requirement to deduct at source tax that must subsequently be reclaimed by the saver.

Clauses 45 to 47 provide for the removal of the tax advantages of employee shareholder status for arrangements entered into on or after 1 December 2016, in response to evidence suggesting that companies were not using the status for its intended purpose and that it therefore was not delivering value for money. The status was introduced to increase workforce flexibility by creating a new class of employee, but it became apparent that it was being widely used as a tax planning device, rather than for its intended purpose of helping businesses to recruit.

Evidence suggests that companies, particularly those owned by private equity funds, were using employee shareholder status as a tax-efficient way to reward senior staff. In many cases, contract provisions were used to replace the statutory rights that had been given up, which was undermining the purpose of the status. That continued to be the case despite the introduction of the £100,000 lifetime limit on capital gains tax-exempt gains in the 2016 Budget. The Government therefore announced in the 2016 autumn statement that they would remove the tax relief associated with the status and close the status itself to new arrangements at the next legislative opportunity. The action that we are taking tackles abuse and increases the fairness of the tax system.

Peter Dowd (Bootle) (Lab): I thank the Minister for her opening remarks about consensus, with which I fully concur. We are here today to debate what is effectively a condensed version of the Bill for which my colleagues and, indeed, everyone else had been preparing, with a view to taking part in a number of Public Bill Committee sittings over a number of weeks to scrutinise
properly the longest Finance Bill that has ever been produced. That is the context in which I shall make my comments.

The Prime Minister’s announcement outside No. 10 and the subsequent vote mean we do not have sufficient time in this Parliament to give the full Bill the proper parliamentary oversight it requires and deserves, as I am sure Members will understand. It is clear that the Treasury was unaware of the Prime Minister’s plans for a snap election—otherwise, it would not have introduced the longest ever Finance Bill—but the Opposition recognise the unique scenario we are in and the Government’s responsibility to levy taxes, and I am sure the Minister recognises our responsibility to scrutinise the Bill in as open and transparent a manner as we possibly can. That is why we have acted in good faith to ensure that a version of the Bill can pass before Parliament is dissolved.

Our approach to the pre-election process and the presentation of the condensed version of the Bill has been underlined by two concerns: fiscal responsibility balanced against parliamentary scrutiny. The Opposition have a responsibility to taxpayers to ensure as little economic disruption as possible; we will therefore not attempt to block any measure in the Bill that has to be passed to ensure business as usual for our public services, such as on income tax, and nor will we obstruct tax that is already in the process of collection. But of course we cannot give the Government carte blanche, as we have made clear.

There are many clauses in the Bill that we can and should wait to deal with until after the general election, as that would provide the opportunity for them to be properly scrutinised. The one exception is the soft drinks levy, which I will speak about later.

In relation to alcohol duty, the Bill includes measures that have already been implemented but that we opposed in the Budget resolutions. They include the Government’s decision to raise alcohol duty in line with inflation, raising the price of a pint of beer by 2p, a pint of cider by 1p and a bottle of Scotch whisky by 36p. As I said on Second Reading, rising business rates and rising inflation are creating a perfect storm for many small businesses. Therefore, the decision to raise this duty is a risk.

Another measure that we would have liked to avoid but that is included as a result of the necessity of the compressed process that this Bill is going through is the rise in insurance premium tax. It has already been doubled and this raises it further. Had there been a longer process, we would have sought to challenge that, as we did at the Budget resolution stage, so there is no surprise in this, but the reality is that the measure is already in effect due to the resolutions.

On tax avoidance, it is time for a wholesale shift in how we approach taxation and the treatment of self-employment given the rise of the gig economy in recent years. The Bill originally contained a number of initiatives, and no doubt we will come back to them in due course.

I welcome the Minister’s statement on the digitalisation of tax. It will be a great relief to many small businesses given the onerous requirements for quarterly reporting. No one is against a move to a digital tax system, but we do not agree with the rush to implement it.

A large portion of the Bill relates to the introduction of the soft drinks industry levy, which the Government have consulted on heavily and on which they have cross-party support in this House. The levy has popular public support, too, as a poll has indicated. I want to take this opportunity to pay particular tribute to Jamie Oliver and the Obesity Health Alliance, who have campaigned tirelessly on this issue and on the need for a joined-up Government obesity strategy, and I must compliment the Minister, who in her current and previous roles has been a strong advocate for the levy. We would like to see a review of the sugar tax levy in due course, if possible. The Minister might well wish to comment on that. I am sure that a range of issues, such as in relation to multi-buy discounts, could form part of this.

In conclusion, as a responsible Opposition, we will not stand in the way of passing a Finance Bill before the election, as that is a necessity. There are some measures that a Labour Government would bring back, and we will have an opportunity to scrutinise them in due course, but we need to get this through and we need to be responsible, and we will support the Government where required.

**Several hon. Members rose—**

The Chairman of Ways and Means (Mr Lindsay Hoyle): Order. I am about to call the hon. Member for Copeland (Trudy Harrison), but first I remind the House of the courtesy that we do not intervene on a maiden speech.

1.15 pm

Trudy Harrison (Copeland) (Con): I am grateful for this opportunity to deliver my maiden speech as the newly elected Member of Parliament for Copeland, in what is one of the last debates of this Parliament.

First, I would like to pay tribute to my predecessor, Jamie Reed, who was the Member for Copeland from 2005 until he stood down in January this year. It is, in fact, Jamie whom I have to thank for inspiring my introduction to politics. The very first parliamentary debate I ever watched was a Westminster Hall debate culled by Jamie and also attended by other Cumbrian Members—my hon. Friend the Member for Penrith and The Border (Rory Stewart) and the hon. Member for Westmorland and Lonsdale (Tim Farron)—to discuss the future of my children’s school, Captain Shaw’s in Bootle. I saw the positive impact that MPs in Westminster could have on their local communities and the powerful influence of their support, even in remote areas, which I had previously felt would never be anyone’s political priority.

Like me, Jamie was born, raised and educated in Copeland, in the fine Georgian harbour town of Whitehaven. He has served the people of Copeland with great talent and dedication. As the elected Member, he worked hard for the rural communities he represented and placed a strong emphasis on improving health and education. In announcing his decision to stand down last December, he said he could achieve more for our community by returning to work in the nuclear industry at Sellafield than by remaining a Labour Member of Parliament.

Jamie was a relentless, proud supporter of our local industry; he championed the world-class specialist skills that make up our towns and villages. He worked hard to make the case for Copeland to host the new nuclear power station, Moorside, adjacent to Sellafield, based
on the strong belief that our workforce are best placed to power the northern powerhouse; after all, Copeland welcomed the world’s first nuclear reactor at Sellafield back in 1950. Our local knowledge, experience and skills in the nuclear and other highly regulated industries are internationally recognised and respected.

Sellafield’s safety record is exceptional, and it is seen as an example of outstanding performance across the globe. Jamie said that Copeland’s “best days are ahead”, a statement I agree with and will quote many times. I would like to take this opportunity to thank Jamie for his commitment to Copeland and wish him all the very best in his new role in community development at Sellafield.

Copeland has for centuries pioneered a modern industrial strategy. Our largest town, Whitehaven, was once Britain’s third largest trading port, with an extraordinary shipbuilding strategy. Our largest town, Whitehaven, was once Britain’s commitment to Copeland and wish him all the very best in his new role in community development at Sellafield.

Copeland has for centuries pioneered a modern industrial strategy. Our largest town, Whitehaven, was once Britain’s third largest trading port, with an extraordinary shipbuilding reputation thanks to the locally grown, hard-as-nails oak trees used to build the boats. Our ancestors sailed the world, securing deals, and returning with goods which created a crucial global trading centre. Perhaps that is why the Copeland constituency voted to leave the EU with such a high majority: because history provides confidence in our ability to export our knowledge and products across the globe.

Like true pioneers we do not stand still; innovation is in our veins. As shipbuilding and rum sales declined, we dug deep for prosperity. Mining transformed the towns of Egremont, Cleator Moor and Millook; indeed, Millook was widely regarded as an exporter of the world’s highest quality iron ore.

But we are perhaps best known in Cumbria for a delightful little rabbit, Peter Rabbit, and his friends Mrs Tiggywinkle and Squirrel Nutkin, to name just three of Beatrix Potter’s adorable characters. Writers, artists and poets have found inspiration in the beautiful Cumbrian countryside. Wordsworth was sent, under doctors’ orders, to my home village of Bootle, to aid his recovery from a chest infection. With 32 miles of coastline in the Copeland constituency, our air and our landscape are good for the soul.

Three quarters of the Copeland constituency is situated within the Lake District national park boundary, which I hope will become the second world heritage site for the Copeland constituency, complementing that of Hadrian’s Wall in Ravenglass. We eagerly await a decision in July to confirm another world first—the first UNESCO world heritage site to include an entire national park—thanks to a 20-year project by the Lake District National Park Authority and local communities to put Cumbria on the same international must-visit platform as the Taj Mahal and the great barrier reef.

I was brought up in Seascale, and then I moved to Wasdale, where I would open my curtains every morning to reveal Britain’s best view: England’s highest mountain, Scafell. Well before wild swimming was trendy, my childhood weekends would be spent paddling in Wastwater; England’s deepest lake. It is easy to see why Wasdale was the birthplace of mountaineering, and why the beautiful market town of Keswick enjoys such popularity with its annual mountain festival. That is one of the many festivals enjoyed in the Keswick community calendar.

Although the Lakeland topography is the result of glacial formations, our landscape and cultural heritage, for which we are internationally celebrated, are of course man-made. It is vital to support and protect our farming industry, both upland and lowland, to ensure that we can all benefit from quality food production, the highest standards of animal welfare, conservation and our enormously successful wool industry, on which Copeland is so dependent.

I could not give my maiden speech without acknowledging that I would not be standing in this House today if it were not for the fantastic and unwavering support of my family, friends, community and local association. My husband Keith, my parents, my brother and my daughters—Gabrielle, Savannah, Francesca and Rosemary—have been incredible towers of strength. From the moment I decided to stand, they were there with me, campaigning, delivering leaflets and knocking on doors. My girls have become quite the persuasive activists, and it has been wonderful to see their interest in politics grow.

Having four teenage daughters aged 14, 15, 17 and 18, I was delighted to tip the balance between all history’s women Members and the current number of male Members, equalling it at 456. There was a change of reference in my Mother’s day cards this year, however. Gone were the thanks for the practical tasks of washing, cooking, cleaning and generally being there. Instead, each one referred to a theoretical role, referencing inspiration and pride. That is what a by-election does to family life, and you can only imagine their comments about another round of doorstep challenges! It is, after all, our children and young people who motivate us to secure a bright future for Britain and inspire the next generation of leaders.

I watched my right hon. Friend the Prime Minister’s speech at the Conservative party conference last year and I was so impressed by her strength and commitment to deliver for Great Britain. Her ambitions for our country resonated with my own. As she spoke, I said to myself, “That’s me, that’s who I am, that’s what I want for my community and for my country.” I stood for Parliament because I want to get on and make things happen. I want to be part of a proactive, positive team that makes a tremendous difference to my community: the land of Copeland glory.

My husband and I moved from Whitehaven in the north of the constituency to Bootle, a small village in the south of Copeland, to raise our young family. Our move was motivated by a desire for our girls to attend a village primary school, and in Captain Shaw’s we found our perfect, quintessential Lakeland school. In 2006, I joined the parent teacher association. I soon realised that the problem was a decline in pupil numbers, so I joined the governors. Then I learned that the whole village was declining: we had lost 20 businesses in 20 years. I then applied for the position of regeneration officer at my local borough council, where I realised that the challenge was far more extensive.

Copeland desperately requires investment in infrastructure to be able to thrive. Both professionally, working for the council, and personally, working with the can-do people in my community, I worked to shape policy, giving our planning authority the option to be either the nail in our coffin or the key to our future. We trailed the streets and lanes, collecting and providing the necessary evidence to shape the strategic vision for
Bootsle, which would become a beacon of hope to other rural communities. We worked hard to secure the Lake District national park’s biggest ever mixed-use planning application for Wellbank, a former 12.5 acre Ministry of Defence base. Wellbank will bring 50 homes, a hotel and enterprise areas, and it will attract public and private investment. For Bootle, that will mean an extra 64 homes, new businesses and, when complete, £20 million of inward investment.

I stood in the Copeland by-election to really make a success of the modern industrial strategy, to be an asset to the northern powerhouse and to realise our full potential as a centre of nuclear excellence and global exporter of knowledge and products. Copeland needs investment. I know that as a pioneering, hard-working and innovative community, we can succeed with the Government’s support. We have people with the skills, the potential, the essential natural resources and a landscape where people love to live, work, learn and invest. We have every reason to be optimistic and to become an asset to the country’s economic performance and world-leading reputation. Copeland is on the brink of the most exciting, game-changing transition, but we need investment to kick-start that transition.

Throughout the election, I campaigned on six vital points. First, I campaigned to make a success of Brexit, as 62% of my constituents voted to leave. Secondly, I campaigned to secure nuclear new build at Moorside benefiting both Copeland and the country. Our Government must commit seriously to new nuclear, now more than ever, if we are to attract international investment. Thirdly, I campaigned to bring our road and rail networks up to modern standards, as they are simply not fit for the modern industrial strategy. Our infrastructure is holding back our ability to diversify and thrive. Fourthly, building resilience against flooding, which wrecks lives and livelihoods, is also essential.

Fifthly, access and connectivity will be key enablers, particularly in our rural area, if we are really going to trade and compete in a global marketplace. Improving mobile and internet connectivity will make a huge difference to our quality of life and our ability to do business in a global market. It will ensure a bright future for our children and young people, and the announcement in the spring Budget supporting an enormous increase in technical apprenticeships is wonderful news for a practical, skilled community such as mine.

Sixthly, I campaigned to secure services. Ensuring that we keep our 24-hour, seven-day-a-week, consultant-led maternity department at West Cumberland hospital in Whitehaven has been one of my key aims throughout the election campaign and as a Member of Parliament. I was born at that hospital and all four of my daughters were born there too. My community has clearly demonstrated the importance of retaining such an essential service. In my first weeks as an MP, I have been able to meet my right hon. Friend the Secretary of State for Health and I have visited the hospital to see the new wards for myself and to meet the staff. I have talked to clinicians and management in order to understand the barriers to having fully operational departments in the future. We now have a fully staffed maternity department, the trust has been removed from special measures and, in addition to the £90 million already invested by this Government, we have secured the funding for the final phase of the hospital’s construction.

Supporting a further recruitment drive with Choose Cumbria is also my priority. Positive action, listening to concerns, tackling problems head on and working with the can-do people in our community who really care—all these have been my mantra for many years. I will continue to strive enthusiastically, because I believe passionately in Copeland, its people and its potential.

Turning to today’s debate on the Finance Bill, I have seen that this Government are the only Government who can deliver a stronger, more secure economy. The economy is getting stronger and growing, the employment rate is at a record high and the deficit has been reduced enormously since its pre-financial crisis peak. We are in a much stronger position than in 2010, but I recognise that we must not be complacent. We must continue to reduce the country’s debt and the deficit even further. We cannot, as previous Labour Governments did, borrow endlessly to plug holes. We need to get the public finances in good order to safeguard the future— the future I want for my daughters and their generation.

Finally, Copeland has been my home since I was born. It is an area I know and love. The opportunity to represent the communities I grew up in as their Member of Parliament is truly a great honour, and I will ensure that the voice of our towns and rural communities is heard loud and clear. I am utterly committed to Copeland, and I will fight hard to deliver on promises made to my constituents during the election.

I am extremely grateful for the time I have been allowed and for the opportunity to deliver my maiden speech in this debate.

The Chairman of Ways and Means (Mr Lindsay Hoyle): I invite the hon. Lady to join the all-party group on rugby league, as Whitehaven have a great reputation.

1.30 pm

Kirsty Blackman (Aberdeen North) (SNP): I warmly welcome the new hon. Member for Copeland (Trudy Harrison) to what is left of this short Parliament. I am particularly pleased that we have finally broken the barrier of the number of women who have been elected— I am really delighted that that has happened. As a child I holidayed in her constituency, and I fondly remember visiting where Beatrix Potter created her animals and the Beatrix Potter museum. I can see the passion with which the hon. Lady speaks about her constituency and the Beatrix Potter museum. I can see the passion with which the hon. Lady speaks about her constituency and the amount she obviously cares about the area in which she was born and bred. She is a truly local MP, so I offer her a huge welcome to the House. Who knows whether she, or any of us, will be coming back in June? But welcome, anyway.

This first group of measures addresses income tax, but I will also comment on the way that the Bill is progressing through Parliament. With the surprise announcement of a general election, the Bill looks rather different from when it was first introduced. I am sure the Minister is in a similar position, but we received provisional notification of the amount of withdrawals and changes only last night, so there will not be the normal level of scrutiny of some things in the Bill. There will possibly also be slight confusion in today’s proceedings, given that so many things are being withdrawn.
I welcome the Government’s withdrawal of the dividend tax threshold changes, which we argued against on Second Reading. I am pleased that they have chosen to do that because it was a particularly contentious part of the Bill. More generally on the income tax changes, I have said previously and am happy to state again that I appreciate the Government’s increases to the personal allowance and the minimum wage. But I have said previously and say again that the Government have not gone far enough. We have a national living wage, but there has been no calculation of whether people can live on it.

Alison Thewliss (Glasgow Central) (SNP): Does my hon. Friend agree that the national living wage is not actually a real living wage but a pretend living wage and that it does not go far enough in that it is available only to people over the age of 25?

Kirsty Blackman: I agree that it is a real problem that this increased minimum wage does not apply to people under 25. Just because a person is under 25 does not mean they are doing any less of a job than a person over 25, and the minimum wage should apply to them just as much as to those who are older.

The other issue is that the tax credit changes more than balance out the extra money people are getting from the increased minimum wage and personal allowance. People at the bottom of the pile are worse off as a result of the Government’s decisions. Despite the Government’s talk about how great the new personal allowance and the new minimum wage are, they have to be considered in context. People who work are worse off as a result of the tax credit changes.

More generally, the Government have made a few suggestions on the taxation of self-employment, some of which have been withdrawn and some of which have not. They intend to try to equalise the taxation of employment and self-employment. However, what is missing is that people in self-employment do not receive the same benefits as people in employment, such as maternity leave and holiday entitlement. I have argued before and will argue again that if the Government are making changes to self-employment, they need to do so in the round. The need to stop this piecemeal tinkering and consider the whole situation. They need to do a proper review and come back with the results, and then consult on any changes. Rather than pulling rabbits out of hats—changing national insurance contributions with very little consultation, for example—they need to consult properly on how taxation should look for individuals, whether they are employed or self-employed.

I appreciate that the Government are undertaking the Taylor review, but I am not sure it goes far enough. I would like to see the Taylor review, or a future Government review, take self-employment into account in the round by considering all the factors that face the self-employed. We need to remember the changes in the self-employment landscape in recent years. We have seen a massive increase in the number of women and older people in self-employment, and the Government’s changes do not take into account the changes in that landscape. I would like to see a holistic approach, rather than a tinkering approach.

That is all I have to say on this group but, again, I welcome the Government’s withdrawal of the dividend tax threshold changes.

Mr Andrew Smith (Oxford East) (Lab): I also congratulate the hon. Member for Copeland (Trudy Harrison) on a fine maiden speech and thank her for her well-deserved compliment to her predecessor on his service. She spoke with passion, wit and understanding of her beautiful constituency, as well as of Peter Rabbit. None of us envies her speedy transition from by-election to general election, but I do congratulate her.

I made my maiden speech to this House on the remaining stages of the 1987 Finance Bill, so there is a certain symmetry in my making my last remarks on this one. On the substance of the Bill, it is too often overlooked—the hon. Lady talked about balancing public spending—that, although the Conservative party often talks about balancing the budget, the last Government to do so were Labour in 2001-02. Right now, it makes sense to invest more in productive infrastructure, training and public services, with action to combat poverty and to secure Brexit terms that enable our country to grow and flourish. I wish we had a Finance Bill for social justice that stands up for the many, not the few. That is what we need a Labour Government for.

It has been a privilege to be an MP, in and out of government, and I thank the staff of the House, the Library, those who keep us safe and you, Mr Hoyle, and your colleagues. I am grateful to all colleagues and wish them well for the future.

I would like to say a huge thank you to all those who have helped me serve the wonderful constituency of Oxford East for 30 years; my family and friends; my neighbours in Blackbird Leys; our party members and supporters; my trade union, the Union of Shop, Distributive and Allied Workers; my office staff and party organisers across the years; and, most of all, my constituents. Thank you.

The Chairman of Ways and Means (Mr Lindsay Hoyle): I wish you well in your retirement.

George Kerevan (East Lothian) (SNP): May I, too, thank the new hon. Member for Copeland (Trudy Harrison) for such a passionate and entertaining speech? It is good to have a representative of the land of Beatrix Potter here in this Chamber. I listened to her last points about the deficit and her encomium that this Government are bringing it down. I will be slightly wicked in saying that I am sure she knows that the Office for Budget Responsibility is forecasting a rise in Government borrowing this financial year, and she might care to ask why that is the case.

I have one specific question for the Minister on this group, as her introduction notably failed to explain why clause 5 has been withdrawn. That clause deals with the proposed reduction in the dividend income that investors in small companies can take. Are the Government embarrassed by the clause and is that why it is being withdrawn?

Question put and agreed to.

Clause 1 accordingly ordered to stand part of the Bill.

Clauses 2 to 4 ordered to stand part of the Bill.

Clause 5 disagreed to.

Clause 6 ordered to stand part of the Bill.
Clause 7

Workers’ services provided to public sector through intermediaries

Question proposed, That the clause stand part of the Bill.

The Chairman of Ways and Means (Mr Lindsay Hoyle):
With this it will be convenient to discuss the following:
Clauses 8 to 15 stand part.
Government amendment 4.
Clauses 48 to 51 and 124 to 127 stand part.
Government motion to transfer clause 127.
Clauses 128 and 129 stand part.
Government amendment 10.
That schedule 1 be the First schedule to the Bill.
Government amendments 11 and 12.
That schedule 2 be the Second schedule to the Bill.
Government amendment 57.
That schedules 16 to 18 and 27 to 29 be schedules to the Bill.

New clause 1—Review of international best practice in relation to tax avoidance and tax evasion—

(1) The Chancellor of the Exchequer must, within two months of the passing of this Act, commission a review of international best practice by Governments and tax collection authorities in relation to—
(a) the prevention and reduction of tax avoidance arrangements, and
(b) combatting tax evasion.

(2) A report of the review under subsection (1) must be laid before the House of Commons within six months of the passing of this Act.

(3) In this section, “tax avoidance arrangements” mean arrangements broadly comparable in their effect to arrangements in the United Kingdom which have the obtaining of a tax advantage as the main purpose, or one of the main purposes, of the arrangements.”

Jane Ellison: Before I say something about this group, I wish to comment on the maiden speech and on the retirement speech that we just heard. It was a real honour to be here in the Chamber for the maiden speech by my hon. Friend the Member for Copeland (Trudy Harrison). She told us what inspired her, but she also reminded many Conservative Members of how she inspired us to make the journey up to her beautiful constituency in the knowledge that we were supporting an outstanding woman who is rooted in and passionate about her community. She was generous about her predecessor, which was nice to hear. I had many friendly dealings with Jamie Reed when he was a Labour shadow Health Minister and I was in the Department of Health, so I welcome her comments. It was a wonderful maiden speech and I look forward to many more speeches from her in the future, and I wish her and her long-suffering family well for the weeks ahead. She spoke with conviction about the contribution of nuclear power, but I think that in the forthcoming campaign it will be girl power to the fore.

It is always nice to hear Members reflect on their time in this House and the way they have served. As the right hon. Member for Oxford East (Mr Smith) noted, he has had a nice bookending, with a Finance Bill debate at the start and a final contribution on Treasury matters. Of course, he also paid tribute to his constituents. I am sure that in these circumstances one has a bit less time than one thought to do a round of goodbyes, but I am sure he will continue to be active in his community. I congratulate him on his speech and thank him, on behalf of all hon. Members, for his service to the House.

This group deals with the taxation of employment income, and contains some clauses addressing tax avoidance and evasion. There are a number of clauses and schedules in this group, including a new clause from the hon. Member for Aberdeen North (Kirsty Blackman), but I am going to focus my remarks on clause 7 and schedule 1, which refer to workers’ services provided to the public sector through intermediaries and which might be of interest to Members. I will, of course, address any other areas in the course of the debate.

Clause 7 and schedule 1 reform the off-payroll working rules—also known as the intermediaries legislation, or IR35—for individuals working in the public sector. The tax system needs to keep pace with the different ways in which people are working. As the Chancellor set out at both the autumn statement and the spring Budget, the public finances face a growing risk from the cost of incorporations. Indeed, the Government estimate that by 2021–22 the cost to the Exchequer from people choosing to work through a company will be more than £6 billion. A not insignificant part of that cost comes from people who are working through their own personal service company but who would be classed as employees if it were not for that company. The off-payroll working rules are designed to ensure that where individuals work in a similar way to employees, they pay broadly the same taxes as employees. However, non-compliance with these rules is widespread, and Her Majesty’s Revenue and Customs estimates that less than 10% of those who should operate these rules actually do so. As a result, more than £700 million is lost each year across the economy, of which about 20% relates to non-compliance in the public sector. This is neither sustainable nor fair, and we believe that public authorities, in particular, have a responsibility to taxpayers to ensure that the people working for them are paying the right amount of tax.

1.45 pm
It is right that individuals doing the same job should be taxed in a similar way, regardless of whether or not they are working through a company. The changes being made by clause 7 and schedule 1 address this non-compliance in the public sector. They move responsibility for determining whether or not the off-payroll working rules apply, shifting it to the public authority that the individual is working for, from 6 April 2017. They also make the public authority, agency or other third party that pays the individual’s company responsible for operating PAYE on those payments. This will improve compliance with the rules, raising £190 million a year by 2021–22. It is important to note that the reform does not introduce a new tax liability, nor does it affect the genuinely self-employed; the change will simply ensure that the current rules are applied as intended.

To provide certainty and clarity where it is needed, HMRC has worked extensively with stakeholders to develop the new digital “Check employment status for tax service”, which public authorities can use to help
implement the changes. That service has been live since last month, and it has now been used many thousands of times—more than 273,000 times—to assist people in applying the off-payroll rules.

Kirsty Blackman: People have told me that no matter what information they have put in, they have always been told that they have to pay more tax than they were expecting. Concerns have been raised with me about that online tool and its shortcomings, and about the fact that HMRC is always asking people to pay a level of tax that they think is wrong or too high.

Jane Ellison: Given where we are in this Parliament, the best thing the hon. Lady can do is to send details on that, immediately and before Dissolution, so that HMRC can look at the factual issues. I am surprised by what she says, but let us ask HMRC to look at the practical issues she raises—while we are off doing other things, it can perhaps look at those if she supplies the information in the next few days. HMRC has worked with the Cabinet Office Crown Commercial Service to produce guidance for public authorities and has supported them to implement the changes.

Government amendment 10 is a technical one to ensure that the reform only applies to the public sector, as set out in the Government’s original announcement.

In conclusion, the Government believe it is essential to ensure that public funds are used correctly and that those in receipt of them are paying the correct amount of tax. The changes being made by clause 7 and schedule 1 will improve compliance with the tax rules, raising a substantial amount of revenue by 2021-22. I therefore ask Members to support this clause and schedule, along with clause 8, schedule 2, clauses 11 and 48, schedule 16 and clause 127.

Kirsty Blackman: I wish to discuss the issues raised in this group, including by my new clause 1. The Minister has covered the IR35 issues in some detail, but the Scottish National party still has real concerns about these changes. Just the other day somebody told me that they are no longer bidding for public sector contracts as a result of the tax changes made on IR35. That is a real concern, which we have raised before, particularly in the context of rural communities. In some of our most rural communities, people such as teachers, doctors and nurses are employed through intermediaries, and for very good reasons: it is sometimes difficult to get people to come to some of the most rural parts of Scotland. We are concerned that this move is going to have a real disadvantageous effect, particularly for rural communities that rely on teachers, doctors and other individuals working in the public sector who are employed through intermediaries. I understand that it is already having an effect, but it would be interesting, and I would very much appreciate it, if the Government let us know what difference it has made, not only to the tax take, but to our communities. Having read through the Government’s document on the impact of the tax changes, called OOTLAR—the overview of tax legislation and rates—I do not think they have recognised the impact the changes could have on communities, so it would be interesting to see what that impact is. The change has already been made and people are now working under it, so I imagine that within six months or so we will be able to see the outcomes and whether or not there is a disadvantage.

New clause 1 is on tax avoidance, which the Scottish National party has spoken about at length in this Parliament, and about which we will continue to speak at length. Tax avoidance is a real concern and contributes to the UK tax gap, which is £36 billion. Back in 2014, Credit Suisse published a report suggesting that larger countries such as the United Kingdom struggle to get people not to avoid tax. Smaller countries are much better at it—I am just pointing that out. The new clause would require the Chancellor of the Exchequer to review within two months international best practice in relation to the prevention and reduction of tax avoidance arrangements and combating tax evasion, and to publish a report of the review. We are asking for that because we do not think that the United Kingdom is the best place in the world at tackling tax avoidance. It is certainly not the best place in the world at all the different ways of tackling tax avoidance; we could learn a huge amount from what different countries are doing. The new clause would be a sensible way forward, so I hope the Government are keen to accept it.

Something else we have mentioned in relation to tax avoidance is the protection of whistleblowers. Some whistleblowers tend towards having poor health as result of their whistleblowing. It is really important that people are encouraged to come forward if they see problems, and that we are making it as easy as possible for them to do so, because we need people to be whistleblowers. We need them to tell us where practice is going wrong and where tax dodging is happening. We would support the Government in any action they take to encourage whistleblowers and to create a better environment in which they can come forward.

Lastly, there has been talk of the possibility of the United Kingdom becoming a tax haven after Brexit. We absolutely reject the notion that after Brexit the United Kingdom should reduce all taxes to nearly nothing. For a start, that just does not work if we want to have public services such as the NHS—

Patrick Grady (Glasgow North) (SNP): Some of them do not, though.

Kirsty Blackman: I hope everybody present is supportive of the NHS, but I get why my hon. Friend has the impression that some people are not. We need our NHS to continue to be supported, and for that we need taxes to continue to come in.

Nigel Huddleston (Mid Worcestershire) (Con): Does the hon. Lady agree that the focus should be on maximising the tax take? A reduction in tax rates can actually lead to an increase in the tax take.

Kirsty Blackman: I agree that the focus should be on maximising the tax take, but I would go about it in a slightly different way by trying to encourage companies and individuals and by encouraging the economy to grow. I would try to get people back into more productive jobs in order to increase productivity. The Government have mentioned increasing productivity, which is something we have been pretty good at doing in Scotland in recent times; our productivity increase has been significant and much higher than the productivity increase south of the border. Those are the measures I would start with to grow the economy.
Mr David Nuttall (Bury North) (Con): Will the hon. Lady give way on that point?

Kirsty Blackman: I was just about to finish.

Mr Nuttall: We have hours.

Stephen Pound (Ealing North) (Lab): That’s not a challenge.

Mr Nuttall: Well, we have plenty of time. I am grateful to the hon. Lady for giving way. Does she not agree that by reducing taxes, particularly corporation tax, in this country, we are more likely to attract inward investment and new companies from around the globe to this country, thereby producing the taxes to pay for our public services?

Kirsty Blackman: I do not believe that there is a huge amount of evidence for that. When companies are looking at where to base their headquarters and their staff, corporation tax does not feature all that high up the list. They are looking for good infrastructure, schools and support for individuals in the community. Corporation tax is not at the top of the list, so I would do other things first to try to encourage inward investment, if it were me who was in government and making those decisions.

George Kerevan: It will be someday.

Kirsty Blackman: Mr Hoyle, that is the end of my comments on this group.

Question put and agreed to.

Clause 7 accordingly ordered to stand part of the Bill.

Clause 8 ordered to stand part of the Bill.

Clauses 9 and 10 disagreed to.

Clause 11 ordered to stand part of the Bill.

Clauses 12 to 16 disagreed to.

Clauses 17 and 18 ordered to stand part of the Bill.

Clauses 19 and 20 disagreed to.

Clause 21 ordered to stand part of the Bill.

Clauses 22 to 44 disagreed to.

Clauses 45 to 47 ordered to stand part of the Bill.

Clause 48

Employment Income Provided through Third Parties

Amendment made: 4, page 49, line 26, leave out “Schedules 16 and 17 make” and insert “Schedule 16 makes”—(Jane Ellison.)

Clause 48, as amended, ordered to stand part of the Bill.

Clauses 49 to 56 disagreed to.

Clause 57

VAT: Zero-rating of Adapted Motor Vehicles Etc

Question proposed, That the clause stand part of the Bill.

The Chairman of Ways and Means (Mr Lindsay Hoyle): With this it will be convenient to discuss the following:

That schedule 19 be a schedule to the Bill.

New clause 2—Review of VAT treatment of the Scottish Police Authority and the Scottish Fire and Rescue Service—

“(1) The Chancellor of the Exchequer must, within two months of the passing of this Act, commission a review of the VAT treatment of the Scottish Police Authority and the Scottish Fire and Rescue Service, including but not limited to—

(a) an analysis of the impact on the financial position of Police Scotland and the Scottish Fire and Rescue Service arising from their VAT treatment, and

(b) an estimate of the change to their financial position were they eligible for a refund of VAT under section 33 of the VAT Act 1994.

(2) A report of the review under subsection (1) must be laid before the House of Commons within six months of the passing of this Act.”

Jane Ellison: No VAT is charged for the buying of an adapted vehicle by or on behalf of a disabled wheelchair user. Unfortunately, this scheme, which supports disabled wheelchair users to live independently, has been fraudulently abused by unscrupulous individuals who make purchases under this relief and then sell the vehicles on for additional profit. For example, HMRC discovered that one person purchased 30 BMWs under the scheme in one day, while another individual bought 100 vehicles that I would describe as high-performance sports cars and the like in under two years. This is clear abuse of the scheme, and its integrity is being brought into question by such behaviour.

Clause 57 will tackle abuse of the relief, while ensuring that it remains available for those with disabilities. The changes made by clause 57 will restrict the number of vehicles that an individual, or someone on behalf of that individual, may purchase under the scheme to one every three years. That will stop fraudsters from purchasing multiple vehicles in one day, or over a prolonged period. The legislation recognises that, in some circumstances, a replacement vehicle may genuinely need to be purchased within the three-year period. In addition, the clause makes it mandatory for vehicle dealers to submit a declaration of eligibility for each car purchased under the scheme to HMRC and applies penalties to those found to abuse the scheme.

2 pm

We expect that these changes will continue to support those whom it is intended to support, at a cost of about £40 million a year, while reducing fraud and saving up to £80 million of taxpayers’ money over the next five years. The Chancellor announced these changes at the autumn statement, and they were welcomed by key stakeholders. Disabled Motoring UK stated:

“Disabled Motoring UK is supporting the efforts of the Government to safeguard the scheme and make sure it is only accessed by eligible disabled motorists.”

The significant fraudulent abuse of the current scheme means that it must be changed. It is our intention to tackle this fraud, but continue to offer financial support to disabled wheelchair users to lead independent lives. I therefore hope that clause 57 will stand part of the Bill.
Let me turn now to new clause 2, which was tabled by the hon. Member for Aberdeen North (Kirsty Blackman). We return to a subject that has had the odd outing in this Chamber before—I am talking about the issue of VAT on the Scottish Fire and Rescue Service. The new clause requests that the Treasury commissions a review of the VAT treatment of the Scottish Police Authority and the Scottish Fire and Rescue Service, reporting the cost of VAT to them at present and how this would change if they were eligible for refunds.

Let me recap some of the comments that have already been made from this Dispatch Box. To receive section 33 VAT refunds, a body must receive funding through local taxation and perform a function of a local authority. In 2012, the Scottish Government restructured their regional police and fire services into two national bodies, Police Scotland and the Scottish Fire and Rescue Service. Both are funded centrally, rather than through local taxation, and therefore do not—

Kirsty Blackman: But, frankly, so am I. If the Government were to move to devolve power over VAT to the Scottish Parliament, it would be much better if we had control over all of VAT, rather than have a portion of the income from VAT coming to us.

The Scottish police and the fire and rescue service are charged VAT unlike Highways England, which is a national English body, and unlike London Legacy, which is a national UK-wide body. The UK Government have created exemptions for both of those organisations, but not for Scottish police and Scottish fire. This costs the Scottish people, because Scottish police and Scottish fire are having to pay this VAT bill to the UK Government rather than having this money to spend.

Joanna Cherry (Edinburgh South West) (SNP): This VAT charge is costing Scotland’s emergency services tens of millions of pounds a year. Does my hon. Friend agree that our constituents would rather that this money was spent on fighting crime and funding emergency services in Scotland than on plugging the holes in the Tory Government’s budget because of their poor financial planning and budgeting?

Kirsty Blackman: I absolutely agree with my colleague. In June 2016, it was reported that, since it was formed three years previously, Scotland’s single police force has paid £76.5 million in VAT, and it remains unable to reclaim that tax. The UK Government have created exemptions for other bodies that they see as important. Why do they see London Legacy and Highways England as more important than Scottish police and Scottish fire? We again ask the UK Government to change that.

Question put and agreed to.

Clause 57 accordingly ordered to stand part of the Bill.

Clause 58

IPT: Standard Rate

Question proposed, That clause 58 stand part of the Bill.

The Chairman of Ways and Means (Mr Lindsay Hoyle): With this it will be convenient to consider clause 59 stand part.

Jane Ellison: Clause 58 legislates for the increase in the standard rate of insurance premium tax from 10% to 12% as the Chancellor announced in the autumn statement 2016. This change will be effective from 1 June this year. Clause 59 will make minor changes to anti-forestalling provisions, so that insurers cannot artificially avoid paying the new rate of insurance premium tax by adjusting contract dates.

The Government remain committed to our fiscal mandate of eliminating the deficit. Much has already been achieved. The Government are forecast to reduce the deficit by more than two thirds by the end of this year, and in 2018-19, debt will fall for the first time in 16 years. However, we cannot be complacent. The Office for Budget Responsibility’s recent fiscal sustainability report highlights the challenges posed by an ageing population, projecting debt almost trebling to 234% over the next 50 years, if no further action is taken.
Stephen Pound: I am so sorry to interrupt the hon. Lady, but I speak on behalf of the 4th Perivale scout group, which is most concerned about the impact that insurance premium tax increases are having on not just scout groups but other charities. Has she considered this matter since my hon. Friend the Member for Bootle (Peter Dowd) raised it, and does she have any good news if not for the whole charity sector, at least for the 4th Perivale scout group?

Jane Ellison: I am delighted that the hon. Gentleman has had the opportunity to put his local scout group on the record. These issues have been discussed in general terms. In particular, I spoke at the Charity Tax Group conference recently. The point that I made there was that although we are not making exceptions for a number of reasons—some of them logistical—there are many different ways in which the Government exempt tax for charities and try to support them in other ways. The existing tax reliefs that go to charities and community groups in this country are worth many billions, and many are not taken up as much as they should be. In particular, the issue of scout groups got a very thorough airing during the passage of the gift aid small donation scheme measures that we took through the House last autumn. Those measures are designed to help such groups that do a lot of their fundraising outside their headquarters. Although I cannot give him comfort on this issue, I draw his attention to the fact that there are many other ways in which we help to relieve worthy groups. In particular, I refer to that recent change, which I encourage him to discuss with the Perivale scout group, because, as I have said, that was made very much with it in mind, especially with regard to how it collects donations.

George Kerevan: Essentially, this is one of the taxes that the Government are keeping in. It is the third insurance premium tax rise in 18 months. Will the Minister justify why the Government are proposing this third increase, which actually increases the rate by 20%—well above the rate of inflation?

Jane Ellison: I am coming to that, but the Chancellor was admirably clear when he laid the change out for the House when it was announced.

The Government have worked to eliminate the deficit and to invest in Britain’s future. We want to ensure that the public finances remain sustainable and to build resilience to future shocks. We have prioritised tax changes to help ordinary working families, and encouraged businesses to invest in the UK. We are supporting jobs and helping people’s money to go further through increases in the national minimum wage. We have committed to investing £23 billion for infrastructure in the national productivity investment fund and an extra £2 billion for social care, which will ease pressures on the national health service.

By increasing insurance premium tax, we will ensure that we can maintain the balance between that investment and controlling the deficit. The additional revenue gives the Government the flexibility to invest. IPT is a tax on insurers. They are not in any way obliged to pass on the increase, it will be spread thinly across a wide range of people and businesses. In line with the informal agreement between the Government and the Association of British Insurers, firms have been given more than six months’ notice, which gives time to implement the change. The agreement aims to give insurers proper warning of a rate change and to ensure that the correct rate of tax on a policy is known when the policy is arranged.

The changes made by clause 58 will raise approximately £840 million each year to reduce the deficit, while ensuring that we can fund spending commitments. That really is the answer to the intervention by the hon. Member for East Lothian (George Kerevan). Insurance premium tax is a tax on insurers, not consumers. It will be insurance companies’ choice whether to pass on the 2% rate increase. Even if the increases were passed on in full, the impact would be modest, costing households less than 35p a week on average.

The changes made by clause 59 will protect revenue by ensuring that insurers cannot artificially avoid paying the new rate of IPT by adjusting contract dates. As I have said, the Government are committed to reducing the deficit, while still investing in the UK. This requires some difficult decisions, including this 2% increase to the standard rate of IPT. The change will be invaluable in funding vital public spending, such as the additional £2 billion committed to social care.

Kirsty Blackman: It is really interesting to hear the Minister say that the change will only cost an average of 35p a week. That is quite a lot, particularly for people who do not have an extra 35p a week. The director general of the ABI said:

“UK consumers and businesses already pay relatively high levels of IPT... It cannot be right that people are being forced to pay an increasingly high price for doing the responsible thing”.

As my hon. Friend the Member for East Lothian (George Kerevan) said, this is the third increase. At the start of this Parliament, IPT was at something like 3%. It was then increased to 6.5% and then to 9.5% during this Parliament. This is a tax on people doing the right thing by insuring their homes and properties. I agree with the hon. Member for Ealing North (Stephen Pound), who spoke about a scout group, that this is also a tax on charities and organisations providing a brilliant experience for young boys and girls going through scouting. The change has not been considered in the round; the Government have seen another opportunity to get a few extra pennies in.

Huw Merriman (Bexhill and Battle) (Con): The hon. Lady, like me, may have a rural constituency, where there are lots of young drivers experiencing high insurance costs. Would she welcome signs from the Minister that the Government will look at the impact of the change on the young in the future, particularly if it has an impact on social mobility for the young?

Kirsty Blackman: I do not actually have a rural constituency, but I do live near one, so I recognise the issues that are faced by young drivers. We want young people, particularly those in rural areas, to be able to access services, learn to drive safely and afford insurance when they do, so that they can access job opportunities and training. I agree with the hon. Gentleman and also ask the Government to look at this area. We cannot continue to see hikes in insurance premium tax.
A 20% hike is absolutely ridiculous, especially as it follows hot on the heels of a number of other hikes in insurance premium tax. The Government need to look at this seriously and commit to not making any further increases in the next Parliament.

George Kerevan: I have two points. First, I reiterate to the Minister, who artfully shifted to saying that there was a 2% rise in the tax, that there is a two percentage point rise. It is a 20% rise in the tax. I asked the Minister how she justified that massive, excessive increase relative to inflation. She did not reply—I suspect because, as a Conservative tax cutter, she is embarrassed. I have a further question for the Minister. Will she rule out extending the provision of IPT to reinsurance? Clearly, IPT has been hit on by the Government because it is one of the few things that they have not yet legislated not to increase as a form of taxation. That will doubtless be a Conservative tax cutter, she is embarrassed. I have a further question for the Minister. Will she rule out extending the provision of IPT to reinsurance?

Kirsty Blackman: I will start with spirits duty. The Government recognise the important contribution that Scotch whisky makes to the economy and local communities. The Scotch Whisky Association, which I had a meeting with and had the chance to hear from directly, estimates that Scotch whisky adds over £5 billion overall to the UK economy and supports more than 40,000 jobs, some 7,000 of which are in the rural economy. Distilleries provide an important source of employment in rural communities. The Scotch Whisky Association estimates that exports to nearly 200 countries in every continent were worth nearly £4 billion last year and accounted for about 20% of all UK food and drink exports. Single malt Scotch whisky exports exceeded £1 billion for the first time last year, and more Scotch whisky is sold in France in just one month than cognac in an entire year. Scotch whisky was one of the first food and drink products to feature in the GREAT campaign, giving it high visibility internationally in key markets. More recently, the Scotch Whisky Association joined my right hon. Friend the Prime Minister on her trade mission to India last year. Scotch whisky is currently just 1% of the Indian spirits market, but it has the potential to grow to 5% with the right trade agreement. That would be equivalent to a 10% increase in the current global trade in Scotch.

The spirits duty escalator was ended in 2014, and the tax on a bottle of Scotch whisky is now 90p lower than it would otherwise have been. The hon. Member for Aberdeen North (Kirsty Blackman) on the oil and gas decommissioning regime, which we may come to. Clause 65 sets out changes to alcohol duty rates that took effect on 13 March 2017. We announced in the 2017 Budget that the duty rates on beer, cider, wine and spirits will be kept flat in real terms, uprating by retail price index inflation. This is in line with policy and previous forecasts. As hon. Members will probably be aware, the public finances assume that alcohol duties rise by RPI inflation each year, so there is a cost to the Exchequer from freezing or cutting alcohol duty rates. If alcohol duty rates had been frozen or cut at Budget 2017, the Government would instead have had to raise taxes in other areas of the economy, to cut public spending or to increase the public deficit. Consumers and businesses continue to benefit from the previous alcohol duty changes, which initial estimates suggest will save them around £3 billion in duty between fiscal years 2013 and 2017. I will now briefly set out how past duty changes and other Government policies have affected different drinks and the sector.

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The Government are committed to supporting this great British success story. Scotch whisky was one of the first food and drink products to feature in the GREAT campaign, giving it high visibility internationally in key markets. More recently, the Scotch Whisky Association joined my right hon. Friend the Prime Minister on her trade mission to India last year. Scotch whisky is currently just 1% of the Indian spirits market, but it has the potential to grow to 5% with the right trade agreement. That would be equivalent to a 10% increase in the current global trade in Scotch.

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Aberdeen North has tabled an amendment to reverse the uprating as applied to spirits. To be clear, that would not help exports, because the £4 billion of exports a year are unaffected by the duty change, as no duty is paid on exported spirits. Instead, it would help those selling in the UK market. The amendment would cost the Exchequer, and so increase the deficit by, around £100 million this year. For the reasons I have indicated—not least the bottom line scorecard cost—the Government reject the amendment, which would not help exporters of whisky or other spirits and which is unfunded.

Clause 65 will keep spirit duty rates flat in real terms, so consumers will continue to benefit from the previous change to spirit duty rates.

While we are on spirits, I should touch on another great British success: the UK gin industry. When I met the Wine and Spirit Trade Association, it informed me that, in 2016, gin sales exceeded £1 billion for the first time in the UK. I suspect that many of us will be partaking of a number of these products in the weeks ahead. [Interruption.] I said many of us. We will be partaking perhaps in celebration or perhaps for sustenance—who knows what reason. It is good that we put these British success stories on record.

I was also told that the number of gin brands has more than doubled since 2010. [Interruption.] Yes, doubles all round. The price of a typical bottle of gin remains 84p lower than it would have been now that we have ended the spirits duty escalator. As with Scotch whisky, no UK duty is payable on exported gin.

As well as ending the spirits duty escalator, we also ended the beer duty escalator to help pubs. Pubs play an important role in promoting responsible drinking, providing employment and contributing to community life—that sentiment is expressed regularly on both sides of the House. Brewers also make an important contribution to local economies. The increase in the number of small breweries in recent years has increased diversity and choice in the beer market. By promoting interest in a larger range of beers, that has benefitted all brewers.

The clause will not undo the previous beer duty cuts or freezes. The Government cut the tax on a typical pint by one penny at Budgets 2013, 2014 and 2015 and then froze duty rates last year. As a result, drinkers are paying 11p less in tax on a typical pint this year than they otherwise would have paid.

On wine duty, the Government are committed to supporting the UK wine industry. The first joint industry and Department for Environment, Food and Rural Affairs wine roundtable last year resulted in a set of industry targets, including to increase wine exports tenfold and to double production to 10 million bottles by 2020. The wine sector will continue to benefit from the previous changes to wine duty rates.

Cider makers, too, play an important role in rural economies, using over half the apples grown in the UK. The duty on a typical pint of cider remains around half the duty on a typical pint of beer. The tax on a typical pint remains 3p lower than it would otherwise have been, as a result of the Government’s changes to cider duty rates since Budget 2014.

To conclude, we fully recognise the importance of the alcohol industry to the economy and local communities. I have talked with and met various representatives from across the industry, and I will, of course, continue to engage with them. The cuts and freezes in duty rates since the ending of the alcohol duty escalators continue to deliver great benefits. They will save consumers and businesses around £3 billion in duty between fiscal years 2013 and 2017. However, allowing alcohol duties to fall every year in real terms would be unsustainable in the long term. If alcohol duties had been frozen or cut at Budget 2017, the Government would instead have had to raise taxes in other areas of the economy, cut public spending or increase the public deficit. The clause simply increases duties in line with inflation, as assumed in the fiscal forecasts. This is not a return to the real-terms increases year after year imposed by the alcohol duty escalator. I therefore suggest that the clause stand part of the Bill.

Kirsty Blackman: I will start by talking about alcohol and whisky, and then I will move on to talk about oil and gas. Specifically on whisky, I appreciate the Minister taking the time to talk about the contribution of the Scotch whisky industry. It does, indeed, contribute to our economy; of particular note are the 40,000 jobs it provides, including the 7,000 in the rural economy, which are really important for Scotland’s rural communities.

The positive changes the UK Government previously made to spirit duty meant there was confidence in the industry again, and we have seen a real change in the industry over the last couple of years, with a dozen new distilleries opening and 14 in various stages of planning, but the changes that have been made this year will put 36p on a bottle of whisky and mean that £4 of every £5 spent on whisky goes to the UK Government’s coffers.

My hon. Friend the Member for Argyll and Bute (Brendan O’Hara), who is the chair of the all-party group on Scotch whisky, spoke about this issue on Second Reading, although not at enough length—he got only four minutes. He is really concerned about distilleries. I appreciate the Minister talking about the success story that the gin industry has been for new distilleries—it takes a long time to mature Scotch whisky but not to mature gin, so distilleries can be up and running pretty quickly. The issue is the context in which things are seen. I understand that, as the Minister said, the change will not affect those selling abroad, but given that most producers sell whisky in the domestic market, it will obviously have an effect on those who also sell abroad.

In the wider context of Brexit, where the trade deals we currently have will no longer exist and we will have to negotiate new trade deals, including with the EU, if we are to sell whisky to France, as the Minister mentioned, we will need to have a trade deal. We will need to have trade deals with all the countries we trade with under the EU’s free trade agreements.

A major concern for those of us who represent constituencies involved with whisky is the protected geographical indication. The EU has protected geographical indication status, so people are not allowed to bottle whisky somewhere else and call it Scotch whisky. We are set to lose that protection when the UK leaves the EU, and it is important that the UK Government do what they can to ensure that the Scotch whisky industry can continue to trade and protect its brand—but I do not see that coming through. If the Government had not raised duty in this Budget on spirits and on whisky in...
[Kirsty Blackman]

particular, the industry would have known that it had the confidence of the UK Government and been in a much better position to take decisions.

Moving on to oil and gas, we have two new clauses on the amendment paper. New clauses 3 and 4 on behalf of the SNP are in my name, and I particularly thank my hon. Friend the Member for Aberdeen South (Callum McCaig) for his input into them. New clause 3 is about investment allowances. This Tory Government have come up with a line that we are one of the most competitive fiscal regimes for oil and gas, which is all well and good, but we also have one of the most mature fields in the world. In the North sea and on the UK continental shelf, we are also having to do things and implement technologies we have never seen before. A huge amount of innovation from our companies is having to go on in order for them to be able to achieve the UK Government’s and Sir Ian Wood’s maximising economic recovery strategy.

New clause 3 is about investment allowances and corporation tax rates on companies producing oil and gas. The UK Government have put the tax up and put it down, but they have not at any stage sat down and looked at the entire taxation regime for the oil and gas industry and said, “We are operating in a new scenario.” They have kept the level of taxes that we have had since oil and gas began to be taken out of the North sea. It is time for the UK Government to look at that tax structure and those tax regimes to see how they can incentivise companies to ensure that they are getting the best out of the North sea and securing jobs in the north-east of Scotland, and beyond, for as long term a future as possible.

2.30 pm

New clause 4 is particularly about the competitiveness of UK-registered companies. I have mentioned decommissioning and the development of new fields in the UKCS around us. The new clause is similar to one that we tabled to last year’s Finance Bill. I would really like the Government to take action on this. Whenever I go to meet supply chain companies or individuals working at the coalface, as it were, in oil and gas, they tell me that this is a major issue. Decommissioning is beginning in the North sea, where some of the fields are at the end of their life and some installations are at the end of their usable life, whatever we do. This is still a relatively new thing for us, and our supply chain companies are having to innovate. We do not want any of the jobs created in decommissioning to go abroad if we can possibly help it. We would like this UK Government to look at what they can do to the tax regime to ensure that those jobs are kept in the UK as far as they possibly can be.

We are also asking about that in relation to new fields. On Second Reading, I spoke about small pools, which have fewer than 50 million barrels of oil. In this current tax system and fiscal situation, they are not particularly economically viable, and so the vast majority will not be exploited. If changes were made to the tax regime in order for these small pools to be exploited, and further down the line. A number of the small pools rely on current installations, and if the big installation in the middle is decommissioned, we lose access to all the smaller fields round about. The UK Government therefore absolutely need to be on top of that today.

Finally on oil and gas, I turn to something that made me pretty angry in the Budget debate. The Chancellor announced that he was going to make it easier for companies to transfer late-life assets—that is, installations that are near the end of their useful life—and said, “We’re going to have a commission to look into this.” That was exactly what the Chancellor announced in the Budget last year, apart from saying that we would have a commission. If the Government had done it last year, they would not need a commission this year. I know that this is a technical matter, but the Government need to get themselves in gear and make these changes so that the assets can be transferred from the big player who has other things to focus on to a new player coming into the industry who can make the most of the asset and ensure that as much oil and gas is extracted from the field as possible. I appreciate that the Government are having a commission, although I would rather that they had done it last year. We will be absolutely on board in supporting this change happening as soon as possible.

Clause 71

SOFT DRINKS INDUSTRY LEVY

Question proposed, That the clause stand part of the Bill.

The Chairman of Ways and Means (Mr Lindsay Hoyle): With this it will be convenient to discuss the following:

Clauses 72 to 75 stand part.

Amendment 2, in clause 76, page 81, line 15, leave out paragraph (a).

Amendment 3, page 81, line 20, leave out subsection (2).

Clauses 76 to 107 stand part.

That schedules 20 to 23 be schedules to the Bill.

Jane Ellison: Clauses 71 to 107 contain provisions for a new tax called the soft drinks industry levy to be introduced from April 2018. This is a key pillar in the Government’s childhood obesity plan, and it has been welcomed by a wide range of public health experts and campaigners. Tackling obesity is a national challenge—indeed, an international challenge. The UK has one of the highest obesity rates in the developed world, and childhood obesity in particular is a major concern.

Today nearly a third of children aged two to 15 are overweight or obese, and we know that many of these children will go on to become obese adults. Obesity drives disease, as we are reminded at the moment as we
come through Westminster underground station by the Cancer Research UK posters. It increases the risk of heart disease, type 2 diabetes, stroke, and some cancers. The NHS spends over £6 billion a year across the UK in dealing with obesity-related costs, and the overall costs to our economy are estimated at between £27 billion and £46 billion a year. This cannot go on.

Health experts have identified sugary drinks as one of the biggest contributors to childhood obesity and a source of empty calories. A 330 ml can of full-sugar cola typically contains nine teaspoons of sugar. Some popular drinks have as many as 13 teaspoons. This can be more than double a child’s daily recommended added sugar intake in just a single can of drink. The Government recognise that this is a problem, and so have many others, with over 60 public health organisations calling for a tax on sugary drinks and many thousands signing a petition in favour. I am delighted that this issue has also received a high level of cross-party support.

Indeed, some soft drinks producers had recognised that sugar levels in their drinks were a problem too, and had started to reduce the sugar content, move consumers towards diet and sugar-free variants, and reduce portion sizes for high-sugar beverages. Nevertheless, reducing the added sugar in soft drinks is now a public health priority, and this new levy is needed to speed up the process. It is specifically designed to encourage the industry to move faster. We gave the industry two years to make progress on this before the levy begins, and we can see that it is already working. Since the Government announced the levy last March, a number of major producers have accelerated their work to reformulate sugar out of their soft drinks and escape the charge. These include Tesco, which has already reformulated its whole range of own-brand soft drinks so that they will not pay the levy. Similar commitments have come from the makers of Lucozade and Ribena, and the maker of Irn-Bru, A. G. Barr. In fact, we now expect more than 40% of all drinks that would otherwise have been in scope to have been reformulated by the introduction of the levy. We see international action too. In recent months, countries such as Ireland, Spain, Portugal, and £415 million to be invested in a new healthy pupils capital programme. The devolved Administrations will receive Barnett funding in the usual way. The Secretary of State for Education has made recent announcements about how some of the money will be spent, particularly on the healthy pupils capital programme.

The levy has shown that the Government mean business when it comes to reducing hidden sugar in everyday food. That willingness to take bold action underpins another part of our childhood obesity plan, namely Public Health England’s sugar reduction programme, which is a groundbreaking programme of work with industry to achieve 20% cuts in sugar by 2020 across the top nine food categories that contribute the most to children’s sugar intake. It has been acknowledged, not least by industry, that that is a challenging target, but one that industry committed to working with Government to achieve. The sugar reduction programme will cover some of the drinks products that are not part of the levy, such as milk-based drinks. The programme is already bearing fruit: there have been announcements and commitments to reduce the levels of sugar in some of the products.

I know that some would like the levy to go further. In particular, the hon. Member for Aberdeen North (Kirsty Blackman) has tabled amendments 2 and 3, which would remove the exclusion from the levy of high milk content drinks containing at least 75% milk. We oppose those amendments. Milk and milk products are a source of protein, calcium, potassium, phosphorous and iodine, as well as vitamins B2 and B12. One in five teenage girls do not get enough calcium in their diet, and the same is true for one in 10 teenage boys. It is essential for children’s health that they consume the required amount of those nutrients, which aid bone formation and promote healthy growth as part of a balanced diet. Health experts agree that the naturally occurring sugars in milk are not a concern from an obesity perspective, and they are not included in the definition of free sugars, which Public Health England now applies.

Of course, we want milk-based drinks to contain less added sugar, so they will be part of Public Health England’s sugar reduction programme. Producers of the drinks will be challenged and supported to reduce added sugar content by 20% by 2020. Public Health England has committed to publishing a detailed assessment of the food and drink industry’s progress against the 20% target in March 2020, and today I make a commitment to the House that we will also review the exclusion of milk-based drinks in 2020, based on the evidence from Public Health England’s assessment of producers’ progress against their sugar reduction targets. In the light of that assurance, I urge hon. Members to reject amendments 2 and 3, and allow us to review the evidence in 2020, two years after the levy has begun, and to decide at that point whether milk-based drinks should be brought within scope.

Obesity is a problem that has been decades in the making and we are not going to solve it overnight. The soft drinks levy is not a silver bullet, but it is an important part of the solution. This Government’s childhood obesity plan, with the levy as its flagship policy, is the start of a journey and it marks a major step towards dealing with our national obesity crisis.

**Kirsty Blackman:** The Minister is absolutely correct about the huge amount of cross-party support for the general thrust of the soft drinks industry levy and the move towards tackling obesity, particularly childhood obesity. However, we are concerned that the levy does not go far enough and that the Government could have chosen to close certain loopholes when drafting the Bill.

The single biggest cause of preventable cancer is obesity. More than 18,100 cancers a year are associated with excess weight. Cancer Research says that sugary drinks are the No. 1 source of sugar for 11 to 18-year-olds, which is a pretty terrifying statistic, and I appreciate that the Government have chosen to take action.
I am concerned about the Government’s response on milk-based drinks and about the fact that they are excluded from the levy.

Joanna Cherry: Does my hon. Friend agree that the problem with omitting high-sugar milk-based drinks from the provisions is that parents may mistakenly think that they are healthier than soft drinks that are subject to the extra tax, when that is simply not the case?

Kirsty Blackman: My hon. and learned Friend is absolutely right. It is true, as the Minister has said, that milk-based drinks contain protein, calcium and other nutrients, but so does milk. Children could just drink milk without the added sugar. I do not think people realise quite how much added sugar there is in such products. The same is true of pasta sauce. When parents see a milkshake on the shelf, they do not realise that it could have as much sugar in it as a can of fizzy juice.

2.45 pm
The Faculty of General Dental Practice and the Health Committee have said that milk-based drinks should be included in the levy. Our amendments 2 and 3 would remove their exemption. I welcome the Government’s undertaking that they will review the situation in 2020, which is an improvement on their previous position. I appreciate that reasonable change and action.

Question put and agreed to.
Clause 71 accordingly ordered to stand part of the Bill.
Clauses 72 to 107 ordered to stand part of the Bill.

Clause 108
CARRYING ON A THIRD COUNTRY GOODS FULFILMENT BUSINESS

Question proposed, That the clause stand part of the Bill.

The Temporary Chair (Sir David Amess): With this it will be convenient to discuss the following:
Clauses 109 to 123 and 130 to 133 stand part.
Government amendments 5 to 9.
Clauses 134 and 135 stand part.
That schedules 24 to 26 be schedules to the Bill.

Jane Ellison: These are consequential amendments and I want to move them formally.

Kirsty Blackman: I appreciate the Government withdrawing the making tax digital provisions. I understand their commitment to making tax digital, but the changes are reasonable.

George Kerevan: With your indulgence, Sir David, I thought that this might be an appropriate moment to pay tribute to the outgoing right hon. Member for Chichester (Mr Tyrie), the Chair of the Treasury Committee, which has paid a lot of attention to making tax digital. There could be no more fitting tribute to the right hon. Gentleman leaving this House than the Government withdrawing the making tax digital provisions.

The Temporary Chair: That is certainly news to me, but the hon. Gentleman’s tribute is most appropriate and I thank him for it.

Jane Ellison: On a point of clarity, may I make it clear that the Government do not support clause 108? I apologise for not making that clear before. On making tax digital, I refer colleagues to my statement at the beginning of our debate on the first group.

Question put and negatived.
Clause 108 accordingly disagreed to.
Clauses 109 to 126 disagreed to.
Clause 127 ordered to stand part of the Bill.
Ordered,
That clause 127 be transferred to the end of clause 69.—(Jane Ellison.)
Clauses 128 to 133 disagreed to.

Clause 134
INTERPRETATION

Amendments made: 5, page 126, leave out line 17.
Amendment 6, page 126, leave out line 20.
Amendment 7, page 126, leave out lines 22 to 24.
Amendment 8, page 126, leave out line 30.
Amendment 9, page 127, leave out lines 1 and 2.—(Jane Ellison.)

Clause 134, as amended, ordered to stand part of the Bill.
Clause 135 ordered to stand part of the Bill.

Schedule 1
WORKERS’ SERVICES PROVIDED TO PUBLIC SECTOR THROUGH INTERMEDIARIES

Amendment made: 10, page 129, line 32, at end insert—
‘(3) Subsection (1) is subject to subsection (4).
(4) A primary-healthcare provider is a public authority for the purposes of this Chapter only if the primary-healthcare provider—
(a) has a registered patient list for the purposes of relevant medical-services regulations,
(b) is within paragraph 43A in Part 3 of Schedule 1 to the Freedom of Information Act 2000 (providers of primary healthcare services in England and Wales) by reason of being a person providing primary dental services,
(c) is within paragraph 51 in that Part of that Schedule (providers of healthcare services in Northern Ireland) by reason of being a person providing general dental services, or
(d) is within paragraph 33 in Part 4 of Schedule 1 to the Freedom of Information (Scotland) Act 2002 (providers of healthcare services in Scotland) by reason of being a person providing general dental services.

(5) In this section—
“primary-healthcare provider” means an authority that is within subsection (1)(a) or (b) only because it is within a relevant paragraph, “relevant paragraph” means—
(a) any of paragraphs 43A to 45A and 51 in Part 3 of Schedule 1 to the Freedom of Information Act 2000, or
(b) any of paragraphs 33 to 35 in Part 4 of Schedule 1 to the Freedom of Information (Scotland) Act 2002, and “relevant medical-services regulations” means any of the following—
(a) the Primary Medical Services (Sale of Goodwill and Restrictions on Sub-contracting) Regulations 2004 (S.I. 2004/906);
(b) the Primary Medical Services (Sale of Goodwill and Restrictions on Sub-contracting) (Wales) Regulations 2004 (S.I. 2004/1017),
(c) the Primary Medical Services (Sale of Goodwill and Restrictions on Sub-contracting) (Scotland) Regulations 2004 (S.S.I. 2004/162), and
(d) the Primary Medical Services (Sale of Goodwill and Restrictions on Sub-contracting) Regulations (Northern Ireland)2004(S.R. (N.I.) 2004 No. 477).

(6) The Commissioners for Her Majesty’s Revenue and Customs may by regulations amend this section in consequence of—
(a) any amendment or revocation of any regulations for the time being referred to in this section,
(b) any amendment in Part 3 of Schedule 1 to the Freedom of Information Act 2000, or
(c) any amendment in Part 4 of Schedule 1 to the Freedom of Information (Scotland) Act 2002.‘—(Jane Ellison.)

Schedule 1, as amended, agreed to.

Schedule 2
Optional Remuneration Arrangements
Amendments made:
11, page 160, line 14, at end insert—
“(1) section 307 (death or retirement provision), so far as relating to provision made for retirement benefits;”

12, page 160, line 26, at end insert—
‘(1) In subsection (5) “retirement benefit” has the meaning that would be given by subsection (2) of section 307 if “or death” were omitted in both places where it occurs in that subsection.”—(Jane Ellison.)

Schedule 2, as amended, agreed to.

Schedule 3
Overseas Pensions
Amendments made: 13, page 166, line 18, leave out from beginning to “in” in line 23 and insert—
“(a) that, in the case of any money purchase arrangement relating to a member of the fund that is not a cash balance arrangement, no contributions are made under the arrangement on or after 6 April 2017;
(aa) that, in the case of any cash balance arrangement relating to a member of the fund, there is no increase on or after 6 April 2017 in the value of any person’s rights under the arrangement;
(b) that, in the case of any defined benefits arrangement relating to a member of the fund, there is no increase on or after 6 April 2017 in the value of any person’s rights under the arrangement; and
(c) that, in the case of any arrangement relating to a member of the fund that is neither a money purchase arrangement nor a defined benefits arrangement—
(i) no contributions are made under the arrangement on or after 6 April 2017, and
(ii) there is no increase on or after 6 April 2017.”

14, page 166, line 24, at end insert—
‘(6AA) For the purposes of subsection (6A)(aa)—
(a) whether there is an increase in the value of a person’s rights is to be determined by reference to whether there is an increase in the amount that would, on the valuation assumptions, be available for the provision of benefits under the arrangement to or in respect of the person (and, if there is, the amount of the increase), but
(b) in the case of rights that accrued to a person before 6 April 2017, ignore increases in the value of the rights if in no tax year do they exceed the relevant percentage.’

Amendment 15, page 166, line 30, leave out “ignore increases in the value of a person’s” and insert
“in the case of rights that accrued to a person before 6 April 2017, ignore increases in the value of the”

16, page 166, line 31, at end insert—
‘(6BA) For the purposes of subsection (6A)(c)(ii), regulations made by the Commissioners for Her Majesty’s Revenue and Customs may make provision—
(a) for determining whether there is an increase in the value of a person’s rights,
(b) for determining the amount of any increase, and
(c) for ignoring the whole or part of any increase; and
regulations under this subsection may make provision having effect in relation to times before the regulations are made.’

Amendment 17, page 166, line 32, leave out “subsection (6B)(b)” and insert “this section”.

18, page 167, leave out lines 5 to 7.

19, page 167, line 8, after “subsection” insert “(6BA) or”.

20, page 167, line 10, leave out from “(7)” to end of line 16 and insert—
‘(a) for “In this section—” substitute “For the purposes of this section—
arrangement’, in relation to a member of a superannuation fund, means an arrangement relating to the member under the fund;

a money purchase arrangement relating to a member of a superannuation fund is a ‘cash balance arrangement’ at any time if, at that time, all the benefits that may be provided to or in respect of the member under the arrangement are cash balance benefits;

an arrangement relating to a member of a superannuation fund is a ‘defined benefits arrangement’ at any time if, at that time, all the benefits that may be provided to or in respect of the member under the arrangement are money purchase benefits;

‘cash balance benefits’, ‘defined benefits’ and ‘money purchase benefits’ have the meaning given by section 152 of the Finance Act 2004, but for this purpose reading references in that section to a pension scheme as references to a superannuation fund;

member’, in relation to a superannuation fund, has the meaning given by section 151 of the Finance Act 2004, but for this purpose reading references in that section to a pension scheme as references to a superannuation fund;”;

(b) at the end insert—
‘the valuation assumptions’ has the meaning given by section 277 of the Finance Act 2004.’

21, page 167, line 16, at end insert—
(11) Where the conditions in subsection (6)(a) to (c) are met in the case of a superannuation fund (“the actual fund”)—

(a) any disqualifying contributions made under an arrangement relating to a member of the actual fund are treated for the purposes of the Income Tax Acts as instead being an increase under an arrangement relating to the member under a separate superannuation fund (“the shadow fund”) for the actual fund,

(b) any disqualifying increase in the value of a person’s rights under an arrangement relating to a member of the actual fund is treated for the purposes of the Income Tax Acts as instead being an increase under an arrangement relating to the member under the shadow fund for the actual fund, and

(c) any reference in this or any other Act (including the reference in subsection (3) and any reference enacted after the coming into force of this subsection) to a fund, or superannuation fund, to which subsection (3) applies does not include so much of the actual fund as—

(i) represents any contribution treated as made under, or any increase in the value of any rights treated as an increase under, the shadow fund of the actual fund or the shadow fund of any other superannuation fund, or

(ii) arises, or (directly or indirectly) derives, from anything within sub-paragraph (i) or this sub-paragraph.

(12) For the purposes of subsection (11) a contribution, or an increase in the value of any rights, is “disqualifying” if it would (ignoring that subsection) cause the benefit accrual condition not to be met in the case of the actual fund.

(13) For the purposes of the provisions of this section relating to the benefit accrual condition, where there is a recognised transfer—

(a) any transfer of sums or assets to the recipient fund by the recognised transfer is to be categorised as not being “a contribution” to the recipient fund, and

(b) any increase in the value of rights under the recipient fund that occurs at the time of the recognised transfer is to be treated as not being an increase in that value if the increase is solely a result of the transfer effected by the recognised transfer.

(14) For the purposes of subsection (13), where there is a transfer such that sums or assets held for the purposes of, or representing accrued rights under, an arrangement relating to a member of a superannuation fund (“the transferor fund”) are transferred so as to become held for the purposes of, or to represent rights under, an arrangement relating to that person as a member of another superannuation fund, the transfer is a “recognised transfer” if—

(a) the conditions in subsection (6)(a) to (c) are met in the case of each of the funds, and

(b) none of the sums and assets transferred—

(i) represents any contribution treated as made under, or any increase in the value of any rights treated as an increase under, the shadow fund of the transferor fund or the shadow fund of any other superannuation fund, or

(ii) arises, or (directly or indirectly) derives, from anything within sub-paragraph (i) or this sub-paragraph.

Amendment 22, page 167, line 19, leave out sub-paragraphs (6) to (8).

Amendment 23, page 169, line 13, leave out “Subsection (4) does not” and insert “Subsections (7A) and (7B)”.

Amendment 24, page 169, line 20, at end insert—

(7A) If the lump sum is wholly in respect of rights which have accrued on or after 6 April 2017, there is no reduction under subsection (4).

(7B) If the lump sum is wholly or partly in respect of rights which accrued before 6 April 2017, the amount of any reduction under subsection (4) is given by—

\[ R \times A/LS \]

where—

A is so much of the lump sum as is in respect of rights which accrued before 6 April 2017,

LS is the amount of the lump sum, and

R is the amount which (ignoring this subsection) is given by subsection (4) as the amount of the reduction.

Amendment 25, page 170, line 22, at beginning insert—

“Where the lump sum is paid under a pension scheme that was an employer-financed retirement benefits scheme immediately before 6 April 2017, deduct so much of the lump sum left after Step 1 as is deductible in accordance with subsection (5A).”

Where the lump sum is paid otherwise than under such a scheme.

Amendment 26, page 170, line 23, leave out “rights, which accrued before 6 April 2017,” and insert—

“the value immediately before 6 April 2017 of rights, accrued by then.”

Amendment 27, page 170, line 39, at end insert—

(5A) These rules apply for the purposes of the first sentence of Step 2—

(a) “the post-Step 1 amount” means so much of the lump sum as is left after Step 1;

(b) “the relevant amount” means so much of the post-Step 1 amount as is paid in respect of rights specifically to receive benefits by way of lump sum payments;

(c) “reckonable service” means service in respect of which the rights to receive the relevant amount accrued (whether or not service in the same employment or with the same employer, and even if the rights originally accrued under a different employer-financed retirement benefits scheme established in or outside the United Kingdom);

(d) “pre-6 April 2017 reckonable service” means reckonable service that is service before 6 April 2017;

(e) “pre-6 April 2017 reckonable foreign service” means pre-6 April 2017 reckonable service that is foreign service;

(f) the deductible amount is the value immediately before 6 April 2017 of the rights then accrued to payment of so much of the relevant amount as is paid in respect of pre-6 April 2017 reckonable service if—

(i) at least 75% of pre-6 April 2017 reckonable service is made up of foreign service, or

(ii) the period of pre-6 April 2017 reckonable service exceeds 10 years and the whole of the last 10 years of that period is made up of foreign service, or

(iii) the period of pre-6 April 2017 reckonable service exceeds 20 years and at least 50% of that period, including any 10 of the last 20 years, is made up of foreign service;

(g) otherwise, the deductible amount is the appropriate fraction of the value immediately before 6 April 2017 of the rights then accrued to payment of so much of the relevant amount as is paid in respect of pre-6 April 2017 reckonable service;

(h) “the appropriate fraction” is given by—

F/R

where—

F is the period of pre-6 April 2017 reckonable foreign service, and

R is the amount which (ignoring this subsection) is given by subsection (4) as the amount of the reduction.”

(5B) These rules apply for the purposes of the second sentence of Step 2—

(6) Where the lump sum is paid otherwise than under a pension scheme that was an employer-financed retirement benefits scheme immediately before 6 April 2017, deduct so much of the lump sum left after Step 1 as is deductible in accordance with subsection (5B). Where the lump sum is paid otherwise than under such a scheme.

Amendment 28, page 171, line 25, at beginning insert—

“Where the lump sum is paid under an arrangement relating to a member under a separate superannuation fund (“the transferor fund”), the transferor fund or the shadow fund of any other superannuation fund, or any increase in the value of any rights treated as instead made under an arrangement relating to a member under a separate superannuation fund (“the actual fund” or the shadow fund of any other superannuation fund),”

(6A) Where the lump sum is paid otherwise than under such a scheme.

Amendment 29, page 171, line 26, at beginning insert—

“Where the lump sum is paid under a pension scheme that was an employer-financed retirement benefits scheme immediately before 6 April 2017, deduct so much of the lump sum left after Step 1 as is deductible in accordance with subsection (5B). Where the lump sum is paid otherwise than under such a scheme.”

Step 1 as is deductible in accordance with subsection (5B).
R is the period of pre-6 April 2017 reckonable service.

Amendment 28, page 170, line 42, at end insert—

“foreign service” has the meaning given by section 395C.

Amendment 29, page 171, line 17, at end insert—

‘Relief from tax under Part 9 of ITEPA 2003 not to give rise to tax under other provisions

13 (1) In section 393B(2)(a) of ITEPA 2003 (tax on benefits under employer-financed retirement benefit schemes: “relevant benefits” do not include benefits charged to tax under Part 9), after “646E” insert “or any deductions under section 574A(3)”.

(2) The amendment made by this paragraph has effect in relation to benefits by way of lump sums paid on or after 6 April 2017.”—(Jane Ellison.)

Schedule 3, as amended, agreed to.

Schedule 4

PENSIONS: OFFSHORE TRANSFERS

Amendments made: 30, page 172, line 23, after “sub-paragraph” insert “(6C) or”.

Amendment 31, page 174, line 21, at end insert—

‘(4A) In sub-paragraph (4) (power to specify whether payments by scheme are referable to relevant transfer fund), after “payments or transfers made (or treated as made) by” insert “or other things done by or to or under or in respect of or in the case of,”.’

Amendment 32, page 176, line 28, leave out “with the next 5” and insert—“immediately before the next 6”.

Amendment 33, page 177, line 1, leave out “with the next 5” and insert—

“immediately before the next 6”.

Amendment 34, page 178, line 8, leave out “for the purposes of sections 244L and 254”.

Amendment 35, page 178, line 28, leave out “for the purposes of sections 244L and 254”.

Amendment 36, page 178, line 48, leave out “for the purposes of sections 244L and 254”.

Amendment 37, page 179, line 18, leave out “for the purposes of sections 244L and 254”.

Amendment 38, page 180, line 19, leave out “was” and insert “has been”.

Amendment 39, page 180, line 21, leave out “was” and insert “has been”.

Amendment 40, page 183, line 17, leave out from beginning to fourth “the”.

Amendment 41, page 184, leave out lines 30 to 38.

Amendment 42, page 188, line 8, at end insert—

“17A In Schedule 32 (benefit crystallisation events: supplementary provision), after paragraph 2 insert—

Avoiding double counting of refunded amounts of overseas transfer charge

2A (1) This paragraph applies where an amount of overseas transfer charge is repaid (whether or not under section 244M) to the scheme administrator of one of the relevant pension schemes.

(2) The amount crystallised by the first benefit crystallisation event that occurs in respect of the individual and a benefited scheme after receipt of the repayment is to be reduced (but not below nil) by the amount of the repayment.

(3) If the amount of the repayment exceeds the reduction under sub-paragraph (2), the excess is to be set sequentially until exhausted against the amounts crystallised by subsequent benefit crystallisation events occurring in respect of the individual and a benefited scheme.

(4) In sub-paragraphs (2) and (3) “benefited scheme” means—

(a) the scheme to which the repayment is made, and

(b) any other pension scheme if as a result of a recognised transfer, or a chain of two or more recognised transfers, sums or assets representing the repayment are held for the purposes of, or represent rights under, that other scheme.”

Amendment 43, page 188, line 38, at end insert—

‘(1A) In those Regulations, after regulation 13 insert—

“14 Claims for repayments of overseas transfer charge

(1) This regulation applies where the scheme administrator of a registered pension scheme becomes aware that the scheme administrator may be entitled to a repayment under section 244M of the Act in respect of overseas transfer charge on a transfer.

(2) The scheme administrator must, no later than 60 days after the date on which the scheme administrator becomes aware of that, make a claim for the repayment to the Commissioners for Her Majesty’s Revenue and Customs.

(3) The claim must provide the following information—

(a) the member’s name, date of birth and principal residential address,

(b) the date of the transfer and, if different, the date of the event triggering payability of the charge on the transfer,

(c) the date on which the scheme manager accounted for the charge on the transfer,

(d) why the charge on the transfer has become repayable, and

(e) the amount in respect of which the claim is made.

(4) In a case where the 60 days mentioned in paragraph (2) ends with a day earlier than 14 November 2017, paragraph (2) is to be treated as requiring the claim to be made no later than 14 November 2017.”

Amendment 44, page 188, line 39, leave out “this paragraph” and insert “sub-paragraph (1)”.

Amendment 45, page 188, line 42, at end insert—

“( ) The amendment made by sub-paragraph (1A) is to be treated as having been made by the Commissioners for Her Majesty’s Revenue and Customs under the powers to make regulations conferred by section 244M(8) of FA 2004.”

Amendment 46, page 190, line 3, at end insert—

‘(4A) In regulation 3(3)(a) (reporting duty under regulation 3(2) expires after 10 years from creation of relevant transfer fund), after “beginning” insert “—

(i) if the payment is in respect of one or more of the relevant member’s ring-fenced transfer funds, or (as the case may be) the later of the key dates for those funds, and

(ii) if the payment is not to any extent in respect of the relevant member’s ring-fenced transfer funds,”.

Amendment 47, page 191, line 26, after “take” insert “place”.

Amendment 48, page 192, line 26, at end insert—

“3AEA Information provided by member to QROPS: inward and outward transfers

(1) Paragraph (2) applies where—

(a) a recognised transfer or onward transfer is made to a QROPS, or an onward transfer is made by a QROPS or former QROPS, and

(b) either—

(i) the overseas transfer charge arises in the case of the transfer, or

(ii) the transfer is required by section 244B or 244C to be initially assumed to be excluded from the overseas transfer charge by that section.”
(2) Each time during the relevant period for the transfer that the member—
(a) becomes resident in a country or territory, or
(b) ceases to be resident in a country or territory,

the member must, within 60 days after the date that happens, inform the scheme manager of the QROPS or former QROPS that it has happened.

(3) In a case where the 60 days mentioned in paragraph (2) ends with a day earlier than 30 June 2017, paragraph (2) is to be treated as requiring the information to be given no later than 30 June 2017.”

Amendment 49, page 194, line 23, at end insert—
“3AK Claims for repayments of charge on subsequent excluding events

(1) Repayment under section 244M (repayments of overseas transfer charge) to the scheme manager of a QROPS or former QROPS is conditional on making a claim to HMRC.

(2) Such a claim in respect of overseas transfer charge on a transfer—
(a) must be in writing,
(b) must be made no later than 12 months after the end of
the relevant period for the transfer, and
(c) must provide the following information—
(i) the member’s name, date of birth and principal residential address,
(ii) the date of the transfer and, if different, the date of
the event triggering payability of the charge on the transfer,
(iii) the date on which the scheme manager accounted for the charge on the transfer,
(iv) why the charge on the transfer has become repayable, and
(v) the amount in respect of which the claim is made.”

Amendment 50, page 194, line 38, leave out “regulation 3AE(1) to (5)” and insert—
“regulations 3AE(1) to (5) and 3AEA”.

Amendment 51, page 195, line 3, at end insert
“,” and

( ) are, so far as they insert new regulation 3AK, to be treated as having been made by the Commissioners under the powers to make regulations conferred by section 244M(8) of FA 2004.”

Amendment 52, page 196, line 28, leave out “potentially excluded” and insert “overseas”.

Amendment 53, page 196, line 32, at beginning insert
“either—

(i) the overseas transfer charge arises in the case of the
transfer, or

(ii) “

Amendment 54, page 196, line 4, at end insert—
“(3) In a case where the 60 days mentioned in paragraph (2) ends with a day earlier than 30 June 2017, paragraph (2) is to be treated as requiring the information to be given no later than 30 June 2017.”

Amendment 55, page 198, line 41, after “Regulations,” insert—
“and the amendments in regulation 11BA of the Registered Pension Schemes (Provision of Information) Regulations 2006;”

Amendment 56, page 198, line 46, at end insert—
“if it would otherwise be considered for those purposes as charged in an earlier period.”—(Jane Ellison.)

Schedule 4, as amended, agreed to.
Schedules 5 and 6 disagreed to.
Schedule 7 agreed to.
Schedules 8 to 15 disagreed to.

Schedule 16

EMPLOYMENT INCOME PROVIDED THROUGH THIRD PARTIES

Amendment made: 57, page 607, line 18, leave out from “‘step’)” to ‘insert’ in line 19 and insert ‘at the end’.—(Jane Ellison.)

Schedule 16, as amended, agreed to.

Schedules 17 and 18 disagreed to.
Schedule 19 to 23 agreed to.
Schedules 24 to 29 disagreed to.
The Deputy Speaker resumed the Chair.

Bill, as amended, reported.
Bill, as amended in the Committee, considered.

Madam Deputy Speaker (Mrs Eleanor Laing): Order.
Under the Order of the House of yesterday, we shall now move to the remaining stages, with no amendments on consideration. I shall now suspend the House for no more than five minutes in order to make a decision about certification. The Division bells will be rung two minutes before the House resumes. Following my certification, the Government will table the appropriate consent motion, copies of which will be made available in the Vote Office and distributed by the Doorkeepers.

2.55 pm

Sitting suspended.

3.1 pm

On resuming—

Madam Deputy Speaker (Mrs Eleanor Laing): I can now inform the House of my decision about certification. For the purposes of Standing Order No. 83L(2), I have certified clause 2 of the Finance (No. 2) Bill as relating exclusively to England, Wales and Northern Ireland and within devolved legislative competence. Under Standing Order No. 83L(4), I have also certified the following amendment as relating exclusively to England, Wales and Northern Ireland—the omission of clause 60 of the Bill in Committee of the whole House. Copies of my certificate are available in the Vote Office and on the parliamentary website.

Under Standing Order Nos. 83M and 83S, a consent motion is therefore required for the Bill to proceed. Copies of the motion are available in the Vote Office and have been made available to Members in the Chamber. Does the Minister intend to move the consent motion?

Jane Ellison indicated assent.

The House forthwith resolved itself into the Legislative Grand Committee (England, Wales and Northern Ireland) (Standing Order No. 83 M).

[Mrs Eleanor Laing in the Chair]

The First Deputy Chairman of Ways and Means (Mrs Eleanor Laing): The consent motion for England, Wales and Northern Ireland will now be considered. I remind hon. Members that all Members may speak in the debate, but if there is a Division, only Members representing constituencies in England, Wales and Northern Ireland may vote on the consent motion.
Resolved,

That the Committee consents to the following certified clauses of the Finance (No. 2) Bill and certified amendments made by the House to the Bill—

Clauses certified under Standing Order No. 83L(2) (as modified in it is application by Standing Order No. 83S(4)) as relating exclusively to England, Wales and Northern Ireland and being within devolved legislative competence

Clause 2 of the Bill (Bill 156).

Amendment certified under Standing Order No. 83L(4) (as modified in it is application by Standing Order No. 83S(4)) as relating exclusively to England, Wales and Northern Ireland

The omission in Committee of Clause 60 of the Bill (Bill 156).—[Jane Ellison.]

Question agreed to.

The occupant of the Chair left the Chair to report the decision of the Committee (Standing Order No. 83M(6)).

The Deputy Speaker resumed the Chair; decision reported.

Third Reading

3.4 pm

Jane Ellison: I beg to move, That the Bill be now read the Third time.

Before I briefly comment in summary of the Bill, may I beg your indulgence, Madam Deputy Speaker, in making some remarks about a couple of colleagues?

The right hon. Member for Oxford East (Mr Smith) was present earlier and made a valedictory speech. I referred to that in my subsequent speech, but I was not then in a position to mention his record of service to the country. Not only has he been a parliamentarian since 1987, but he was a Minister of State for Education and Employment between 1997 and 1999. Chief Secretary to the Treasury between 1999 and 2002 and, indeed, Secretary of State for Work and Pensions between 2002 and 2004. He is no longer in his place, but I ask his party’s Front-Bench spokesperson to convey my sentiments to him and to draw to his attention the fact that I—on behalf of the Government and, I am sure, of all colleagues—have placed on record our thanks for his service to the country as a Minister during that period.

With the House’s indulgence, I will pay tribute to a second Member. I have very recently been informed that my right hon. Friend the Member for Chichester (Mr Tyrie) is not seeking re-selection at this election, so I want to make a few comments about him. He has been the MP for Chichester since 1997. He is a former adviser to Nigel Lawson—Lord Lawson—when he was Chancellor, as he was to John Major when he was Chancellor. Members may be aware that my right hon. Friend was a senior economist at the European Bank for Reconstruction and Development before he entered Parliament. He is of course a very senior parliamentarian, and when we moved to electing our Select Committee Chairs, it was no surprise that he was elected overwhelmingly by the House with cross-party support. In recent times, he has served in one of the most senior positions in Parliament, if not the most senior position, as Chairman of the Liaison Committee. In all those roles across his life of public service, governmental service and service to this House, he has been enormously distinguished, and I think I speak for everyone in saying that he is very well liked. I have known him during the years I have been in Parliament, but as a Treasury Minister, I have of course come to know him better in recent months. Indeed, I have responded to his letters on many occasions, and discussed them with him on the sidelines on many other occasions. Throughout those dealings, I have seen all his experience and qualities being brought to bear. I just want to say that to me, as a Minister, he has been kind and wise, and I will miss him enormously.

To move on to my Third Reading speech, the economy is fundamentally strong, and with this Finance Bill we are taking yet another step forward in building a stronger economy and a healthier society. As we have discussed, the Bill is proceeding on the basis of consensus. A number of key policy changes to the tax system, such as measures to tackle tax avoidance, are not being proceeded with now, but will be brought forward in a Finance Bill at the first opportunity after the election.

Even in its shortened form, the Bill takes action in three areas that have been consistent priorities for us in making changes to the tax system. First, the measures in this Bill take further action to reduce the deficit and secure the nation’s public finances, and the Bill raises much-needed revenue to fund the public services we all value. Secondly, the Bill takes the next steps to achieve this Government’s aim of a fairer and more sustainable tax system. It makes it clear that the tax system must keep pace with the different ways in which people choose to work, and ensure fair treatment between individuals. It also demonstrates our continued commitment to tackling tax avoidance and evasion to level the playing field for the honest majority of businesses and individuals who pay the tax they owe. Finally—this cause is particularly close to my heart, as a former Minister for Public Health—the Bill marks an important step in tackling childhood obesity by legislating for the soft drinks industry levy. As I noted earlier, we have achieved a great deal of cross-party consensus on the levy, which will help to deliver a brighter and healthier future for our children. I am delighted that we will be able to put it on the statute book.

In conclusion, this Finance Bill supports our commitment to a fair and sustainable tax system, one that offers support for our critical public services and will get the country back to living within its means. In that regard, it sits with this Government’s long-term commitment to improving the strength of our economy, and I commend it to the House.

Madam Deputy Speaker (Mrs Eleanor Laing): Before I call the Opposition spokesman, may I echo on behalf of the whole House the Minister’s kind words about the right hon. Members for Oxford East (Mr Smith) and for Chichester (Mr Tyrie)? We extend those kind words to all other hon. Members who have taken part in the debates on this Bill and many similar Bills assiduously and brilliantly on behalf of their constituents, and who will not be here during the next Parliament. The whole House wishes them all very well indeed.

3.10 pm

Peter Dowd: I absolutely concur with the comments that you have just made, Madam Deputy Speaker, and that the Minister made about my right hon. Friend the
Member for Oxford East (Mr Smith) and the right hon. Member for Chichester (Mr Tyrie). May I comment on my hon. Friend the Member for Wolverhampton South West (Rob Marris), who is also leaving the House? It seems to me that some people have got time off for good behaviour.

May I just make a point about my hon. Friend the Member for Ealing North (Stephen Pound) and the Perivale scout group? He was very concerned about the insurance premium tax. I do not think he won on that point, but he has won on the sugar tax, which will save the teeth of the scout group. Good news for teeth; bad news for dentists, I suspect.

I alluded earlier to the fact that, as far as I could gather, this was the longest Finance Bill to be presented to the House. It had 135 clauses and 792 pages. It had clauses on pensions advice, overseas pensions, personal portfolio bonds, an employee shareholding scheme, an insurance premium tax, air passenger duty, duties in general, fraudulent evasion, digital reporting, data gathering and search powers, as well as umpteen schedules. Of course, each of the clauses and schedules has had some degree of scrutiny, but not necessarily the amount we would like, because the general election has rather unhelpfully intervened in our deliberations. But, as they say, that’s democracy. Scrutiny is the fundamental role of Parliament, so when we do not have enough time for that role, we need to ensure that measures are not simply pushed through willy-nilly. I do not think that they have been in this regard.

We must always have a balance between raising tax and the dampening effect that that can have on business and society. That can be a difficult balance to draw and I think it has been drawn pretty well today.

I have referred previously to the need to raise our game in relation to productivity in the economy. Higher productivity is a driver of economic growth. Whatever our position, I hope that, to some degree, the Bill will help to push up productivity growth.

On the soft drinks levy, to which the Minister referred, the primary school PE and sport premium will go up from £160 million to £320 million annually, there will be an extra £10 million for breakfast clubs and, of course, 57% of the public support the levy. The Obesity Health Alliance found that the levy could potentially save up to 144,000 adults and children from obesity; prevent 19,000 cases of type 2 diabetes; and avoid, as I alluded to, 270,000 decayed teeth. I welcome the Minister’s commitment to the review in a couple of years, based on the advice of Public Health England.

Some measures are no longer in the Bill, some will no doubt come back and we will bring some measures back before the House. We hope that those measures, in one way or another, will be scrutinised.

3.14 pm

Kirsty Blackman: Like this one, the debates today have tended to be fairly quiet, with not many of us speaking.

I echo the comments that have been made about the right hon. Members for Chichester (Mr Tyrie) and for Oxford East (Mr Smith) and the hon. Member for Wolverhampton South West (Rob Marris), with whom I had the pleasure of serving on the Finance Bill Committee last year. I was constantly impressed by his incredible knowledge about all the matters we discussed. I will be sorry to see him go from this place.

I have a few matters to raise on Third Reading. We have had a greatly curtailed debate on the Finance (No. 2) Bill this year. Obviously, we will see a new Finance Bill in the next Session, but this Bill has been one of the most bizarre things I have been part of since I was elected. Last Tuesday, we had Second Reading. On Tuesday morning, everything was going to proceed as normal with the Finance Bill. We were going to have two days of Committee of the whole House, something like six Public Bill Committee sittings and two days for Report stage and Third Reading. As it is, it has all been squashed into three hours or so, with the opportunity for it to last for five hours. It has been totally bizarre.

I appreciated receiving the Government’s notification that they would withdraw some things last night, but that was very little notice to allow us to go through all these matters properly and to work out exactly what the Government had and had not decided to proceed with. It has been difficult to operate under these circumstances and to provide the appropriate scrutiny, given the lack of time. The SNP has done its best. We have spoken on every group today and were the only party, other than the Government, to table amendments to the Bill. We have gone out of our way to provide scrutiny.

Before I talk about the provisions of the Bill, I want briefly to mention the way in which the Government tackle budgetary scrutiny, the way in which the Standing Orders are drafted and the way in which this House considers financial matters. In the past, I have raised at length the shortcomings of the estimates process. The Budget process is marginally better, but still not great.

I have mentioned a number of times the “Better Budgets” report. I absolutely back the call by the organisations that wrote that report for the Finance Public Bill Committee to have public hearings. It is really important for this House to do that. I would very much like whatever Government come in after 8 June to change the Standing Orders to allow hearings in the Public Bill Committee stage of the Finance Bill. That would make a really big difference to the level of scrutiny we are able to provide. I have heard the argument that the Treasury Committee hears evidence from members of the public. However, different individuals sit on the Treasury Committee and the Finance Bill Committee. I will keep making this call—the Minister knows that once I start bringing something up, I am not very good at letting it go—until the Government change the Standing Orders. I recognise that they were not put in place by this Government.

On the provisions of the Bill, I welcome the Government’s withdrawal of certain measures. I note the Government’s position on making tax digital, but I welcome their recognition that it is a contentious matter and that it would be better to bring it back following the general election. I welcome the withdrawal of the changes to the dividend threshold. We did not feel we had adequate time to scrutinise those changes and I appreciate the Government taking that measure out of the Bill.

We are less supportive of some matters that have made it to Third Reading. We still feel that the Government can do more on tax evasion. New clause 1 on tax evasion, which we tabled for debate today, asked the
Government to look at international comparators and
to bring back a full report on all the ways in which
international comparators are successful in tackling tax
evasion. I get that piecemeal work has been done on
this, but a full report would be incredibly helpful for the
UK Government to ensure that the right decisions are
taken to tackle tax evasion.

We are clear that there is still not enough protection
for whistleblowers. We are very indebted to individuals
who come forward and we would like to encourage
them to continue to do so. Anything the Government
can do on that would therefore be welcome.

On self-employment, last year’s Finance Bill made
some changes for those employed through intermediaries
and this year’s Finance Bill does the same. The Chancellor
proposed changes to national insurance, but then rowed
back on them. Those, however, are all piecemeal changes.
If the Government want to make changes, they need to
do them properly by looking at everything that affects
the taxation of self-employed individuals. They also
need to look at tax credits, so that self-employed individuals
are supported through childcare vouchers and so on.
Everything needs to be taken in the round, in addition
to pension entitlement, holiday entitlement and maternity
leave entitlement. A proper tax system needs to be put
in place to tax self-employed individuals appropriately
and provide them with appropriate benefits to encourage
them to aspire and to leave employment—or leave
unemployment—to begin their own businesses. The
more we do that, and the less we shift the goalposts, the
better situation we will be in.

The UK Government could do more to give confidence
to the oil and gas industry. I would very much like them
to look at changes to the tax regime on small pools.
They have said they are committed to backing the
maximising economic recovery strategy put in place by
Sir Ian Wood. However, they have not followed up on
that with enough measures. I do not feel that oil and gas
has been given the priority it should be given. Oil and
gas is incredibly important to the UK’s economy as a
whole, as well as to the economy of Scotland. It supports
a huge number of jobs in our communities, even though
there has been a massive reduction in the number of
those jobs in recent years.

I am not asking for the Government to significantly
reduce the rates of tax for oil and gas; I am asking them
to look at incentivising investment and to look at those
more difficult to reach pools. I am not asking for
massive tax giveaways. In fact, incentives for investing
in small pools would be a net benefit for the Government—it
would not cost them anything. I am not asking for an
amazing massive reduction in headline rates of tax; I
am asking the Government to listen to companies that
are coming forward and asking for small and reasonable
changes, some of which will increase, not decrease, the
UK Government’s tax take. I therefore ask the Government
to consider the amendments we have tabled and the
suggestions we are making.

I appreciate the changes—they are long overdue—the
UK Government hope to make in relation to late life
assets. The sooner the commission can report and the
change can be implemented the better. I would really
appreciate that coming forward quickly.

Regardless of which Government are elected, we will
have a new Budget and a new Finance Bill. We have not
seen from this Government in any discussion of finances,
nearly a year on from the Brexit referendum, an acceptance
of the effects Brexit will have on the UK Government’s
budget and tax take, on employment levels, on our
constituents’ jobs, on what businesses will come in and
on the level of investment that will be coming in. Nearly
a year on, we have not seen any recognition of any of
that. I hope that in the next Parliament, the new
Government will recognise the financial impact of Brexit
on household budgets and jobs. I hope we see real
changes that take into account the effects of Brexit.

3.24 pm

Rob Marris (Wolverhampton South West) (Lab): During
the coalition Government, fiscal policy was unnecessarily
tight and our constituents paid the price. After seven
years, we have moved to a position where, despite the
Prime Minister in her election campaign saying that
taxes will be lower under a Conservative Government—she
has not actually said lower than what—this year, on
projections which of course may or may not come to
pass, taxation as a percentage of national income is
likely to be at its highest ever level in peacetime. That is
not exactly a low-tax Government.

For the Government to try to pretend that they are a
low-tax Government is unfortunate during a general
election. It also leads to an unfortunate trend on both
sides of the House to talk about taxation as if it were an
evil in and of itself. Taxation pays for public services,
which all our constituents enjoy. I have no problem with
taxation that is fair and sustainable—the Minister talked
about that—and if we clamp down on tax avoidance. I
only wish that the outgoing Government and the incoming
Government, whoever they are, were more forceful on
the public register of beneficial ownership of offshore-held
accounts and funds, particularly since about half the
amount around the world, as far as we can tell, is held
in British overseas territories. The UK therefore has a
huge role to play. I salute the role the Conservative
Government have thus far played, but there is further to
go. I hope that an incoming Labour Government on
9 June will take it a lot further.

I have done seven or eight Finance Bills in my time in
this House. As some right hon. and hon. Members
can know, this will be my final speech to the House, as I am
retiring at the general election. I will be putting my feet
up in the garden and watching the rest of you work.
One has to try, as the right hon. Member for Chichester
(Mr Tyrie) always tried—he has rightly been praised in
this debate—to be realistic about what is going on.
What is going on is that, under the coalition Government
and the Conservative Government of the past two years,
inequality of income has fallen—that is true on the Gini
coefficient—and unemployment has fallen fantastically.
In round terms, employment is up by 2.75 million. That
is a fantastic achievement. About one in five of those
new jobs is a zero-hours contract and not all zero-hours
contracts are decried by those who have them. The
proportion of workers who are working part time has
hardly changed in seven years. There will be some who
are working part time who would prefer to work full
time, but many of those who are working part time,
including within that 2.75 million, choose to do so and
they should have the flexibility to do so.

The achievement on falling unemployment has, however,
been bought on a sea of debt. The national debt in
the past seven years has gone up by almost 70%. That is an
enormous amount in peace time in seven years. The deficit,
I have to say to this outgoing Government, is a bit like Gordon Brown’s golden rule—another can that kept getting kicked down the road—that Government borrowing should, on the economic cycle, be balanced. Gordon Brown, as Chancellor and Prime Minister, kept redefining what the economic cycle was to try to make his figures work out.

With this Government and the previous Government, the annual deficit, which is still enormous, is always going to be sorted out in five years’ time. I am not sure how many of my constituents believe that any more, particularly in a year when, I think I am right in saying, the Government of Greece, through measures that every Labour Member and many Government Member would find far too painful, socially disruptive and unacceptable—measures forced on them by the troika and the International Monetary Fund—are due to record a surplus on their current account.

Here we are, in the wealthy United Kingdom, with a Government who are saying, as did their predecessor Government over the preceding five years, “We want to get the deficit down, and we will get it down in five years or created nearly enough housing units in the UK. But who, on that measure, are doing far, far worse than the Government of Greece. It is an indictment of seven years of Conservative-led Government. My constituents have had the pain but not the gain. Inequality of wealth, in contradistinction to inequality of income, has increased very markedly in the past seven years. Not only do I find that distasteful as a socialist; as a citizen of the UK, I find it worrying, because if a society becomes too unequal, it carries a severe risk of social fracture.

We see that in the housing market. On current trends, many people will never have affordable housing. Those in the next generation who have it often have it because their parents or grandparents did as well and they have inherited a deposit or house from earlier generations in their family who owned property. That trend will lock in inequality into our society. Both sides of the House profess to decry and wish to address such inequality, but it will be locked in through the housing market because in the past 10 years, in particular, we have not built or created nearly enough housing units in the UK. It will have huge social implications when that trend creates rigid inequality that cannot be overcome, regardless of what we do on schooling, because it is locked in. Does someone inherit or not inherit a down payment on a house? That is very sad for a society in which average earnings—average incomes have risen because pensioner incomes have risen thanks to the triple lock—are still below what they were nine years ago before the crash.

That is not all the fault of the Government, who have taken some good steps, but they have not gone far enough. They are not even close to the cohesion and power for this country and bad for economic growth, because in a capitalist society, one way to drive productivity is through higher wages and a substitution of capital for labour. When we substitute capital for labour, very often—not in every case, but overall and very often—we get higher productivity.

We need to do more. The Government have taken some steps, but we on the Labour Benches do not think they have gone nearly far enough on productivity as it relates to technical training and upskilling the workforce. The Conservatives have come late to that party. We now have the target of 3 million apprentices, which might or might not be met, but if it is met, one fears it will be through redefining as “apprenticeships” courses and training schemes that many of us would not regard as such, to make the figures work—that is always a danger with targets. It is laudable, however, that the Government want to take policies from Labour and increase training, particularly technical training, in our economy, and the Bill will help in that regard.

Over the past seven years—this is not addressed in the Bill—infrastructure spending has been insufficient, but we have also had, and are having, inappropriate infrastructure spending. Unless there is a change of course, as I hope there will be, we will be spending about £60 billion or more on the HS2 railway line, which is a very bad allocation of capital for transport spending. We are five years overdue and massively over-budget, yet it is part of the Government’s approach to infrastructure spending. On the Labour Benches recognise that the Government have again started to borrow some of our policies, such as the possible cap on domestic energy prices, but they have not gone far enough on infrastructure spending and have lost their way on some of these big projects.

The final issue, mentioned by the hon. Member for Aberdeen North (Kirsty Blackman), is Brexit, which looms over us all and all our constituents but, surprisingly, not over the Bill. Before the referendum last summer, the Treasury was keen to put out projections of what is likely to happen with our economy—partly because we do not know what the Brexit package will be—but there are some signs of concern in the markets about Brexit. It was an entirely appropriate use of its resources by a Government whose official policy was to support it. It was an entirely appropriate use of its resources by a Government whose official policy was to support the United Kingdom remaining in the EU. We had all those projections, but since 23 June things have gone quiet. I appreciate that the UK, in round terms, is still 100 weeks away from leaving the EU, which makes it more difficult to come up with projections of what is likely to happen with our economy—partly because we do not know what the Brexit package will be—but there are some signs of concern in the markets about Brexit that I do not think are adequately reflected in the financial measures proposed by the outgoing Government, including the measures in the Bill. If the Government are re-elected—in my view, that would be unfortunate—they will have to get their act together and be a bit more public about where they see the economy going with Brexit.

As I said, I appreciate that that cannot easily be done given that we do not know what the final package will look like or whether it will be a hard Brexit with no package at all, but to reassure the markets and—just as
importantly—our constituents, whichever side of referendum they might have been on, the Government of the day, from 9 June, will have to be rather more open about the direction of travel and what they are doing to be proactive, rather than reactive, to the process of Brexit and its effect on the economy. That will be the case whatever the Government’s colour, because without that greater clarity the markets will be more concerned and more spooked, and our constituents will be more concerned and more worried, than they need to be. Of course nobody has a crystal ball, but it would help us all to have a few more projections than we hitherto have had.

Question put and agreed to.

Bill accordingly read the Third time and passed.
we debated the matter. That is because the Government might be challenged, not on the basis that the action was inappropriate, but on the basis that it did not promote the life sciences sector. Nevertheless, as I am sure all Members would agree, such action could be the right thing to do for the NHS, patients and taxpayers. The powers in the Bill that enable such action have received universal, cross-party support in both Houses.

Through debate on the issue in the other place, we have clarified that their lordships did not intend to undermine the core purposes of the Bill. Rather, the intent was to ensure a mechanism, laid out on the face of the Bill, to ensure that the Government pause to reflect on the impact of any proposed price control scheme on the life sciences industry and access to cost-effective medicines. With this clarity, the Government are now proposing amendments in lieu of Lords amendment 3B that will achieve that intent without undermining the core purpose of the Bill.

Consultation requirements prior to the implementation of any new statutory price control scheme for medicines are already set out in section 263 of the National Health Service Act 2006. Our amendment (b) in lieu would amend the 2006 Act to include particular factors that must be consulted on before proceeding with a new statutory scheme. They are:

(a) the economic consequences for the life sciences industry in the United Kingdom;
(b) the consequences for the economy of the United Kingdom;
(c) the consequences for patients to whom any health service medicines are to be supplied and for other health service patients.

The requirements are framed in that way to allow us not only to consider the economic consequences for the life sciences industry and for patients who may benefit from new medicines, but to balance those factors against wider considerations. I am sure the whole House can agree that while a thriving life sciences industry and access to new medicines are highly desirable, they must not come at any cost. It is the Government’s responsibility to achieve the right balance, and, indeed, to be held to account for it.

3.45 pm

As with any consultations, the Government must give all responses due consideration before finalising policy. Including those requirements in the Bill does not limit the scope of the consultation, but offers both Government and consultees an opportunity to give proper consideration to all relevant issues. The amendment relates specifically to section 263 of the National Health Service Act, which deals with the powers to put a statutory scheme in place for medicines. When action is being taken against a specific instance of high prices for an individual medicine, it would not be appropriate for it to be subject to such a wide-ranging consultation. In such cases, the Act already requires consultation with the appropriate industry body or bodies prior to exercise of the powers.

We believe that our amendment addresses the substance of the concerns raised by the hon. Member for Ellesmere Port and Neston (Justin Madders) at each stage of the Bill—I give him credit for consistency—and by Members in the other place. I therefore hope that the hon. Gentleman will welcome the amendments.

Justin Madders (Ellesmere Port and Neston) (Lab): I thank the Minister for approaching the outstanding areas of concern in a constructive and conciliatory manner that has allowed us to support the Government’s proposal, and hence to support the Bill as a whole. We too are keen for the NHS to gain better control of the cost of medicines. We are anxious to close loopholes in the system which have been the subject of blatant abuses over the last few years, and which we have discussed during the Bill’s passage. The negotiations on the amendments were, by their nature, speedy, but they were no less effective for that. I doubt that we will be so fortunate with the Brexit discussions in the future.

During the passage of the Bill, we have heard very clearly that the current state of affairs is not serving patients or the taxpayer as well as it could. As we have heard, expenditure on medicines has constituted a significant and growing proportion of the NHS budget, standing at £15.2 billion in England in 2015-16. That is an increase of over 20% since 2010-11. Had that been applied to health spending across the board, many of our exchanges across the Dispatch Box during the last 12 months or so might have been a little less lively.

The Minister will be aware, however, that despite that increase in spending, serious concerns are still being raised about the availability of new treatments. I should like to take a few moments to raise some of the specific concerns expressed by patients about the introduction by the National Institute for Health and Care Excellence and NHS England of a “budget impact test”, which could cause the introduction of new treatments costing more than £20 million a year to be delayed by up to three years. We fear that some patients with particular conditions will be disproportionately affected. Let us take just one condition: type 2 diabetes. There are several drugs for that condition that already cost the NHS more than £20 million a year owing to the patient numbers involved, including Exenatide, which costs £21 million, Liraglutide, which costs £41 million, Sitagliptin, which costs £77 million, and human analogue insulins, which cost £70 million.

Can the Minister tell us what estimate has been made of the number of patients in England who could be affected by delays in accessing treatments owing to the introduction of the budget impact test? Can he also comment on what impact that might have on patients’ right to treatment under the NHS constitution? We have already seen the 18-week commitment effectively abandoned; does the Minister now consider the constitution to be an optional extra? It is also of particular concern that the test could apply to important end-of-life drugs: in the case of those patients there is, of course, no time to waste. What can the Minister do to ensure that valuable time is not wasted when drugs hit the impact test for that group of patients?

Returning to the Government amendments, we are content that they take us to more or less the place that our previous amendments did, without binding the Government’s hands totally. We welcome the concessions made, which enable us to support this proposal, because by requiring the Secretary of State to consult, in particular on the consequences of enacting any powers on the life sciences sector and, most importantly, patients, we now have an extra safeguard that we hope will ensure that the right balance is struck between controlling cost, promoting our life sciences industry and making sure patients get access to new treatments as quickly as
possible. The Bill has always addressed the first of those three areas, but we consider it just as important for the other two areas to be clearly factors to be taken into account when new rules are developed. We believe this is important because we have significant concerns about the current system denying patients access to new treatments and stifling investment. As we have said previously, the imminent departure of the European Medicines Agency from our shores should be set against the worrying backdrop of investment in research and development in the sector falling by 20% in just over three years.

The reduction in investment does not just impact on growth and jobs in the country; it also has a profound impact on patients. The “International Comparisons of Health Technology Assessment” report published in August by Breast Cancer Now and Prostate Cancer UK shows that NHS cancer patients in the UK are missing out on innovative treatments that are becoming available. For every 100 European patients who can access new medicines in the first year that they are available, just 15 UK patients have the same access; we must reverse that. We hope that this amendment will go some way to reversing that trend, as a consultation process that requires the Secretary of State to specifically consider these issues will mean that if the consultation is genuine, open-minded and involves a complete, conscientious and considered examination of the responses to it, we will hopefully see a system that protects and supports our industry, and, most importantly, reaffirms one of the founding principles of the NHS: that treatment should be available to all and be free at the point of use. That is a principle that we on the Labour Benches are very keen to defend.

In conclusion, we will support this amendment and keep a close eye on the many issues raised today, which are not going to go away just because there is now a general election.

On that point, I hope that you will allow me a small indulgence, Madam Deputy Speaker: this will be my last appearance in the Chamber before the Dissolution of Parliament and I want to thank you and your Clerks for the time and courtesy you have afforded both me and other new Members as we have learned the intricacies of this place. A lot goes on behind the scenes to ensure that these debates have a coherence and fluency; that might appear effortless to the outside world, but we can assure people that that certainly is not the case. I have found everyone who works behind the scenes here to be very helpful and welcoming, which has made it easy for me to do my job.

This has been much more than a job to me; it has been an absolute privilege of my life to be here and represent the people of Ellesmere Port and Neston. I hope that after the election I have the opportunity to continue to do that.

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I thank the hon. Gentleman for his extremely kind words, and for his courtesy, which he always shows at the Dispatch Box and in the Chamber.

Dr Philippa Whitford (Central Ayrshire) (SNP): Like the hon. Member for Ellesmere Port and Neston (Justin Madders), this will be my last time speaking in the Chamber before Dissolution, and as a newbie I also want to pay tribute to the staff of the House, who made coming here much easier than we had expected it to be. I am also glad that my final speech before Dissolution is on a Bill that, despite some of our disagreements, we have worked on on a cross-party basis to produce a piece of work that we all agreed needed to be done.

I, too, welcome Government amendment (b), although I would have laid out the three paragraphs the other way around, because the whole point of the NHS, and the whole reason we are discussing this, is patient access: that is the No. 1 concern. I would have put patients first, not third. The fear of not getting access to drugs is a great issue for patients. As the hon. Gentleman mentioned, we have a significant delay that is measurable in comparison with other countries. For certain types of cancer, our performance in relation to patients with early disease is as good as anywhere, but we fall down in dealing with people with difficult or advanced disease. That is because of the delay.

I want briefly to mention the interaction of the budget impact assessment with our no longer being part of the European Medicines Agency. I am not talking about the United Kingdom losing the agency itself; I am talking about our no longer being part of the scheme. We know that there is a danger that drugs are presented for licensing in the United Kingdom at a later date than in the United States and the European Union, which are major markets. It is likely that we could also be behind Japan. I am not suggesting that we should simply hand over any amount of money, but if we were also seen as a hostile market in which there was an expected delay of three years for expensive drugs, there would be a danger that international pharma would simply say, “You know what? We’ll license everywhere else, then we’ll come back to the UK in a few years.” That could result in significant delayed access for our patients.

We need to think about how all this feeds into trials and research, and into the life sciences system. If we are not using what is considered to be the gold standard drug at the time of a new international trial, we will not be able to take part in the comparison of the gold standard with the new drug. The UK has led the EU research network, which is the biggest research network in the world. We have been a major player in that, and it is important to realise how building in this delay from NHS England could undermine that. Surely this should be part of the NICE process. It should be clear to pharma, when it comes with a drug at a price, what process it will have to go through, what evidence it will have to bring forward and how it will have to negotiate a price. I fear that there will be delays in drugs being licensed.

This will affect us in Scotland even though NICE decisions do not apply to us. If a drug were simply not licensed here, it would be irrelevant that the Scottish Medicines Consortium chose to fund it—as it did the other week with Kadcyla—because it would still be an unlicensed medicine. We need to look at how the loss of the European Medicines Agency will work in this regard. There should not be a separate procedure after NICE that could suddenly hit pharma with another barrier to jump over. This will hit new cancer drugs, because they are expensive. It will particularly hit drugs for rare diseases, which the EMA has led on, because they are
Dr Philippa Whitford

bespoke and therefore inevitably expensive. The £20 million limit would mean that if someone came up with a fabulous cure for dementia, for example, a budget impact assessment would be triggered.

Mr Jim Cunningham (Coventry South) (Lab): I agree with what the hon. Lady says about the European Medicines Agency. I have had a lot of letters from people who are very concerned about that issue. There is another factor involved in the delays that can occur in the Government agreeing a price. I think that the drugs companies often take the Government to the cleaners.

Dr Whitford: I thank the hon. Gentleman for his intervention. That is obviously why the Government are introducing the Bill. They are trying to achieve a degree of control and to prevent runaway drugs costs. Of course we agree with that objective, which is visible in the Bill. The Government are trying to establish a predictable system of licensing in the UK, so that a pharmaceutical company knows what it has to bring to the table. That might mean a bit more flexibility during the NICE process, because we could appear hostile if a drug goes through that process and is defined as cost-effective, only to be hit with another, less predictable, barrier. The danger is that that will affect Scotland just as much as England, regardless of our drug funding decisions, because licensing is a reserved matter. The Government need to take that into account, because patients come third in the order set out in the amendment, and I believe that they should come first.

4 pm

Mr Dunne: I had not intended to make a significant response in the light of this debate, but other colleagues have taken advantage of this being their final appearance at the Dispatch Box or speaking for their party in this Parliament and I cannot resist the opportunity to join the club.

I follow the hon. Member for Ellesmere Port and Neston (Justin Madders) in thanking Members for their work both in Committee and on the Floor of the House during the passage of this Bill. He gave us a valedictory, perhaps hinting that he may not be returning to this House, which in some respects I would welcome and in other respects I would regret because he has been a co-operative colleague on this Bill.

Again, I place on record my thanks to the hon. Member for Central Ayrshire (Dr Whitford) for her contribution to the passage of the Bill. I also briefly thank my Parliamentary Private Secretary, my hon. Friend the Member for Kingston and Surbiton (James Berry), who has been a stalwart supporter throughout the Bill. I also thank the departmental Whip, my hon. Friend the Member for Beverley and Holderness (Graham Stuart), who has also joined us today, for his efforts in this Parliament to help the work of the Department of Health, which is not always the smoothest ride for Government Whips.

The hon. Member for Ellesmere Port and Neston spoke about the budget impact test, and he challenged me to identify whether certain specific drugs will be caught by it, which is a nice try. The test applies for new drugs, of course, so drugs that are already licensed and on the list will not be caught because they are already licensed and in use. The intent, which came through in the consultation that concluded in January, is that this should not be seen as a threshold that will have a direct impact on the applicability of these drugs; it was designed to provide an opportunity for the NHS to have negotiating scope to try to get a better price on prospective drugs that will have a significant cost.

Although the hon. Member for Central Ayrshire is concerned about the delay resulting from the Bill and the delay from the potential loss of the EMA, we do not necessarily see it impacting in quite that way. We think it will have an impact on one in five new medicines that are brought forward for use in this country. As we have said repeatedly, we have a strong desire to see a vibrant life sciences industry in this country. There have been some significant investments by life sciences companies in this country since the referendum on 23 June, with this Bill in prospect, so we do not share the fears expressed today.

Finally, the hon. Member for Wolverhampton South West (Rob Marris) was here for the previous debate, but he served on the Health Service Medical Supplies (Costs) Public Bill Committee. He has had a distinguished career in this House and served on Finance Bill Committees with me ad nauseam. I was therefore pleased but somewhat trepidatious to see him put himself forward to serve on the Health Service Medical Supplies (Costs) Public Bill Committee. He lived up to all expectations, and I wish him well.

Lords amendment 3B disagreed to.
Government amendments (a) and (b) made in lieu of Lords amendment 3B.

Business without Debate

DELEGATED LEGISLATION

Madam Deputy Speaker (Natascha Engel): With the leave of the House, we shall take motions 4 to 11 together.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

LOCAL GOVERNMENT

That the draft Greater Manchester Combined Authority (Functions and Amendment) Order 2017, which was laid before this House on 20 March, be approved.

That the draft Combined Authorities (Finance) Order 2017, which was laid before this House on 13 March, be approved.

CRIMINAL LAW

That the draft Specified Agreement on Driving Disqualifications Regulations 2017, which were laid before this House on 9 March, be approved.

INCOME TAX

That the draft Major Sporting Events (Income Tax Exemption) Regulations 2017, which were laid before this House on 19 April, be approved.

REPRESENTATION OF THE PEOPLE, SCOTLAND

That the draft Representation of the People (Scotland) (Amendment) Regulations 2017, which were laid before this House on 8 March, be approved.
That the draft Electoral Registration Pilot Scheme (Scotland) Order 2017, which was laid before this House on 8 March, be approved.

Representation of the People
That the draft Electoral Registration Pilot Scheme (England and Wales) Order 2017, which was laid before this House on 8 March, be approved.
That the draft Electoral Registration Pilot Scheme (England) (Amendment) Order 2017, which was laid before this House on 8 March, be approved.—(Christopher Pincher.)

Question agreed to.

PETITIONS

Drumchapel Post Office

4.4 pm
Carol Monaghan (Glasgow North West) (SNP): A similar petition has been signed by 640 people and by a further 456 people online.

The petition states:
The petition of residents of Glasgow North West,
Declares that Post Office Limited has announced that the Post Office on Hecla Avenue in Drumchapel is under threat of closure; further that this provides a vital service for many local residents, the loss of which would have a detrimental impact on the wider community in Drumchapel as well as causing concern for staff; further that whilst there is the opportunity to franchise the current office, this could endanger the ongoing provisions of services and jobs in the local area, as well as this branch’s current convenient location in the heart of the community; and further that visiting the Post Office, it is noticeable just how busy the counters are and how strongly the community feels about this proposal.
The petitioners therefore request that the House of Commons urges the Government to call upon the Post Office to halt any plans to close the Drumchapel Post Office and ensure that these services and jobs can be maintained and protected in the local area.
And the petitioners remain, etc.

School Funding Formula in Calderdale

4.6 pm
Holly Lynch (Halifax) (Lab): I rise to present a petition opposing cuts to school budgets in my constituency, which has been signed by 166 people, further to the 1,072 people who have signed it online.

The petition states:
The petitioners therefore request that the House of Commons urges the Secretary of State for Education to reconsider the proposed national school funding formula to ensure that Calderdale schools do not lose out and that no school receives less than £4,800 per pupil.

And the petitioners remain, etc.

Royal Electrical and Mechanical Engineers and High Town Barracks, Wrexham

4.6 pm
Ian C. Lucas (Wrexham) (Lab): I rise to present a petition of 793 residents of Wrexham.

The petition states:
The petition of residents of Wrexham in the constituency of Wrexham.
Declares that the petitioners recognise the long military tradition of Wrexham and North Wales and its relationship with the Royal Welsh Fusiliers and Royal Electrical and Mechanical Engineers; further declares that they are deeply concerned over the proposal to move the battalion headquarters from Wrexham to Bristol, and away from the area which has served the British Army and Wales for so many years.
The petitioners therefore request that the House of Commons urges the Government to retain the current 101 Battalion Royal Electrical and Mechanical Engineers in Wrexham.
And the petitioners remain, etc.

Royal Electrical and Mechanical Engineers and High Town Barracks, Wrexham

4.8 pm
Susan Elan Jones (Clwyd South) (Lab): I rise to present the petition of several hundred residents of my constituency. It is based on the same petition as that presented by my hon. Friend the Member for Wrexham (Ian C. Lucas). It arises from our deep concerns on this issue, and it is time the Government listened.

The petition states:
The petitioners therefore request that the House of Commons urges the Government to retain the current 101 Battalion Royal Electrical and Mechanical Engineers in Wrexham.

Following is the full text of the petition:

[The petition of residents of Wrexham in the constituency of Clwyd South.
Declares that the petitioners recognise the long military tradition of Wrexham and North Wales and its relationship with the Royal Welsh Fusiliers and Royal Electrical and Mechanical Engineers; further declares that they are deeply concerned over the proposal to move the battalion headquarters from Wrexham to Bristol, and away from the area which has served the British Army and Wales for so many years.
The petitioners therefore request that the House of Commons urges the Government to retain the current 101 Battalion Royal Electrical and Mechanical Engineers in Wrexham.
And the petitioners remain, etc.]

Closure of Marske Medical Centre

4.9 pm
Anna Turley (Redcar) (Lab/Co-op): I rise to present a petition signed by 421 residents of Marske and New Marske in my constituency about a decision to close this medical centre at the end of June.

The petition states:
The petition of residents of Marske and New Marske in the Redcar Constituency.
Declares that the decision to close the Medical Centre of Hall Close, Marske-by-the-Sea, will leave over 5,000 patients, many of whom are elderly, without a local medical practice, and require them to travel to neighbouring towns to register with a General Practitioner.

The Petitioners therefore request the House of Commons to urge the Government to prevent the closure of the Marske Medical Centre.

And the petitioners remain, etc. [P002037]

Morningside Post Office Franchising

4.10 pm

Ian Murray (Edinburgh South) (Lab): I rise to present a petition signed by more than 4,000 residents of Edinburgh South.

The petition states:

The petition of Edinburgh South,

Declares that the government has forced a transformation programme on the Post Office that has placed Crown Post Offices and local branches in jeopardy; further that the only independent report carried out on franchising found that the Crown Office closure and franchising programme had been bad for customers, ranking franchises worse than Crown Offices across a range of indicators including queue times, service times, customer service and advice on products, disabled access and staffed counter positions; and further that the Post Office has already spent money refurbishing the Crown Offices it is now closing and franchising, with £5.9 million spent since 2010 on refurbishing the 39 Crown Offices that the Post Office announced it would close and franchise in 2016, an average of £100,000 per branch.

The petitioners therefore request that the House of Commons urges the Government to review the proposed funding formula to reflect a fairer level of funding for local schools, to ensure that children in the local authority area of Cheshire East have the same opportunities as children in similar schools and other local authorities across the country.

And the petitioners remain, etc. [P002038]

Fairer Funding Formula for School Pupils in the Congleton Constituency and wider Cheshire East Local Authority Area

4.11 pm

Fiona Bruce (Congleton) (Con): I rise to present a petition of some 1,600 signatures of residents of the Congleton constituency and wider area.

The petition declares

that current Government proposals for a Fairer Funding Formula for schools do not achieve fair funding for pupils in the constituency of Congleton.

Indeed, they and other pupils in the Cheshire East local authority area would be the lowest funded in the country. Local headteachers state that that level of funding would not enable them to provide the standard of education, facilities and support that our pupils deserve.

I fully support the petition, which also states:

The petitioners therefore request that the House of Commons urges the Government to review the proposed funding formula to reflect a fairer level of funding for local schools, to ensure that children in the local authority area of Cheshire East have the same opportunities as children in similar schools and other local authorities across the country.

Following is the full text of the petition:

[The petition of residents of Alsager, Congleton, Holmes Chapel, Middlewich, Sandbach and elsewhere in and outside the Congleton Constituency,

Declares that current Government proposals for a Fairer Funding Formula for schools do not achieve fair funding for pupils in the constituency of Congleton.

The petitioners therefore request that the House of Commons urges the Government to review the proposed funding formula to reflect a fairer level of funding for local schools, to ensure that children in the local authority area of Cheshire East have the same opportunities as children in similar schools and other local authorities across the country.

And the petitioners remain, etc.]

Fairer Funding Formula for School Pupils in Macclesfield Constituency and the Cheshire East Local Authority Area

4.12 pm

David Rutley (Macclesfield) (Con): I rise to present a petition on fair funding for all schools that has been signed by more than 1,500 residents of Cheshire East, including more than 900 from the Macclesfield constituency. It also includes signatures from residents living in the constituency of the Minister for Vulnerable Children and Families, my hon. Friend the Member for Crewe and Nantwich (Edward Timpson); because his ministerial role prevents him from presenting a petition, he has asked me to do this on his behalf. I am pleased to see him on the Front Bench.

The petition states that the petitioners request that the House of Commons urges the Government to review its proposed national funding formula for schools in order to ensure that all children have access to a properly funded education, and therefore invest in the future of our country.

Following is the full text of the petition:

[The petition of residents of Cheshire East,

Declares that the Government should review its proposed national funding formula for schools; further that Cheshire East schools are set to see their funding budgets cut by the new proposal; further that, with rising statutory employer and staffing costs, along with increasing pupil numbers, Cheshire East schools will need to receive increased funding to cover their basic costs; further that under the new proposal, a child in Cheshire East is worth significantly less than the average child in England; and believes that this funding proposal is unfair.

The petitioners therefore request that the House of Commons urges the Government to review its proposed national funding formula for schools in order to ensure that all children have access to a properly funded education, and therefore invest in the future of our country.

And the petitioners remain, etc.]
Contaminated Blood

Motion made, and Question proposed. That this House do now adjourn.—(Christopher Pincher.)

4.14 pm

Andy Burnham (Leigh) (Lab): Through you, Madam Deputy Speaker, may I thank Mr Speaker for giving me this opportunity to make what will be my last speech in this House? I make it on the subject of contaminated blood for a simple reason: knowing what I know, and what I believe to be true, I would not be able to live with myself if I left here without putting it on the official record. I will be honest: this is a speech made with a sense of guilt in that all of us here are collectively culpable of failing to act on evidence that is there before us if only we cared to look and, by extent, failing thousands of our fellow citizens who are the victims of perhaps the greatest untold injustice in the history of this country.

First, let me explain the genesis of my speech. Last year, the chair of the all-party group on contaminated blood, my hon. Friend the Member for Kingston upon Hull North (Diana Johnson), who has done absolutely outstanding work on behalf of those who have continued to struggle for truth and justice, invited me to a meeting to discuss where next for the campaign. There was a raising of expectations in the last Parliament—I am talking about a lot of goodwill on both sides of the House and a sense that people wanted to do something to help. That continued in the early part of this Parliament, with a sense building that something was going to be done. However, following those expectations, victims now feel that they have been led up to the top of the hill only to be let down once again.

Although I do not doubt the sincerity of the former Prime Minister’s apology at his last PMQs, the Government’s failure to back it with substantial action has left people feeling in the wilderness all over again. To try to find a way forward for them, my hon. Friend asked me to speak to the all-party group about whether my experience on the Hillsborough campaign might provide some insights that would help those still struggling for truth and justice, invited me to a meeting to discuss where next for the campaign. There was a raising of expectations in the last Parliament—I am talking about a lot of goodwill on both sides of the House and a sense that people wanted to do something to help. That continued in the early part of this Parliament, with a sense building that something was going to be done. However, following those expectations, victims now feel that they have been led up to the top of the hill only to be let down once again.

When I focused on that question, I had something of a penny-dreadful moment—this was when I was preparing to speak to the group. The more I thought about it, the more the parallels between the contaminated blood scandal and Hillsborough became clear. Obviously, both relate to the 1980s and both resulted from appalling negligence by public bodies, but there is also the fact that both have been subject to an orchestrated campaign to prevent the truth being told. It is that failure to give the victims the truth that compounds the injustice and the suffering.

Here is what I think is the crux of the problem. Contaminated blood has always been viewed through a financial prism. That suits the Government. It keeps the victims in a position of subservience, forced to beg for scraps of help from the various funds that have been set up. By the way, let me make it clear that I am talking about not just this particular Government—although I am talking about this Government—but all Governments. To the extent that the public know anything much about this scandal, there is a vague sense that it is an argument about money. In my view, it is in the Government’s interests to keep it there; they want to keep it there. Why is that? Just as with Hillsborough, if the great British public knew the real story here, there would be such a wave of public support for the victims that demands for full and fair compensation simply would not be able to be resisted by the Government. That is the experience of Hillsborough. When the truth was told, such was the huge groundswell of popular support that there had to be action. Perhaps that is why the Government do not want the truth to be told—they know that there would be little place for them to go in answering those calls.

I have brought this debate to the House today to try to break through that impasse. I want to refocus everybody on giving victims what they have never had—the truth. From what I know, this scandal amounts to a criminal cover-up on an industrial scale. I will present direct evidence to support that claim. There are hundreds of victims of this scandal who can point to evidence of crucial pages missing from their medical notes. Of course, the authorities have an excuse in these cases. They can always say, “Human error—they were lost.” As implausible as that excuse is, they get away with it because how can we prove otherwise? But I want to focus on a small number of specific cases that reveal deliberate, provable acts of cover-up.

Diana Johnson (Kingston upon Hull North) (Lab): I pay tribute to my right hon. Friend’s outstanding work on the Hillsborough inquiry and what he achieved there. Obviously there is still more to do. On behalf of the all-party group, I am so grateful that my right hon. Friend was willing to share his experiences with us in relation to contaminated blood.

I want to raise a point about Lord Owen’s request for documents, when he was the Health Minister in the 1970s. He was told then by officials that those documents had all been destroyed. The Archer inquiry, which I am sure my right hon. Friend will refer to, found no reason why that should have happened. I know he is going to talk about specific cases of documents being lost or doctored in some way. From what happened to a Government Minister, and given this idea of an industrial scale cover-up, does my right hon. Friend think that what happened with the individuals he is about to describe and with Lord Owen just shows how deep-seated this cover-up is?

Andy Burnham: My hon. Friend has put her finger on the point. With Hillsborough, when we finally got to match up documents held at a local level with those held at the national level, the full picture began to emerge. It is my contention that exactly the same would emerge here. The direct examples of a cover-up that I am about to give, relating to individual cases, would then be put together with what we know about documents held—or, indeed, not held, which itself implies wrongdoing—at a national level. In the end, it is the putting together of that picture that gives people the truth and allows them to understand how this happened. I will come directly to that point later.

I will focus on three cases. I highlight them not because they are the only ones I have seen or been sent, but because I have met or spoken directly to the individuals concerned, have a high degree of confidence in the facts
and believe that these cases are representative of many more. The first case is of a gentleman who does not want to be named. I will call him Stuart, but I do have his full details.

**Sir Peter Bottomley** (Worthing West) (Con): One of the reasons why this has not taken off widely as a real campaign is that victims understandably do not want to advertise their condition to those around them. I pay tribute to those who have talked to Members of Parliament, even on a confidential basis, so that some of us have some ammunition.

**Andy Burnham**: The hon. Gentleman is absolutely correct. There is a stigma related to HIV and hepatitis. People do not want to talk about it openly. Although I have drawn a parallel with Hillsborough—the hon. Gentleman was outstanding in his support for me on that issue—there are many differences, and one major difference is that, with Hillsborough, the event happened on one day, and everybody was watching it and can remember where they were when the pictures came through. This scandal was a silent one, which affected people in all parts of the country and all walks of life—not people from a similar place. These people were spread about and unable to organise in the same way the Hillsborough campaigners were. That is another reason why they have not been able to move things forward, and the reason the hon. Gentleman gave is true, too.

When Stuart was six years old, he was sent by Maidstone hospital to the Lewisham and Oxford haemophilia centres to have tests to see whether he had haemophilia. When he was seven, they wrote back and said that all the tests were normal and that he did not have a bleeding problem. When he was eight, he attended Maidstone hospital with a swollen knee—nothing more. It was not life threatening, and he had no bleeding problem associated with it.

Then, with no warning to Stuart or his parents, Maidstone hospital treated him with 12 transfusions of contaminated blood products over three days. According to his medical records later, that should not have happened. Then, in 1986, the hospital, unbeknownst to Stuart, carried out an HIV and a hepatitis B test on him. He was never tested for hepatitis C, even though his records show that a test was available at the time. He was not tested in 1989 or called back as other tests became available. He has all his medical records, but one thing is missing: the batch numbers for the contaminated blood products.

Stuart was eventually told he had a hepatitis C infection—in—listen to this, Madam Deputy Speaker—January 2013. He was also told that it was too late for him to pursue a court case, despite the fact that legal experts said that what had happened to him was negligent and he firmly believes there has been a cover-up.

Let me move on to the case of a woman called Nicola Enstone-Jones. She wrote:

“As a female with haemophilia diagnosed in the ‘70s. From the age of 9 my parents spent years trying to find out what happened to me after receiving Factor VIII, this was in 1980...Dr’s denying anything was wrong with me, referring to me as having psychological problems, as there was nothing wrong with the treatment they gave.”

She says that that was not unusual for haemophiliacs growing up then. She goes on:

“It was when I was 24”—

24:—

“in 1995 that I asked a nurse if I’d ever been tested for Hepatitis C, as my mum had seen on the news about Haemophiliacs being diagnosed and dying from this new strain of Hepatitis, and all the signs and symptoms listed was me.”

The nurse laughed at me and said ‘you won’t have that’; then came back with my medical notes and informed me I was positive to Hepatitis C from a test...done in 1991. A test I knew nothing about... like a true haemophiliac and after spending years of searching for answers I had suddenly found out why I had suffered health problems since childhood.”

However, it was only later, when Nicola was able to access her medical notes, that she found an entry for 1990, which she has drawn to my attention, and I have it in my hand. The notes say: “Discussed hepatitis C”.

Nicola has told me directly that that never happened—it was never discussed with her in 1990. She found out for the first time in 1995.

This story actually gets quite a lot worse. Let me read out what Nicola goes on to say:

“Little did I know almost 19 years later I would be at a police station reporting what I believe

“to be a criminal act and a form of abuse on my own child, once again...Dr’s performing tests without consent,

“another well-known”

practice

“which Haemophiliacs are sadly used to.

I had found out in 2013 that my 9 year old haemophilic son had been tested for HIV and hepatitis’s and no doubt a whole host of other viruses and pathogens, just like I had been when I was younger. Given my daughter has a bleeding disorder too, there is no doubt in my mind she will have been tested...I found this out third hand, by chance in a letter which was another professional”

asking

“if my son needed treatment abroad. The letter stated ‘This 9 year old haemophiliac has a factor VIII level of 10% and...has been tested for HIV and hepatitis...which he is negative to.’”

She had never been told about this or given consent for her son to be tested. She says:

“Surely this isn’t right, in this day and age”.

In my view, it is a criminal act to test a child without a parent’s knowledge.

Let me come on to the third case, which, in my view, is the most troubling of them all. It relates to a gentleman called Kenneth David Bullock—Ken Bullock. Ken was a very high-ranking civil engineer who worked around the world. In his later career, he spent time advising what was then called the Overseas Development Agency. He was a haemophiliac. Sadly, Ken died in 1998—a very traumatic death, unfortunately. Let me read from the letter that his widow, Hazel Bullock, sent to me a few weeks ago:

“I am so relieved to hear you are still committed to an active”

inquiry into

“the contaminated blood tragedy...Between the 15th November, 1983 and the 3rd December, 1983, my husband stopped being a Haemophiliac patient who had been infected with NonA-NonB type Hepatitis to being a clinical alcoholic...This accusation continued and escalated during the next fifteen years completely.
unknown to him, he was refused a liver transplant in 1998 and left to die still unaware of these appalling accusations. He did not drink alcohol.”

Mrs Bullock has examined her late husband’s medical notes in detail. Again, I have them here in my possession today. An entry in his notes from February 1983 says, “Acute Hepatitis”. Another from March says: “NonA NonB Hepatitis which he probably obtained from Cryo-precipitate”—the recognised treatment at the time. Again in 1983, the notes say:

“In view of his exposure to blood products a diagnosis of NonA NonB was made.”

However, it would seem at that point that all mention of blood products was to be stopped, very suddenly. Mrs Bullock says:

“They were never again to be found anywhere in my husband’s notes. From the 15th December, 1983 all the hospital records refer only to alcoholic damage to the liver. I have in my possession full copies of all the following notes.”

In December 1983, the notes say, “alcohol could be considered”; in 1994, “likes a few beers at week-ends”; in 1995, “alcohol related hepatic dysfunction”; in 1995 again, “clinical alcoholism”; and in 1996, “chronic high alcohol consumption.” In 1998, the year that Mr Bullock died, they say, “alcoholic cirrhosis.”

Mrs Bullock concludes her letter:

“My husband died on the 3rd October, 1998. At no time during this 15 years should alcohol had been mentioned. My husband’s rare and occasional glass of wine was minimal. He never drank beer or spirits. Alcohol was never a part of our lives. Mr Bullock’s rare and occasional glass of wine was minimal. He never drank beer or spirits. Alcohol was never a part of our lives.”

Despite these entries, Mrs Bullock says:

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During her examination of her late husband’s medical notes, Mrs Bullock has examined her late husband’s medical notes in detail. Again, I have them here in my possession today. An entry in his notes from February 1983 says, “Acute Hepatitis”. Another from March says: “NonA NonB Hepatitis which he probably obtained from Cryo-precipitate”—the recognised treatment at the time. Again in 1983, the notes say:

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Mrs Bullock concludes her letter:

“My husband died on the 3rd October, 1998. At no time during this 15 years should alcohol had been mentioned. My husband’s rare and occasional glass of wine was minimal. He never drank beer or spirits. Alcohol was never a part of our lives and he had his last glass of wine on 18th June 1995, my 60th birthday. My husband died completely unaware of these accusations that have shocked family, friends and colleagues alike.”

Just as the evidence of amended police statements provided the thread that we eventually pulled to unravel the Hillsborough cover-up, so I believe the evidence that I have just provided must now become the trigger for a wider inquiry into establishing the truth about contaminated blood. There is a very disturbing echo of Hillsborough—is there not?—in what I have just said. People who were the victims of negligence by the state were suddenly the victims of smears perpetrated by those working on behalf of public bodies, particularly smears related to alcohol, suggesting that the disease that afflicted Mr Bullock’s liver was self-inflicted. That reminds me, of course, of the front-page newspaper stories that appeared straight after Hillsborough that alleged that Liverpool fans were drunk. It is a time-honoured tactic—is it not?—to deflect the blame from where it should be over to somewhere else.

It is of course possible that in each of the cases that I have mentioned the hospitals and clinicians concerned were acting on an individual basis to prevent their negligent practices from being known. I have to say, however, that I doubt that that was the case. My suspicion, as I said a moment ago to my hon. Friend the Member for Kingston upon Hull North, is that there are documents held at a national level, either by the Government or by regulatory or professional bodies, that point to a more systematic effort to suppress the truth.

I actually have two documents in my possession—this letter sent in January 1975 by Stanford University’s medical centre to the Blood Products Laboratory, which was the UK Government’s wholly owned blood products operation. The letter goes to great lengths warning about the risk of the new factor VIII products that were coming on to the market. The gentleman who wrote it, Mr Allen, said of one particular product that the “source of blood is 100 percent from Skid-Row derelicts”.

He was writing to warn the British Government about the blood products that were being used.

The second document is from the Oxford Haemophilia Centre and it was sent in January 1982 to all haemophilia centre directors in England. It says of the new products coming on to the market:

“Although initial production batches may have been tested for infectivity by injecting them into chimpanzees it is unlikely that the manufacturers will be able to guarantee this form of quality control for all future batches. It is therefore very important to find out by studies in human beings to what extent the infectivity of the various concentrates has been reduced. The most clear cut way of doing this is by administering those concentrates to patients requiring treatment who have not been previously exposed to large pool concentrates.”

In other words, it is saying: let us find out whether there is “infectivity”—to use its word—in the products by using patients as guinea pigs, without regard for the consequences. That is proof, in my view, of negligence of a very serious kind.

That brings me to the point that my hon. Friend the Member for Kingston upon Hull North raised earlier. When we read the warning from the Americans in 1975 about blood products being derived from blood that had been taken off convicts on skid row and the letter some seven years later in which the Oxford Haemophilia Centre stated that it was necessary to push on with trials—to find out whether the products were infectious by giving them to patients—we soon start to see that there was something here that needed to be hidden.

In addition, we must consider the fact that all the papers belonging to a Health Minister were, as I understand it, comprehensively destroyed under something called the 10-year rule. I have been a Minister, and I have never heard of the 10-year rule. Have you, Madam Deputy Speaker? It is a new one on me. A Minister’s papers were destroyed without his consent. To me, that sounds alarm bells and suggests that something is seriously amiss.

Diana Johnson: Was my right hon. Friend shocked, as I was, to learn that in November 1983, the then Health Secretary told Parliament:

“There is no conclusive evidence that acquired immune deficiency syndrome (AIDS) is transmitted by blood products”?—[Official Report, 14 November 1983; Vol. 48, c. 328W].

Only months earlier, however, the Department had been preparing a document that stated that AIDS was almost certainly transmitted in such a way, and the Advisory Committee on Dangerous Pathogens had also told of strong circumstantial evidence that the disease was blood-borne. It seems as though there were real issues about what people and Parliament were being told. Ministers must never mislead Parliament, yet clearly the information that was being given to Parliament at the time was not correct.
Andy Burnham: I fear that my hon. Friend is right once again. I am aware that individuals received Crown immunity to protect the Government from litigation at the time. That paints a strong picture, and that is why we need to see the papers and find out what happened. I do not want to stand here and accuse Ministers in that Government of anything—that is not my aim—but let us have a look at the papers, so that we can at least see whether any misleading statements were made.

The cases that I have brought before the House provide evidence of several things. First, people were used as guinea pigs. Secondly, people were given inappropriate treatment, as Stuart was. Thirdly, tests were done without people’s knowledge or consent. Fourthly, the results of tests, even when they were positive, were withheld for years—decades, in some cases—from individuals. It has even been suggested that those individuals, who were simply living their lives and did not know that they were HIV-positive or hepatitis C-positive, subsequently infected others who were close to them. Fifthly, as we saw in the case of Ken Bullock, medical records were falsified with slurs and smears to suggest that liver disease was self-inflicted. These are criminal acts.

Mr Jim Cunningham (Coventry South) (Lab): I pay tribute to the work that my right hon. Friend did when he was Secretary of State for Health. I was in the Department with him as a Parliamentary Private Secretary. Are we saying that the information is immune from the Data Protection Act and the Freedom of Information Act? Have they ever applied in this situation?

Andy Burnham: I think people have applied for documents, but many of those documents have been withheld. I will come on to that in a moment.

I was a Minister in the Department of Health just after the publication of the Archer report and the Government’s response to it. At the instigation of the late Paul Goggins, I sought to reopen the whole issue, and I encountered a lot of institutional resistance, if I may put it that way. I am myself standing here out of a sense of guilt—I wish that I had done more over the years—but having looked at it all and having pieced it all together, I think the documents that have been withheld would fill in some of the gaps I have described.

Chris Stephens (Glasgow South West) (SNP): I pay tribute to the right hon. Gentleman for the work he has done on this issue and many others. The third case he described is surely one of defamation. Does he not agree that all families affected must, if they have not done so already, access their medical records and those of family members who have passed away?

Andy Burnham: It is a case of at least defamation. A range of potential offences, such as misconduct in public office, could be considered. It remains the case that people have not had access to their full medical records. There are just so many examples of people saying that crucial pages are missing. They obviously cannot prove that, but I have put on the record things that I think are provable and are, in my view, criminal. This cannot be left there, and the Minister is going to have to answer that point directly when she responds.

Jim McMahon (Oldham West and Royton) (Lab): I pay tribute to my right hon. Friend and my hon. Friend the Member for Kingston upon Hull North (Diana Johnson) for the work they have done in exposing this issue. When Alex Smith, a constituent of mine, first came to my advice surgery to tell me the story of how he lost his wife through contamination and how he had contracted hepatitis C through a contaminated blood product, I could not help but feel aggrieved on his behalf. It now feels, however, as though this has moved on to something completely different—a very sinister cover-up—and I pay tribute to my right hon. Friend for his work in exposing it and for getting this far.

Andy Burnham: I think it has such a feel. For me, the whole thing about finance—it is always about finance, and about whether we can give them a bit more—has been helpful to the Government, because it has meant that they have never focused on the issue they should really focus on. As I said at the beginning, if this had been known about, the wave of support behind the people struggling to find out the truth would have been massive—absolutely massive—and the Government would have had nowhere to go and would have had to respond. Consequently, people are still struggling, such as my hon. Friend’s constituent, and I hope that they will not have to struggle for much longer.

Sir Peter Bottomley: It seems to me that the right hon. Gentleman is making three major points. The first is that those still alive who are affected and their families need proper, generous help without delay. The second is that there should be an inquiry into what went wrong all the way through, especially about whether people have interfered with the preservation of evidence. Whether people are prosecuted is a separate issue, but actually knowing what happened is what matters most. The third point—is that there was a difference, as Richard Titmuss pointed out in 1970 in his book “The Gift Relationship”, between blood donations in Britain, where they were freely given by the healthy, and donations in the States, which came from the sources the right hon. Gentleman has mentioned. If that was stated in a book in 1970, people should have paid attention as soon as they had any warning at all, whether from Stanford or from anybody else.

Andy Burnham: That was the direct content of the Stanford letter. There was a worry that the NHS was using such products in a completely different context, not understanding the difference between the two systems. That was the Stanford letter.

I am not standing here claiming to be an expert on all the papers, because I am not; I am saying what I know, from the people I have spoken to, to be wrong, and linking that to the documents in order to say what I believe to be the case. I may not be right, but we need to find out whether I am right, and that is the point that I will be putting to the Government.

Barbara Keeley (Worsley and Eccles South) (Lab): I was not going to intervene, but the hon. Member for Worthing West (Sir Peter Bottomley) made the point that generous treatment is needed. The victims of this NHS scandal are not receiving generous treatment. I have a constituent who was infected during the scandal as a child at the Royal Manchester children’s hospital.
When he discovered that his cirrhosis, if it remained untreated, meant that he ran a 25% chance of developing liver cancer, he was told that he would be denied treatment by the NHS. The treatment he needed to clear the virus load from his system cost £100,000, and at that point he decided to use the ex gratia payment that he had been given—such a payment is supposed to be some compensation, although it is not enough—to try to do so. That is the situation that victims such as my constituent are in at the moment, and it is a disgrace: they should not be fighting this and having to use their own money for their own treatment.

**Andy Burnham:** It is a total disgrace. Absolutely there must be full, fair compensation now. I say to the Government, do not delay; do what Ireland and other countries have done. They should do that now. They raised expectations and they should do it. We would all support it.

Mrs Bullock, whom I mentioned, is reduced to sending begging letters. She has had to sell the family home and move away from everything. She is sending begging letters to the Skipton Fund for a stair-lift. She is not move a way from everything. She is sending begging letters. She has had to sell the family home and support it.

Not only that, but Mr Bullock decided to use the ex gratia payment that he had been given—such a payment is supposed to be some compensation, although it is not enough—to try to do so. That is the situation that victims such as my constituent are in at the moment, and it is a disgrace: they should not be fighting this and having to use their own money for their own treatment.

**Mr George Howarth** (Knowsley) (Lab): My right hon. Friend is making a powerful case that there was a systematic cover-up. By joining together the dots in the way that he has, a picture seems to emerge that needs to be examined further. Even if he is wrong and what we are confronted with is systemic administrative and medical failures, the argument for immediate compensation for all the people affected is so powerful that the Government need to look at it urgently and, if possible, say something sensible about it today.

**Andy Burnham:** Absolutely; I could not agree more. It is downright immoral to make these people carry on begging in the way they have been forced to do. The Government raised their hopes; they should deliver on the former Prime Minister’s promise and do what my right hon. Friend has just described.

The story is becoming clear, is it not? Warnings from the United States were ignored. There was a wish to drive on with these new products from the Oxford haemophilia centre: “We’ll just push them out there to find out the results before we really know whether there is infectivity.” Problems started to happen and perhaps there was the idea, “Oh no, the Government might be exposed to litigation. Let’s not have it in people’s notes so that a story does not build about how there has been negligence and people might have a compensation claim.” That is the story I have got; I do not know what anybody else thinks. Worse, for some people, they said, “Don’t just destroy their notes; falsify their notes.” That is the story. We need to find out whether it is true or not. In my view, these are criminal acts. They did not just happen by chance. A major injustice has happened here.

In making this speech tonight, I think of our late, great friend Paul Goggins, who I miss every single day. He did so much to advance the cause of justice for those who suffered. I also think of his constituents, Fred and Eleanor Bates, and of the promises I made to act for them in Paul’s name. In a 2013 debate like this one just before he died, Paul made an impassioned call for:

> “A serious Government-backed inquiry…with access to all the remaining records and the power finally to get to the truth of what happened and why.” —[Official Report, 29 October 2013; Vol. 569, c. 201WH.]

His demand was as undeniable then as it is now, yet it pains me that, in the four years since then, this House has not moved it forward at all. If that continues to be the case after what I have said tonight, I am afraid that this Parliament will be complicit in the cover-up.

In reply to the demand of my hon. Friend the Member for Kingston upon Hull North for an inquiry in a letter she wrote in October 2016, the Prime Minister said:

> “the relevant documents have been published on the Department of Health and the National Archives websites and it is unlikely that a public inquiry would provide further information.”

In my view, that is a highly debatable statement. I do not think that a Prime Minister who has a good track record in helping to secure justice for those to whom it has been denied should have put her name to such a letter, which was probably drafted by the Department of Health. I remember exactly the same thing being said to me by those who opposed the setting up of the Hillsborough independent panel. “Everything is out there, it’s already known,” is what they always say. If the Prime Minister is confident in her assertion—I say this to the Minister—then rather than just publishing the documents the Government have selected as relevant, why not publish all the Government-held documents so that we can all decide whether her claim is true? On the basis of the evidence I have presented tonight, I believe it would be quite wrong for this House to resist that call.

To be clear, I am not calling for a lengthy public inquiry; I am calling for a Hillsborough-style disclosure process, overseen by an independent panel, which can review all documents held by government, NHS and private bodies. Just as with Hillsborough, the panel process should be able to view documents withheld under secrecy protections and make the necessary connections between documents held locally and nationally. It should then produce a report on the extent to which the disclosure of those documents tells a new story about what has happened.

So tonight I issue a direct challenge not just to the Government but to all parties in this House, including to my own Labour Front Bench and the Scottish National party: do the right thing and put a commitment in your election manifestos to set up this Hillsborough-style inquiry into contaminated blood. That, in my view, would be the most effective way to get as quickly as possible to the full truth and the whole story, as it was, effectively and efficiently, with Hillsborough.

I want to be very clear tonight with the Minister and with the House. If the newly elected Government after the general election fail to set up the process I describe, I will refer my dossier of cases to the police and I will request a criminal investigation into these shameful acts.
I suspect that Roger speaks for every single family affected by this scandal.

It has been an enormous privilege to serve my constituents in the House, and it is with real sadness that I prepare to leave, but in my 16 years here I have also had my eyes opened to its shortcomings. The simple fact that since Hillsborough I have been approached by so many justice campaigns—many of them from the 1970s and 1980s—tells me that this place has not been doing its job properly. Westminster will only begin to solve the political crisis we are living through when, in the face of evidence, it learns to act fearlessly and swiftly in pursuit of the truth and gives a voice to those of our fellow citizens who through no fault of their own have been left in the wilderness.

Collectively, we have failed the victims of contaminated blood. I do not exempt myself from this, and I wish to apologise to all those affected for coming so late to this issue in my speech tonight. I also apologise to you, Madam Deputy Speaker, for the length of my comments—but in a way I do not actually: the House should be delayed tonight on this matter. Truth and justice have been delayed for people, so the House should be delayed tonight, as it hears directly what they have been through. I hope that we have given a flavour of that tonight. I say to Members here and those who might follow: it is never too late to do the right thing. [Interruption.]

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I do not want any clapping: “Hear, hear” will be fine.

As the right hon. Gentleman concludes his valedictory speech in the House, I am sure that the whole House will join me in wishing him well.

5.2 pm

The Parliamentary Under-Secretary of State for Health (Nicola Blackwood): I thank the right hon. Member for Leigh (Andy Burnham) for securing this debate, his last in the House, on what is a very important issue, not just for him and his constituents, but for many other Members and their constituents. I would like, in particular, to pay tribute to the courage of all the victims who have allowed their stories to be told today. The value of this, in reminding us why we are all here and in driving us to find the best solutions to this very difficult issue, cannot be overestimated. We should all take a moment to remember that.

That is exactly why the Government have introduced the infected blood payment scheme, alongside the commitment of up to £150 million up to 2020-21 for all those affected. It will more than double the annual spending during that time. I am sure, though, that the whole House will share my view that nothing can make up for the suffering and the loss that families have experienced, and no financial support can change what has happened to them, as the right hon. Gentleman said. I hope, however, that all those here today will recognise that the support provided is hugely important for those facing such significant medical challenges and is materially more than any previous Administration have provided, and recognise that it is a measure of how seriously the Government take the issue.

I would also like to take a moment to clarify some issues to do with the consultation, because there has been confusion about it in recent weeks. The consultation
response announced on 13 July 2016 introduced for the first time an annual payment for all individuals affected with HIV or chronic hepatitis C through NHS-supplied blood or blood products. The recent consultation, which closed on 17 April 2017, asked for comments on the special category mechanism. This mechanism will allow those with hepatitis C stage 1 who consider their infection or its treatment to have a substantial or long-term adverse impact on their ability to carry out routine daily activities to apply for the higher annual payment, which is equivalent to the annual payment received by beneficiaries with hepatitis C stage 2 disease, such as those with cirrhotic liver and its complications, or those infected with HIV. We anticipate that a significant proportion of stage 1 beneficiaries will benefit from the new process and the higher annual payment it will offer.

Those co-infected with HIV and hepatitis C stage 1 will also be eligible to apply through the SCM. Those co-infected with HIV and hepatitis C stage 2 already receive the higher annual payments for both infections. The consultation proposes, however, that those payments will not increase in 2018, as originally set out in the 2016 consultation response. The recent consultation also included a question on the type of discretionary support that beneficiaries would find most useful. We remain keen to ensure fairness of support between all beneficiaries, based on need and individual circumstances. We have had consultation submissions, but we have to consider them over the purdah period. We cannot make decisions until after that.

I wanted to make those points before turning to the right hon. Gentleman’s point about a further inquiry. As he will know from a number of previous debates on the issue, the Government have been clear that we do not at this point believe that a further inquiry would be beneficial, because there have been previous inquiries. I would like to say a little about why those inquiries were quite useful. Lord Archer of Sandwell and Lord Penrose would like to say a little about why those inquiries were beneficial, because there have been previous inquiries. I not at this point believe that a further inquiry would be beneficial, because there have been previous inquiries. As he will know from a number of previous debates on the right hon. Gentleman’s point about a further inquiry. As he will know from a number of previous debates on the issue, the Government have been clear that we do not at this point believe that a further inquiry would be beneficial, because there have been previous inquiries. I would like to say a little about why those inquiries were quite useful. Lord Archer of Sandwell and Lord Penrose have already separately undertaken independent inquiries in the last decade. Neither inquiry found the Governments to have been at fault and they did not apportion blame.

The Penrose inquiry began in 2009, when the right hon. Gentleman was himself the Health Secretary. In the course of the inquiry, evidence was taken over nearly 90 days of oral hearings, resulting in more than 13,000 pages of transcript, in addition to 200 witness statements and more than 120,000 other documents.

Andy Burnham: I accept that there have been two inquiries—Penrose was commissioned by the Scottish Government—but it is not acceptable for the Government to point to Archer. That was not a Government-backed inquiry. It did not have access to all the Government papers. The Minister cannot use that as an excuse or say, “We don’t need an inquiry because of Archer.”

Nicola Blackwood: That is why I was speaking about Penrose. The final report from the inquiry was published as recently as March 2015 and includes an appendix that lists witnesses and many of the most significant statements and reports that the inquiry considered. Although the Department of Health was not called to provide witnesses to the Penrose inquiry, it co-operated fully with Lord Penrose’s requests for documentary evidence, and the departmental evidence that Lord Penrose used is referenced in his final report. Lord Penrose published the report of his public inquiry into infections acquired in Scotland on 25 March 2015. Nothing was withheld. Any redacted documents provided to the inquiry were redacted in line with both standard practice to protect personal information and current freedom of information requirements.

Diana Johnson: I really do not think it is acceptable to rely on Penrose. The inquiry could not compel witnesses to give evidence if they were outside Scotland, because of the jurisdictional issues, so it seems that there was not a complete picture in Penrose either, despite the picture of full disclosure that the Minister is trying to paint.

Nicola Blackwood: Of course, that was only part of the picture, because further documents have been disclosed. The Department has published all relevant information that it holds on blood safety, in line with the Freedom of Information Act 2000. All papers that are available for the period between 1970 and 1985, amounting to more than 5,500 documents, have been published on the Department of Health website, as the Prime Minister said in her letter to the right hon. Gentleman. In addition, more than 200 files of documents covering the period between 1986 and 1995 are available to the public through the National Archives. Of course, papers from more than 30 years ago are already a matter of public record.

We are also aware of six documents among those published on the Department’s website that are currently being withheld under the Freedom of Information Act, either on the grounds that they contain only personal information and nothing relevant to the issue of blood safety, or on the grounds that they hold legally privileged material that still has the potential for future litigation. A further 206 files containing documents covering the period between 1986 and 1995 have been published on the National Archives website and are available to the public. We cannot provide a figure for the number of individual documents that have been withheld from those files, but if documents have been withheld, the files will hold an indication of that which will be visible to the public. Files that contain only some information that is unsuitable for publication will have been redacted.

Mr George Howarth: My right hon. Friend for Leigh (Andy Burnham) made a direct comparison between this case and the Hillsborough scandal. Following Hillsborough, there was the Taylor report, which was produced hurriedly but was actually useful. There was then the Stuart-Smith inquiry. Between the two, there were all the coroner’s inquests. It was not until the process that my right hon. Friend described, involving an independent panel that was able to look at all the documents—as an independent panel would be able to do in this case—that the truth finally emerged. The Minister ought to accept that that process is the best way to get at the truth. She cannot guarantee that everything that has gone on so far has got at the truth.

Nicola Blackwood: The right hon. Gentleman has made a good point. However, given the release of Government papers that has already taken place and the numerous statements made about the issue by Ministers in both Houses, it is hard to understand how an independent
panel would add to current knowledge about how infections happened, or the steps taken to deal with the problem. As with a public inquiry, the Government believe at this point that setting up such a panel would detract from the work that we are doing to support sufferers and their families without providing any tangible benefit.

Andy Burnham rose—

Nicola Blackwood: Will the right hon. Gentleman allow me to proceed to the next paragraph, which I think he will want to hear?

Let me now turn to the evidence that the right hon. Gentleman has presented today, with a great deal of passion. He will appreciate that I have not seen that evidence; this is the first that I have heard of it, so I have had no chance to give it proper consideration. He will also be aware that we are now entering the pre-election period, and that we are therefore in purdah. I ask him please to submit his dossier to the Secretary of State for Health, and also to Lord O’Shaughnessy, who is the Minister responsible for this area of policy. Of course, if the right hon. Gentleman does indeed have evidence of criminality, he should contact the police, but I want him to be aware that the Health Secretary has made patient safety, learning from mistakes and transparency key personal priorities, and I am sure that if the papers hold the concerning matters to which the right hon. Gentleman has referred, he will give them the highest priority.

I do not doubt the right hon. Gentleman’s sincerity. He knows a great deal about this issue, because it was live when he was Health Secretary, and I appreciate the apology that he has made to victims today. I must, however, ask him to recognise that we are taking action on what is an undeniably difficult and complex issue, and trying to get things right for the victims who have waited far too long for action. I also ask him to recognise that we are acting with the best of intentions, even if he disagrees with the way in which we are doing so.

Let me end by offering the right hon. Gentleman my very best wishes for his future. He has left an indelible mark on British politics, and I am sure that he will experience great success in that future, wherever it may be.

5.14 pm

Sir Peter Bottomley (Worthing West) (Con): May I speak briefly in this debate? The right hon. Member for Leigh (Andy Burnham) has helped, and the Minister has rightly said that she will consider what he has said and the papers he might be able to provide. May I add that there are still victims who have unmet costs; I have presented to the House tonight is altered medical records—that is a fact; that has been given to me. In my view, that is the same trigger and it should be looked into so that the facts can be established. That is new evidence that the Government now need to consider, to take a new decision on this.

Sir Peter Bottomley: That is one of the reasons why I believe that over the election period the advisers to Ministers—not just to Health Ministers, but perhaps also to Home Office Ministers—should consider what could be obtained by the kind of call for evidence and inquiry that the right hon. Member for Leigh has rightly proposed.

Andy Burnham rose—

Sir Peter Bottomley: If the right hon. Gentleman has any other points he wants to make through me, he is welcome to do so.

Andy Burnham: I am grateful for the opportunity. The Minister was very kind in her remarks, but the point that perhaps was missed when referencing Archer and Penrose is that I am calling for a different process that takes documents at a very local level and matches them with documents higher up the chain. It is only then that we can put the jigsaw together and start to understand why someone was acting in a certain way in a particular hospital. That is what we are looking for, and that was the strength of the Hillsborough independent panel: it was able to paint that canvas and put all the pieces of the jigsaw together.

I will send the evidence to the Department. The amended police statements only came to light properly just before the 20th anniversary of Hillsborough. What I have presented to the House tonight is altered medical records—that is a fact; that has been given to me. In my view, that is the same trigger and it should be looked into so that the facts can be established. That is new evidence that the Government now need to consider, to take a new decision on this.

Sir Peter Bottomley: The right hon. Gentleman has taken the words out of my mouth, and has said it better than I could have. We are all grateful to him. The point is that this scandal should never have happened, when it was started it should have been stopped, and when it had been stopped people should have known why it had gone on for as long as it did. The right hon. Gentleman has done a service.

Mark Durkan (Foyle) (SDLP): The House should not forget that there was a tribunal of inquiry in Ireland. The Lindsay inquiry found that the state knew of the risks and continued nevertheless, because that was what other states such as the UK were doing. So is it credible that an inquiry in Ireland could find that the risks were known but the practice carried on anyway, and that a further investigation through a panel such as that mentioned by the right hon. Member for Leigh (Andy Burnham) would not come to that same conclusion?

Sir Peter Bottomley: That is one of the questions to be asked.

I conclude by thanking the right hon. Member for Leigh and the hon. Member for Kingston upon Hull North (Diana Johnson) who leads the all-party group on haemophilia and contaminated blood, and my right hon. Friend the Member for North East Bedfordshire (Alistair Burt), sitting in front of me, who has done so much, both as a Back Bencher and a Minister, to make sure that these issues are dealt with.
Dr Philippa Whitford (Central Ayrshire) (SNP): Will the hon. Gentleman give way?

Sir Peter Bottomley: Of course.

Dr Whitford: I know that the Penrose inquiry is always cast up as having dealt with this issue, but that was a Scottish inquiry and it was not able to summon people from the rest of the UK who did not want to attend. Therefore, the idea that Penrose has dealt with this is fallacious. We must have a system where we can summon people to give evidence right across the United Kingdom.

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. We have an unusual procedural situation here. Of course there is plenty of time for our Adjournment debate, given that it started as early as this, and we are discussing a very serious matter, but Members who are now rising to speak gave no indication before the Minister spoke that they wished to do so. That does not mean that they will not be permitted to speak, but just because this happens to be the end of a Parliament, and there is time available to discuss this important issue, does not mean that I will ignore the—[Interruption.] Order, Mr Durkan! I am addressing the House. This does not mean that I will ignore the normal courtesies of this Chamber. Two people have indicated that they wish to speak. They must know that they ought to have done so before the Minister spoke. It was quite obvious when I was going to call the Minister. In these unusual circumstances, I will allow those two Members to speak very briefly now, and I do not expect further interventions.

5.20 pm

Barbara Keeley (Worsley and Eccles South) (Lab): I thank you on behalf of my constituent, Madam Deputy Speaker. I want to speak further, briefly, about that case. The Minister has made certain assertions and I want to give the House some more information. The main part of the debate has been about the excellent revelations from my right hon. Friend the Member for Leigh (Andy Burnham), but we have also referred briefly to the situation of people who were in many cases infected as children as a result of this scandal in the NHS. We need to keep reflecting on the fact that many people were children when this happened. My constituent was a child receiving the treatment that he needed from the NHS. I have already talked about him having to pay for his own treatment, and for the drug that he needed to clear the hepatitis C virus from his body.

The Minister referred to the consultation recently conducted by Health Ministers on reforming the system. I would like this Minister to know how that has gone down with my constituent. He tells me that he received a letter summarising the proposals. He says: “For me personally, as someone who has progressed to stage 2, I would be significantly worse off. In real terms, the proposals mean that financial support will decrease over time as the annual payment will no longer be index linked. I will even lose the £500 winter fuel payment, and I will no longer receive a pre-payment prescription certificate which I use for painkillers and anti-inflammatory medication.”

It is disgraceful that people who were infected as children by the NHS are being treated in this way. My constituent goes on: “I believe the Government is being deliberately punitive and exceedingly cruel in using the affected community’s request to reform the various support schemes to actually make cuts to those people who were infected by contaminated blood given to them by the NHS through no fault of their own.”

I just wanted to add those observations to what has been a powerful debate. It has already been stated by other Members that our constituents have no time left. This is the situation that they find themselves in, and this miserly treatment beggars belief. It is time we did something better.

5.23 pm

Jim McMahon (Oldham West and Royton) (Lab): Thank you for your courtesy in allowing us to speak, Madam Deputy Speaker. I fully accept that we ought to have spoken before the Minister responded. I have to say that I expected her response to go on for longer, and that I would have had an opportunity to make a short intervention on her.

I feel compelled to speak because one of my constituents, Alex Smith, has been so badly affected by this. It is not just me who is affected when I see the Government refusing, time after time, to do the right thing. It genuinely haunts me. None of us comes into politics to do the wrong thing. We come here to try to make the country a better place and to give a voice to people who have been ignored. These people have been ignored for such a long time, and it just feels as though the abuse is going on and on. Fear went through my body when the Minister stood to read from her folder and it became clear that she was determined to go down the cul de sac of denial and deferral. Mark my words, while there is breath in my body and in those of the people on this side of the Chamber, this issue will not go away. More than that, if this issue is not resolved, it will haunt the Minister.

Question put and agreed to.

5.25 pm

House adjourned.
House of Commons

Wednesday 26 April 2017

The House met at half-past Eleven o’clock

PRAYERS

[Mr Speaker in the Chair]

Mr Speaker: On today’s Order Paper, it is noted that on 20 May 1917, Major Valentine Fleming DSO, C Squadron, the Queen’s Own Oxfordshire Hussars, the Member for Henley, was killed in action near Epéhy, France. On 7 June 1917, Major Willie Redmond, 6th Battalion the Royal Irish Regiment, the Member for Clare East, died of wounds received during the Battle of Messines, Belgium. We remember them today.

Oral Answers to Questions

WALES

The Secretary of State was asked—

Leaving the EU: Effect on Wales

1. Stephen Kinnock (Aberavon) (Lab): What assessment he has made of the effect on Wales of the UK leaving the EU.

The Secretary of State for Wales (Alun Cairns): At this last Welsh questions before the general election, I should like to pay tribute to two Welsh stars. Josh Griffiths of the Swansea Harriers was the first Briton to cross the finishing line at the London marathon at the weekend. In particular, I want to pay tribute to Matthew Rees, who helped a fellow runner during the closing stages of the marathon.

The Prime Minister has made it clear that, as we negotiate our exit from the European Union, we will work to secure a deal that benefits all parts of the United Kingdom. Wales is a vibrant, dynamic, innovative country and is well placed to make a success of the challenges and opportunities ahead.

Stephen Kinnock: Brexit could have a negative impact on jobs in Wales, so the proposal to build a category C prison in my constituency is welcome in principle. However, it is difficult to understand why the Baglan Energy Park has been selected as the site for the prison. It is even more difficult to understand why the Prisons Minister, the Under-Secretary of State for Justice, the hon. Member for East Surrey (Mr Gyimah), has not had the courtesy to reply to my letter of 23 March. Will the Secretary of State please encourage his friend the Minister to check his in-tray? Will he also guarantee that our local community will be fully and properly consulted about the siting of this prison?

Alun Cairns: The hon. Gentleman is absolutely right. There are record employment data in Wales, with unemployment at a record low, and the prison will provide a further boost to his constituency. The answer to his question is quite straightforward: the site was selected in consultation with, and with the support of, the Welsh Government.

13. [009721] Jonathan Edwards (Carmarthen East and Dinefwr) (PC): In leaving the European customs union, Welsh manufacturers and farmers will lose the solid protections offered by the bloc. Why does the Secretary of State not come clean today and admit that it is the Tories’ intention to sell Welsh producers down the river in order to open up markets for the bankers of London?

Alun Cairns: My hon. Friend regularly shows a great interest in Wales and he obviously knows a lot about the Welsh economy. He mentions the high-tech sectors. We have seen the expansion of General Dynamics, which my right hon. Friend the Secretary of State for Defence and I visited a couple of weeks ago. On that same day, we both handed over the Red Dragon super-hangar to Aston Martin. These are real jobs that are being created by real investors creating new opportunities.

Mr Speaker: We are extremely grateful to the Secretary of State, but we have a lot of colleagues trying to get in today.

Chris Davies (Brecon and Radnorshire) (Con): Can my right hon. Friend confirm that the rural areas of Wales will be placed front and centre in a post-Brexit Britain?

Alun Cairns: I pay tribute to the work that my hon. Friend does on supporting the rural economy, particularly in his constituency. We maintain a close relationship with both the farming unions in Wales, and most of those meetings take place in his constituency. That demonstrates the active relationship that we have with key stakeholders as well as with the Welsh Government.

Mr Mark Williams (Ceredigion) (LD): If the Secretary of State has such a close relationship with the farming unions, how does he respond to their request for a full assessment of the impact on Welsh agriculture if we
have to fall back on World Trade Organisation tariffs? Is it not obvious that 40% tariffs would destroy Welsh agriculture?

Alun Cairns: I am disappointed with the hon. Gentleman’s approach. He is assuming the worst-case scenario. We are having this general election in order to have strong and stable leadership in the challenging negotiations ahead. There are 27 EU nations that will be challenging everything as we negotiate to leave the European Union. Strong and stable leadership is needed now more than ever before.

Susan Elan Jones (Clwyd South) (Lab): If the right hon. Gentleman is so keen on listening to Welsh farmers, will he tell us why the Government are refusing to agree with the Farmers Union of Wales? Why will powers on agriculture not be devolved to the Welsh Government post-Brexit? Will he come clean on that?

Alun Cairns: I am sure the hon. Lady will recognise that we engaged closely with the FUW and the National Farmers Union before drafting the great repeal Bill. They had active input directly to me and other Cabinet colleagues. My right hon. Friend the Secretary of State for Environment, Food and Rural Affairs also met the farming unions to consider the matter, and they are absolutely supportive of the position we have taken in the White Paper.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): The Prime Minister has said that she is prepared to walk away from the negotiating table without a trade deal with the EU, and the Foreign Secretary has said that no deal would be no problem. Yet no deal, as we have heard, could see tariffs of 30% to 40% on Welsh dairy farmers and meat producers, and 10% tariffs on Welsh car manufacturers. Is it not the case that this Tory Government are prepared to play fast and loose with the Welsh economy, with an extreme Tory vision of Brexit that would put Welsh jobs and livelihoods at risk?

Alun Cairns: I do not recognise the basis of the hon. Gentleman’s question. We want the freest, most open trading agreement, and it seems to me that the real investors, who are creating real jobs, are taking us towards our ambition. We have seen major investment by Nissan in Sunderland, major investment by Toyota in Derbyshire and major investment in my constituency by Aston Martin. That demonstrates their confidence in our vision as we leave the European Union.

Hywel Williams: What recent assessment he has made of the effect on Wales’s trade with EU countries of the UK leaving the EU.

The Parliamentary Under-Secretary of State for Wales (Guto Bebb): The UK, including Wales, remains the same outward-looking, globally minded country we have always been. International businesses, such as Aston Martin, choose to invest in Wales as a result of the great work done by the Department for International Trade and the Wales Office, working hand in glove with the Welsh Government. That shows that Wales continues to be a great investment destination.

Hywel Williams: Welsh food and drink exports to the European Union will face eye-watering tariffs on leaving the single market. Will the Minister simply guarantee that, as part of a World Trade Organisation deal, the home market will not be flooded with cheap food imports such as Australian sheepmeat?

Guto Bebb: The hon. Gentleman is again guilty of peddling scare stories. The fact of the matter is that when it comes to lamb, for example, New Zealand currently does not even meet its quota to the European Union—only 70% of the New Zealand quota is currently maintained. He should have some confidence in Welsh agricultural produce, rather than talking down the prospects of the economy.

Hywel Williams: I would have a great deal more confidence if the Minister answered the question. On Monday I visited one of the largest and most successful high-tech businesses in Wales, which told me that, post-Brexit, it is hoping against hope to be able to export to its European partners, as at present, without all the red tape and expense of being outside the customs union. Why are this hard-Brexit Government so determined to make life more difficult for our key exporters?

Guto Bebb: The hon. Gentleman again highlights the negativity that surrounds the issue, but it is a negativity that I do not recognise, that is not recognised by businesses in Wales and that is certainly not highlighted by the investment decisions made by businesses in Wales. Businesses in Wales are investing and are looking to a global future. We will secure the greatest possible access to European markets, although we are also looking to global trade deals that will ensure Wales is part of global growth as well as maintaining European markets.

Wendy Morton: Wales has huge potential in terms of exporting and trading opportunities, and the Department for International Trade is an important tool for companies in Wales that are looking to expand overseas. How are the Minister and his Department ensuring that Wales is central to the work of the Department for International Trade?

Guto Bebb: The Department for International Trade is a crucial component of the way in which we support Welsh businesses, and the Wales Office is working closely with that Department. We had an export conference in Cardiff on 6 March, which was extremely well attended, and the opportunities available to Welsh businesses, both within the European Union and globally, were highlighted. That meeting was a huge success.

Mrs Sheryll Murray: My hon. Friend will agree that there is much common ground between Cornwall and Wales with the opportunities that Brexit presents for the
export of high-quality goods and services across the globe. What advice can he share with businesses across my constituency as we begin the negotiations to leave the European Union?

Guto Bebb: I thank my hon. Friend for the question. She correctly says that Wales and Cornwall have a lot in common, not least in terms of language. Businesses in Cornwall should do the same as those in Wales: engage with the Department for International Trade; look at the opportunities to go on trade missions; and identify new markets. Opportunities are there for businesses from Cornwall and Wales, and we need to exploit those.

Mark Tami (Alyn and Deeside) (Lab): What guarantees can the Minister give companies such as Airbus, which rely on British employees moving and working across Europe, when we leave Europe?

Guto Bebb: The guarantee we can offer to any company that wants to work across Europe is that this Government will listen to them and act on their behalf. We have absolutely no interest in doing anything other than fully supporting companies such as Airbus, which is such a key component of the economy of north-east Wales.

Albert Owen (Ynys Môn) (Lab): To enhance trade across the whole of Wales we need to have proper infrastructure in our ports. Will the Minister congratulate the Welsh Government on putting in additional funds? Will he work with them to ensure that places such as Ynys Môn remain at the heart of the British Isles, because of both their close proximity to Ireland and their trade with the rest of Europe?

Guto Bebb: The hon. Gentleman is absolutely right in what he says, and I am pleased that the Secretary of State visited the port of Holyhead with him. He is also right to highlight the fact that Wales is in a fortunate position: we have two Governments that can work for the benefit of our economy. Co-operation between the UK Government and the Welsh Government for the development of ports such as Holyhead is crucial to the way forward after Brexit.

Great Repeal Bill

3. George Kerevan (East Lothian) (SNP): What assessment he has made of the potential effect of provisions of the great repeal Bill on Wales’s devolved competences.

4. Kirsten Oswald (East Renfrewshire) (SNP): What assessment he has made of the potential effect of provisions of the great repeal Bill on Wales’s devolved competences.

5. Margaret Ferrier (Rutherglen and Hamilton West) (SNP): What assessment he has made of the potential effect of provisions of the great repeal Bill on Wales’s devolved competences.


The Secretary of State for Wales (Alun Cairns): To provide the greatest level of legal and administrative certainty upon leaving the European Union, the Government will replicate the current frameworks. In parallel, we will begin intensive discussions with the devolved Administrations to identify where common frameworks should be retained. We expect the outcome of that process to be a significant increase in the decision-making power of the devolved Administrations.

George Kerevan: Accepting the Minister’s request to be positive, may I ask him whether he agrees that the best way forward for Welsh and Scottish farmers is for the responsibility for financial subsidy arrangements to be transferred to the Welsh and Scottish Assemblies post-Brexit?

Alun Cairns: Naturally, the UK Government will continue to engage positively with the Scottish Government, as well as with the Welsh Government. However, I am sure the hon. Gentleman will agree that protecting the integrity of the UK market must be fundamental to that discussion, because clearly the Scottish farmers will sell more to the UK than they will elsewhere.

Kirsten Oswald: Wales has consistently voted to make the National Assembly responsible for the governance of its own country and to transfer responsibilities away from Westminster and closer to the people in Wales. Will the Secretary of State give a concrete guarantee that there will be no attempt to undermine devolution in relation to any of the devolved Governments?

Alun Cairns: I am grateful for the opportunity to highlight one achievement of this Parliament: passing the latest governance legislation, the Wales Act 2017, which enhanced powers even further in a range of areas. It demonstrates our stance on devolution, which is to trust the people.

Margaret Ferrier: Plaid Cymru and the Scottish National party will defend against the power-hungry Tory Government’s plans in the White Paper to use the great repeal Bill to undermine devolved government by not passing on powers from Brussels. What guarantees can the Minister make to ensure that all powers are repatriated to Wales and Scotland in the devolved competences and not absorbed by the Westminster machine?

Alun Cairns: As powers are repatriated from the EU, it is vital that we provide industry and communities with as much certainty and security as possible. We need to protect the integrity of the UK market, and we need to work with the devolved Administrations to construct common standards and common frameworks to support that single market.

Gavin Newlands: After a decade of Tory rule in Westminster, it is clear that the Government have given up on Wales. They have refused to devolve the responsibility for rail infrastructure, as both Plaid Cymru and the Silk commission suggested, and in paragraph 4.2 of the great repeal Bill White Paper they have pledged to snatch the transport powers currently held by Brussels away from the people of Wales. Will the Secretary of State tell us what exactly he is doing to ensure that the people of Wales, and their interests, are not forgotten?
Alun Cairns: The Government will continue to engage with the Welsh Government, but we will also continue to engage with stakeholders. The stakeholders across agriculture, business and commerce have supported the standpoint we want to take with the great repeal Bill, which is to replicate the powers on a temporary basis until we can come to an agreement with the devolved Administrations on where those powers should ultimately lie in the interests of the UK market.

Dr James Davies (Vale of Clwyd) (Con): My right hon. Friend will be aware that the setting of business rates in Wales is now devolved. Does he share my concern that the small business rate relief scheme in Wales is less generous than the one in England?

Alun Cairns: My hon. Friend is absolutely right. I can well remember walking recently along the High Street in Prestatyn, where business rates were highlighted as a major concern for some of the small shops. He is right that the setting of business rates is devolved but, of course, in the recent Budget my right hon. Friend the Chancellor enhanced the Welsh settlement significantly as a result of his support for small business rates in England. I hope the Welsh Government will use that money to support small businesses in Wales.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I have been an MP for only two years, but during that short time I have seen two Secretaries of State and five shadow Secretaries of State for Wales fob off my country with crumbs from the Westminster table. Now, the Government are preparing to claw back devolved powers. When will the present incumbent announce a Wales Bill that brings power back to Wales?

Alun Cairns: The hon. Lady will appreciate that we have said with the great repeal Bill White Paper that no decisions currently taken by the Welsh Government will be removed from them. We expect that the repatriation of powers from the European Union will extend the Welsh Government’s powers significantly, but there is of course a process to work through in order to provide the stability and certainty that industry needs.

Christina Rees (Neath) (Lab/Co-op): May I thank all Labour MPs, and particularly the Welsh Labour MPs, for their support?

The Welsh Labour Government tell me that the Joint Ministerial Committee is not listening or responding to the voices of the devolved Administrations. It is not fit for purpose. Does the Secretary of State agree that the JMC should be given statutory powers so that the great repeal Bill will not in any way rewrite or override devolution as set out in the recent Wales Act?

Alun Cairns: I pay tribute to the hon. Lady for the time she has spent as shadow Secretary of State for Wales.

I underline the importance of the role played by the Joint Ministerial Committee. Having been at the Committee’s meetings, I know that an awful lot of discussion takes place in the interests of the whole of the United Kingdom. There may well be the potential for it to be developed further, but a statutory footing is not the answer.

Nick Thomas-Symonds (Torfaen) (Lab): The chapter in the Brexit White Paper on securing trade deals with other countries contains no mention of Wales whatsoever. What influence will the Secretary of State give to the Welsh Government to do something about that so that Wales is not just an afterthought, as it is under the Tories?

Alun Cairns: The hon. Gentleman will recognise that the Welsh Government are represented on the Joint Ministerial Committee. I have made it a determination to engage proactively with the stakeholders in Wales, because they share a view that is not always consistent with that of the Welsh Government. Through my office, they have had a direct input into the great repeal Bill White Paper.

Industrial Strategy

6. Craig Williams (Cardiff North) (Con): What steps his Department has taken to ensure that the Government’s industrial strategy benefits Wales and other parts of the UK equally.

8. Mr Shailesh Vara (North West Cambridgeshire) (Con): What steps his Department has taken to ensure that the Government’s industrial strategy benefits Wales and other parts of the UK equally.

The Parliamentary Under-Secretary of State for Wales (Guto Bebb): We are delivering a bold, long-term industrial strategy that is truly UK wide and builds on our strengths and prepares us for the years ahead. It is important that the economy works for everyone, delivers good, skilled, well-paid jobs, and creates the conditions for competitive, world-leading businesses to prosper and grow across the UK. That, we are doing.

Craig Williams: The industrial strategy and the Cardiff city deal demonstrate the strong and stable Government the people of south Wales need. Alongside the compound semiconductor catapult in Cardiff, the industrial strategy and city deal are delivering sustainable high-tech jobs. Does my hon. Friend agree?

Guto Bebb: I could do nothing other than agree with my hon. Friend, who is a fantastic champion for Wales’s capital city. The city deal is an example of the Westminster Government working with the Welsh Government for the benefit of Wales, and the semiconductor centre is an example of a world-class resource in which Wales leads the globe. We can contribute so much more with the support of the UK Government, working with the Welsh Government.

Mr Vara: Will the Minister outline what response he has had from businesses and organisations across Wales since the launch of the industrial strategy consultation, and how is he ensuring that Welsh interests are front and centre of the strategy as it goes forward?

Guto Bebb: I thank my hon. Friend for his question. The response from stakeholders across Wales has been truly superb. The engagement that the Wales Office has had with businesses and industry across Wales has been second to none. The response to the industrial strategy is very clear: businesses and industry want us to support
research and innovation, and to invest in digital infrastructure. Those are exactly the types of priorities that we have in our industrial strategy.

**Kevin Brennan** (Cardiff West) (Lab): The hon. Member for Cardiff North (Craig Williams) is right to be concerned about possible unequal treatment under his Government’s industrial strategy for Wales because there has been silence about Bridgend and Ford compared with what has been said about Nissan and the north-east. Will the Minister guarantee from the Dispatch Box that Ford in south Wales will get exactly the same treatment as Nissan in the north-east?

**Guto Bebb**: I can reassure the hon. Gentleman that Ministers and officials have been in regular discussions with Ford at Bridgend. Indeed, those discussions are ongoing and constructive, and they involve the Welsh Government as well. Our aim and intention is to ensure that Bridgend remains a car producing area.

**Christina Rees** (Neath) (Lab/Co-op): The Welsh Labour Government have proved that lasting economic success comes only through continued investment in Welsh industry and infrastructure. Is there any chance of progress on the electrification of the Great Western Railway to Swansea, the north Wales growth plan and the HS2 hub in Crewe before purdah kicks in?

**Guto Bebb**: The hon. Lady is right that investment in infrastructure is absolutely crucial for the future of the Welsh economy. That is why the Welsh Government should get on with work on the M4 in south Wales and improve the A55 in north Wales. In relation to rail infrastructure, electric trains will be on their way to Swansea before the end of the year. More importantly, the commitments that we have in Crewe will be absolutely crucial to the development of north Wales. We had a meeting yesterday with the hon. Member for Wrexham (Ian C. Lucas) and my hon. Friend the Member for Vale of Clwyd (Dr Davies) to ensure that north Wales benefits from these investments.

**Mr Speaker**: We are immensely grateful to the hon. Gentleman. I call Mr Stephen Crabb.

14. [909722] **Stephen Crabb** (Preseli Pembrokeshire) (Con): Although, over the past seven years, we have given new powers and new money to the Welsh Labour Government precisely so that they can get on and improve transport in Wales, we have seen near zero progress on big projects such as improving the M4 around Newport. Who does my hon. Friend think is responsible for holding back Wales, and what should voters do about it on 8 June?

**Guto Bebb**: My right hon. Friend makes a very important point. The fiscal framework that has been agreed between the UK and Welsh Governments has been described as a game-changer by Gerry Holtham. It means that, unlike during the 13 years when Labour was in government in this place, Wales is no longer underfunded. The people of Wales should look at the M4 and the A55, and point the finger of blame at the Labour Government in Cardiff.

**Chris Elmore** (Ogmore) (Lab/Co-op): The Under-Secretary of State says that there will be electric trains going out of Swansea, but there will not be an electrified line. When will he get on with electrifying the line from Cardiff to Swansea, ensuring additional infrastructure investment for the Valleys line, including my line at Ogmore?

**Guto Bebb**: The hon. Gentleman should be aware that £500 million has been put towards the city deal in Cardiff, which will be crucial for the electrification of the South Wales Valleys line. We have also done work on the Severn tunnel. Let me say one thing to the hon. Gentleman: I will take no lessons from a party that electrified not a single mile of rail track in Wales in 13 years.

**Hendry Review**

9. **Neil Parish** (Tiverton and Honiton) (Con): What discussions he has had with the Secretary of State for Business, Energy and Industrial Strategy on the date of publication for the Government response to the Hendry review on tidal lagoons.

**Guto Bebb**: I have been in close discussions with Cabinet colleagues about our response to the Hendry review, which we are actively considering. Any potential energy project that can contribute to a clean, secure and diverse energy mix for the UK is worthy of serious consideration. Projects of this scale must also meet the essential requirement of delivering value for money for the taxpayer.

**Neil Parish**: The Henry report very much supports a tidal lagoon in Swansea, which has the second highest rise and fall of tide in the world. We should be harnessing that tide. Does the Secretary of State see that as part of the Conservative manifesto for this general election?

**Alun Cairns**: My hon. Friend is right to recognise that natural resource in Wales can play a significant role in the energy mix of not only Wales but the UK. We would like this type of project to succeed, but of course it needs to be value for money for the taxpayer.

**Paul Flynn** (Newport West) (Lab): Why are the Government so reluctant to embrace Wales’s equivalent of North sea power: tidal energy, which is entirely predictable, eternal and free, and would provide a bonanza of jobs?

**Alun Cairns**: I hope that the hon. Gentleman will recognise that it was this Government’s early actions in 2015 that led to planning permission being granted for the project that he highlights. As I said, we would like this type of project to succeed, but it must be value for money. Above all, we need strong and stable leadership to provide the economic security to pay for any such project.

**Industrial Strategy**

12. **Andrew Stephenson** (Pendle) (Con): What steps his Department has taken to ensure that the Government’s industrial strategy benefits Wales and other parts of the UK equally.

[909720]
The Parliamentary Under-Secretary of State for Wales (Guto Bebb): I refer my hon. Friend to the answer I gave to him earlier. Friends the Members for Cardiff North (Craig Williams) and for North West Cambridgeshire (Mr Vara).

Andrew Stephenson: Does the Minister agree that the UK-wide industrial strategy highlights the importance of linking north Wales with the northern powerhouse?

Guto Bebb: I absolutely agree with my hon. Friend. We have a great relationship with my hon. Friend the Member for Brigg and Goole (Andrew Percy), the Minister for the northern powerhouse. A north Wales growth deal is essential for north Wales, and north Wales needs the northern powerhouse. We will ensure that that happens if we are re-elected.

Ian C. Lucas (Wrexham) (Lab): Warm words build no roads and no railways. We have had enough of warm words from this Government. What we want is investment in north Wales. For the first time, show us the money.

Guto Bebb: I am disappointed by the comments of the hon. Gentleman. I was there at the meeting with my right hon. Friend the Member for Harrogate and Knaresborough (Andrew Jones). More importantly, he should highlight, for example, the huge investment in the new Berwyn prison in Wrexham, which is creating jobs and has been seen as an example of how to do public sector investment in Wales and the UK.

PRIME MINISTER

The Prime Minister was asked—

West Midlands: Economy and Public Services

Q1. [909819] Michael Fabricant (Lichfield) (Con): What recent assessment has he made of the (a) performance of the economy and (b) adequacy of provision of public services in the West Midlands; and if she will make a statement.

The Prime Minister (Mrs Theresa May): My hon. Friend makes a powerful point, because on 4 May, people in the west midlands have the opportunity to elect a strong local leader who will oversee £8 billion of investment. In Andy Street, I think that they have absolutely the man who has the local knowledge, the business experience, and the commitment to the west midlands to deliver for the whole west midlands. Of course, on 8 June, people in the west midlands will then have the opportunity to elect the strong and stable leadership of a Conservative Government. Working together, strong Conservative leadership in the west midlands and strong Conservative leadership in government will deliver for the west midlands.

Engagements

Q2. [909820] Richard Drax (South Dorset) (Con): If she will list her official engagements for Wednesday 26 April.

The Prime Minister: This morning I had meetings with ministerial colleagues and others. In addition to my duties in this House, I shall have further such meetings later today.

Richard Drax: In 2015, a group called the Socialist Campaign for a Labour Victory incredulously drew up a plan to disband MI5, disarm the police and scrap our nuclear deterrent. Would my right hon. Friend allow anyone who endorsed such a plan to write her manifesto or, indeed, serve in her Cabinet?

The Prime Minister: My answer to that is a resounding no, I would not. I commend my hon. Friend, who has a proud record of defending our country. He raises an important point because, of course, the Leader of the Opposition has chosen just such a person. The plan to disband MI5, disarm our police and scrap our nuclear deterrent was endorsed by the right hon. Gentleman’s policy chief and even by his shadow Chancellor. At the weekend, we saw the right hon. Gentleman again refusing to say that he would strike against terrorism, refusing to commit to our nuclear deterrent and refusing to control our borders. Keeping our country safe is the first duty of a Prime Minister. The right hon. Gentleman is simply not up to the job.

Jeremy Corbyn (Islington North) (Lab): This is the last Prime Minister’s Question Time of this Parliament, so I think it would be appropriate if we all paid tribute to those colleagues who have decided to leave the House. I thank them for their service to democracy in this country. I also thank you, Mr Speaker, for the way in which you have presided over this House and sought to reach out to the wider communities in this country.

When I became Leader of the Opposition 18 months ago—[HON. MEMBERS: “More!”]—I explained what I was about to say. When I became Leader of the Opposition, I said that I wanted people’s voices to be heard in Parliament, so instead of just speaking to hand-picked audiences who cannot ask questions, I hope the Prime Minister will not mind answering some questions from the public today. I start with Christopher, who wrote to me this week to say, “In the last five years, my husband has had only a 1% increase in his wages. The cost of living has
risen each year. We now have at least 15% less buying power than then.” Where is Christopher and his husband’s share in the stronger economy?

The Prime Minister: May I first join the right hon. Gentleman in commending those colleagues who are leaving the House for the service they have shown to their constituents and to Parliament over the years? I also say a huge thank you to the staff of the House of Commons and of Parliament who support us in the work that we do in this Chamber and elsewhere.

By the way, I note that the right hon. Gentleman did not take the opportunity to stand up and say how he would actually stand up for the defence of our country. Once again, he missed that opportunity. I note what he is saying about wages increasing. I see today that he is talking about paying for extra wage increases in the national health service. First of all, we should recognise that around half of staff working in the national health service, because of progression and basic pay increases, will actually see, on average, a pay increase of 4%.

What we know, and what I can say to Christopher, is that he will have a choice at the next election between the strong and stable leadership of the Conservatives, which will secure our economy for the future, and a Labour party that would crush our economy, which would mean less money for public services, with ordinary working families paying the price.

Jeremy Corbyn: Is not the truth that many people are being held back by this Government, who have slashed taxes for the rich, and held back or cut the pay of dedicated public servants?

Andy, a parent, is concerned about how his children are being held back. He asks why, “despite the fact they have worked consistently since leaving school, all three of my children, who are now in their mid-20s, cannot afford to move out of the family home.” Is this not a crisis that many families are facing all over the country? Do we not need a housing strategy that deals with it?

The Prime Minister: First of all, let us look and see what happened under a Labour Government on housing. Under the last Labour Government, house building starts fell by 45%. Under the last Labour Government, house purchases in England fell by 40%. The number of social rented homes under a Labour Government fell by 420,000. Under the Conservatives, we have seen more than twice as much council housing being built than under the last Labour Government. That is the record of a Conservative Government delivering on housing and delivering for ordinary working families.

Jeremy Corbyn: The last Labour Government delivered a decent homes standard for every council home in the whole country, and it is something we are proud of—we are very proud indeed of that achievement. Under the Prime Minister’s Government, house building has fallen to the lowest level since the 1920s. More people homeless, more people on waiting lists, more people overcrowded, more people unable to pay the rent—that is the record of the Tory Government.

Our children are being held back by Conservative cuts. Laura, a young primary school teacher, wrote to me this week to say, “I’m seeing a decrease each year in available cash to provide a quality education to the children in my class and an increase in reliance upon our parent teachers association.” Is the Prime Minister still denying the fact that funding for each pupil is still being cut?

The Prime Minister: What I would say to Laura is that we said we would protect school budgets, and we have. We have seen record levels of funding going into schools in this country. At the election on 8 June, people are going to have a very clear choice. They will have a choice between a Conservative Government that have delivered 1.8 million more good and outstanding school places for children across this country, and that believe in parents having choice with a range of schools providing the education that is right for every child and a good school place for every child, and a Labour party under the right hon. Gentleman. He believes in “one size fits all; take everybody down to the lowest common denominator; take it or leave it”; we believe in encouraging aspiration and helping people to get on in their lives.

Jeremy Corbyn: Labour is not slashing school budgets. Labour is not putting money into pet projects. We want every child—to have a decent chance in a decent school. We do not want an education system that relies on begging letters from schools to maintain employment and books in the classroom.

Many people feel that the system is rigged against them. Maureen wrote to me this week—[Interruption.] I say to Conservative Members that if I was you, I would listen to what Maureen has to say—I really would—because she writes, with a heavy heart, “We have been treated disgustingly. Most of us women born in the 1950s will not be receiving our pension until we are 66, with no notification of this drastic change. We have worked for 45 years and have accrued more than enough to be paid our pension. People want what is rightfully theirs.” Maureen asks, “What can be done to help the WASPI women?”

The Prime Minister: What I would say on the issue that Maureen has raised is that the Government have taken steps to help these women. Extra funding has been made available and we have ensured that there is a limit to the period of time that is affected in relation to these changes. If the right hon. Gentleman wants to talk about pensions and pensioners looking to the future, then once again there will be a very clear choice at this election—a clear choice between a Labour party that in government saw an increase to the basic state pension of 75p in one year, and a Conservative Government whose changes to pensions mean that basic state pensioners are £1,250 better off. But you only get that with a strong economy, and what do we know about Labour? Only yesterday, we saw that we had finally emerged from Labour’s economic crash. What we now see is a Labour party that would do it again: crash the economy, more debt, more waste, higher taxes, fewer jobs. That does nothing for ordinary working families or for pensioners.

Jeremy Corbyn: Millions of WASPI women will have heard that answer, as they will have heard the other questions I have put that have not been answered today. I simply say this: Labour will guarantee the triple lock. Labour will treat pensioners with respect and we will not move the goalposts for people looking forward to retirement.
Sybil, who witnessed the Labour founding of the national health service, which made healthcare available for the many, not just the few, wrote to me this week, and she says, “I am 88 and have had a wonderful service from the national health service, but nowadays I am scared at the thought of going into hospital.” With more people waiting more than four hours in A&E, more people waiting on trolleys in corridors, and more delayed discharges thanks to the Tory cuts, is not Sybil right to be frightened about the future of our NHS so long as this Government remain in office?

The Prime Minister: Let me just say to the right hon. Gentleman that our national health service is now treating more patients than ever before. We are seeing more people having operations; we are seeing more doctors, more nurses, more midwives, more GPs, and record levels of funding in our national health service. But that is only possible with a strong economy and only possible with a strong and stable Government. Of course, over the coming weeks we are all going to be out there campaigning across the country, as I will be, on our record on the national health service.

I noted this week that the shadow Home Secretary has been campaigning in her own personal way. She has directed her supporters—her followers—to a website called “I Like Corbyn, But…” which asks:

“how will he pay for all this?”

“But”. It also says:

“I heard he wants to increase taxes”.

“But”.

“I’ve heard he’s a terrorist sympathiser”.

“But”.

“his attitudes about defence worry me”.

“But”. They are right to be worried. Unable to defend our country; determined to raise tax on ordinary workers; no plan to manage our economy: even his own supporters know he is not fit to run this country.

Jeremy Corbyn: My question was about the national health service and Sybil’s concerns. The NHS has not got the money it needs; the Prime Minister knows that. She knows that waiting times and waiting lists are up; she knows there is a crisis in almost every A&E department. Maybe she could go to a hospital and allow the staff to give a clear and unambiguous commitment to maintaining the triple lock on the state pension?

The Prime Minister: The only question is: where will we be standing? Who will be in Wakes under the Labour party.

Q3. [909821] Ben Howlett (Bath) (Con): Thanks to this Conservative Government, the west of England has received billions of pounds of investment in transport infrastructure. On frequent visits to Bath by the Transport Secretary and the Prime Minister, I have raised with them the issues of congestion and air pollution, as well as the need for a feasibility study on the long overdue A36-46 link road to the east of Bath. Does the Prime Minister agree that the only way to secure that vital infrastructure project is for Bath residents to give me a renewed mandate on 8 June?

The Prime Minister: My hon. Friend is absolutely right. I know that he has been campaigning tirelessly on that issue on behalf of his constituents. I understand that Highways England is already considering a number of options to divert traffic away from Bath, as he suggests. Of course, it is this Conservative Government who have increased annual Government infrastructure investment, but that is only possible with a strong economy, which is only possible with a strong and stable Conservative leadership. A vote for any other party is a vote for wrecking our economy and for a coalition of chaos, which would do nothing for my hon. Friend’s constituents, for whom I hope he will continue to be able to work tirelessly.

Angus Robertson (Moray) (SNP): Will the Prime Minister give a clear and unambiguous commitment to maintaining the triple lock on the state pension?

The Prime Minister: I have been very clear that under this Conservative Government we have seen pensioners benefit to the tune of £1,250 a year, as a result of what we have done to the basic state pension, and I am clear that under a Conservative Government pensions and incomes will continue to increase.

Angus Robertson: I asked the Prime Minister a pretty simple yes/no question and she failed to answer it, so pensioners right across this land are right to conclude that this Tory Prime Minister plans to ditch the triple lock on the state pension. Too many women already face pensions inequality, and the Tories will not even guarantee the pensions triple lock. The only reason they will not do so is that they want to cut pensions. Is not the message to pensioners: you cannot trust this Prime Minister or the Tories with your pension?
The Prime Minister: I say to everybody, as I have just said, that the party that has, in government, improved the lot of pensioners across this country is the Conservative party. Under a Conservative Government, pensioner incomes would continue to increase. The right hon. Gentleman talks about inequality for women. The change in the structure of the state pension introduced by this Government is going to improve the lot of female pensioners in the future; it is going to be much better for them. One thing that pensioners in Scotland will know, as will other voters in Scotland, is that if they believe in the Union, there is only one way to vote, and that is Conservative.

Q5. [909823] Jason McCartney (Colne Valley) (Con): My local clinical commissioning group is planning to downgrade the A&E at Huddersfield Royal infirmary and move it to Halifax. That has been dictated by a disastrous private finance initiative deal. I have been fighting these appalling plans alongside the community campaign group Hands Off HRI, which is led by Karl Deitch. Will the Prime Minister join me in praising the community campaigners, led by Karl? Does she agree that patients should not be suffering as a result of the catastrophic PFI deals signed by the last Labour Government, and will she ensure that communities such as mine have their voices listened to properly?

The Prime Minister: My hon. Friend has raised this issue with me previously, and I know that he has been a tireless campaigner on it. He has been a strong voice for his local constituency and he has put his case persuasively to Ministers. He is absolutely right: Labour’s disastrous PFI deals are costing the NHS more than £1 billion every year. The choice at the election will be clear. Do the people of Colne Valley want his strong voice for their local A&E, and the ear of a strong Conservative Government who are continuing to keep our economy strong and investing in our national health service, or do they want the Leader of the Opposition and his coalition of chaos—less money for our public services, less money for our national health service, fewer doctors, fewer nurses and worse healthcare for our constituents?

Q4. [909822] Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): My local friends the Members for Redcar (Anna Turley), for Scunthorpe (Nic Dakin), for Newport East (Jessica Morden), for Penistone and Stocksbridge (Angela Smith), for Cardiff South and Penarth (Stephen Doughty) and for Llanelli (Nia Griffith) are all proven champions for their local steel communities. Does the Prime Minister agree that their ongoing presence in this place is vital for the future of our British steel industry?

The Prime Minister: I believe that the hon. Gentleman is standing down at the election, and he has said that that is due to his “significant and irreconcilable differences” with the leadership of his party. [Interruption.]

Mr Speaker: Order. I am trying to help Back Benchers to be heard. Please help the Chair to help Back-Bench Members.

The Prime Minister: What is important for the steel industry in this country is that this Government have taken action to support it. I was very pleased, when I visited Wales yesterday, to be able to visit a company that works with the steel industry galvanising steel products. The company talked about the greater amount of work that it is seeing and the improvements in the steel industry. This Conservative Government have taken steps to support the steel industry and will continue to do so.

Q8. [909826] Mary Robinson (Cheadle) (Con): With the consultation on the Greater Manchester spatial framework now closed, I would like to thank the 3,600 Cheadle residents who signed my petition. It called for the green belt in Cheadle Hulme, Heald Green and Woodford to be protected and for much needed homes to be built on brownfield land instead. Does my right hon. Friend the Prime Minister agree that we must press for brownfield sites to be identified and redeveloped, and that protections for our precious green spaces can only be maintained under a strong Conservative Government?

The Prime Minister: My hon. Friend is absolutely right on this issue. I know that she has been a strong campaigner and a strong champion for her constituents in Cheadle. I can assure her that we are very clear that the green belt must be protected. What we have set out in the White Paper is that boundaries should be altered only when local authorities have fully examined all other reasonable options, such as making use of brownfield sites, as she herself has suggested. I know there was a great deal of interest in the consultation on the Greater Manchester spatial framework. I commend my hon. Friend for the work she did to gather the views of her constituents in Cheadle, and I am sure that those views will be taken into account as the response is developed.

Q6. [909824] Rachael Maskell (York Central) (Lab/Co-op): Over the past six months, it has been announced that 2,000 jobs will be lost in York. Yesterday, Nestlé announced 300 job losses, 156 of them in my constituency, which is devastating for workers, their families and the community. Jobs, not products, are being exported to the EU, and as ever, York’s skilled jobs are being replaced by low-wage, insecure work. In the light of the special deal at Nissan in Sunderland, will the Prime Minister meet me, trade unions and the company to strike a special deal to save these jobs and avert the losses both now and in the future?

The Prime Minister: First, the hon. Lady is right to raise this issue of the announcement from Nestlé, which arose, as she says, only yesterday. We should be clear that Nestlé has itself been clear that this is not a decision that was affected by leaving the European Union—it says it has made it irrespective of that—but of course it is a worrying time for the workers and their families at Nestlé in both York and Newcastle. I can assure her that we are already in contact with the company to understand its plans and the next steps. My right hon. Friend the Business Secretary will speak with senior Nestlé representatives later today. The Department for Work and Pensions of course stands ready to put in place its rapid response service to support any workers made redundant by helping them back into employment as quickly as possible, and there are various ways in which Jobcentre Plus can help. What is important is
that we ensure that the support is there, and as I have said, the Business Secretary will be speaking to Nestlé representatives later today.

Q9. Byron Davies (Gower) (Con): Record employment, the national living wage, strong national defences and keeping our promises on Europe—these are just some of the achievements that we can be proud that this Government have delivered. Does my right hon. Friend agree that only a vote for strong and stable Conservative leadership in the national interest on 8 June will continue to deliver on the economy, defence and a deal with Europe, and that the only way to enable businesses, such as the Gower Brewery, and residents in Gower to continue to thrive is by re-electing a Conservative MP for the second time?

The Prime Minister: I thank my hon. Friend for his question. He has of course, since his fantastic, historic election in Gower, been a really powerful voice for his constituents, but also, indeed, for the needs of Wales more generally. I have already referred to the fact that I was in Wales yesterday, and had the opportunity to speak to people in business and to meet voters and hear their concerns, but my hon. Friend. Friend goes absolutely to the heart of the matter when he says that what is necessary is a good Brexit deal. That is crucial for businesses, it is crucial for jobs and it is only achievable by a strong and stable Government. Every vote for me and the Conservatives, and for Conservative candidates at local level, will strengthen our hand in those negotiations.

Q7. Chris Stephens (Glasgow South West) (SNP): Yesterday, the Scottish Tories’ shameful defence of the rape case failed because their claim that third-party reporting is in place is not true. Will the Prime Minister confirm that no organisation in Scotland has yet signed up to help women fill in an eight-page “Why my child is a product of rape” form, and with DWP staff not trained either, is the Prime Minister seriously going into this UK-wide election with this unworkable and immoral policy?

The Prime Minister: This is an incredibly sensitive issue, and that is why we have looked at it very carefully. We consulted very carefully on it, and we have put in place a series of sensitive measures for when such cases arise. I think it is important, however, that we look at what lies behind this, because underpinning this policy is a principle of fairness, and we know that what the SNP want to do is actually to scrap the policy in its entirety. We believe that people who are in work have to make the same decisions as those people who are out of work, so that people who are on benefits should have to make the same decisions as those people who are out of work, just as people in work have to make such a decision.

The Prime Minister: My hon. Friend raises a very important point. We have been able to invest in York, with £1.6 million this year for transport improvements, £2.2 million for highways maintenance and £1.3 million to support the sustainable i-Travel York initiative, but we can invest in infrastructure only if we have the strong and stable leadership that secures a strong economy. That is what the choice in June will be. It is very clear: a strong economy, guaranteeing investment in York and across the country under the Conservatives, or bankruptcy and chaos with Labour.

Q11. Stephen Timms (East Ham) (Lab): As the Prime Minister knows, fixed odds betting terminals cause immense harm in communities. On taking office, she authorised a review of maximum stakes and all the evidence was collected by the end of last year. Why do we still not have a result? Will she today show some leadership and reduce the maximum stake on these appalling machines to £2?

The Prime Minister: I recognise that a number of hon. Members have raised concerns about this issue. We did indeed have the consultation and there will be a Government response to it. Of course, that response—[Interruption]—“Get on with it,” we are told. We are now in a situation where these things will be published after the purdah period and after the general election, so the right hon. Gentleman will have to wait for that response. Obviously we recognise the concern over this issue and we will respond in due course.

Q14. Iain Stewart (Milton Keynes South) (Con): Should the Prime Minister find herself in the vicinity of Milton Keynes over the next few weeks, may I suggest a visit to Milton Keynes university hospital, where she will find rising clinical standards and investment going in, with a new ward, a new medical school and a new cancer treatment centre?

The Prime Minister: I thank my hon. Friend. I think I will be visiting communities around the whole country over the next few weeks. I congratulate the staff at Milton Keynes university hospital on achieving that rating. As my hon. Friend said, it was backed up by considerable investment. As we know, between 2015 and 2020 more than half a trillion pounds is being spent on the NHS in England. That is only possible because we have safeguarded the economy over the past seven years. As I have said previously today, that will only be possible in the future if we secure the strong and stable leadership our country needs. As I said, in Wales Labour has been cutting the health budget.

Q12. Dr Alan Whitehead (Southampton, Test) (Lab): I invite the Prime Minister, instead of going to Milton Keynes, to visit me in Southampton and take a tour of Southampton’s schools. If she does, she will find that those schools are in despair about the cut in pupil funding of 10% in Southampton, which is £475 per pupil or equivalent to the loss of almost 400 teaching jobs across the city. She will also find one school that is inviting parents to clean the school toilets—

Mr Speaker: Order. The hon. Gentleman has got his point across with considerable force.
**The Prime Minister:** It is perfectly possible that I will find myself in Southampton over the coming weeks. As I have said before in this House, there is general agreement that the current funding formula is not fair. Labour did nothing in 13 years of government to address that. It is important that we get it right and we will respond to the consultation in due course. What is good news for schools in the hon. Gentleman’s constituency is that 7,000 more children are now in good or outstanding schools in his constituency. Under our proposed reforms, overall funding for schools in his constituency would rise.

**Sir Alan Haselhurst** (Saffron Walden) (Con): Will my right hon. Friend assure me that her second Government will have high regard for matters of great concern to the Saffron Walden constituency, namely improved railways and Great Eastern taskforce reports; the spread of fast broadband to rural communities; and an airspace regime that prioritises noise reduction?

**The Prime Minister:** May I first pay tribute to my right hon. Friend? Friend not just for his service to his constituents over the years, but for his service to the House when he took the Chair as Deputy Speaker? He has been a stalwart and a champion of the people of Saffron Walden over the years—for 40 years, as you said, Mr Speaker.

My right hon. Friend is right to raise issues of infrastructure spending. We included £40 million for the east of England in the Budget, but, as I think he implied in his question, such spending is only possible with the strong economy that comes from a strong and stable Government, and for Saffron Walden that will mean the election of a Conservative Government on 8 June.

**Q13. [909831] Steven Paterson** (Stirling) (SNP): My constituent, Mr Buchanan, has suffered several serious strokes and requires extensive care. He was deemed to have missed his appointment for an Atos assessment when Atos arrived early for the appointment and his carers had not yet helped him to get up. As a result, his benefits were stopped. Why is the Government’s welfare regime punishing vulnerable people like my constituent?

**The Prime Minister:** We want to ensure that we have a system that properly assesses people who apply for benefits. As the hon. Gentleman has said, and as other Members will know, there have been issues relating to the way in which the system has operated. The Department for Work and Pensions has been looking very carefully at it to ensure that it makes proper assessments and delivers the right results for people.

**Mr Peter Lilley** (Hitchin and Harpenden) (Con): Does my right hon. Friend realise that I am standing down after 34 years because of her? I am standing down because I am confident that the country will be safe after the election under her strong and stable leadership. Does she agree that seizing the opportunities presented by regaining control over our laws, our money, our borders and our trade will be more important than the terms of any exit deal and that, if we are to secure a reasonable deal, we must accept that no deal is indeed better than a bad deal? To deny this signals that no price is too high, no concession too grovelling to accept—a recipe for the worst possible deal.

I wish my right hon. Friend, all hon. Members and this House I love Godspeed.

**The Prime Minister:** I thank my right hon. Friend for the tremendous contribution that he has made throughout his years as a Member of the House, not only on behalf of his constituents but during his time as a valued Minister in a Conservative Government. He has rightly highlighted the importance of the decision that was made last year by the people of the United Kingdom, and I commend him for the role that he played in the referendum campaign.

It is right that we get on with the job of delivering Brexit and making a success of it, which means having a strong hand in negotiations. The only way to ensure that is the case—for the people of Hitchin and Harpenden and for the whole UK—is to ensure that a Conservative Government is elected on 8 June.

**Q15. [909833] Sir Jeffrey M. Donaldson** (Lagan Valley) (DUP): We do need a strong Prime Minister to lead this nation, but we need the countries of this nation to have a strong voice as well. Does the Prime Minister agree that those who abstain from taking their seats in the House—those who are denying the people of Northern Ireland the formation of a Government—are denying their constituents a say in the future of this country? We, however, will not allow that to happen.

**The Prime Minister:** The right hon. Gentleman is absolutely right. It is, of course, important for the constituents who elect Members of Parliament to feel that those Members of Parliament are able to do their job—to bring their concerns to the House and to play a full part in the Chamber. The right hon. Gentleman is also right to stress that we want to ensure that every part of the United Kingdom has a strong voice, which is why it is so important that we continue to work for the restoration of the devolved Administration of Northern Ireland.

**Sir Eric Pickles** (Brentwood and Ongar) (Con): The Prime Minister has shown considerable leadership in adopting the International Holocaust Remembrance Alliance definition of anti-Semitism. Does he believe that it is the duty of all party leaders in the house not just to pay lip service to it, but to do something about it, and does she share my disgust that a former Member of this House, criticised by the Home Affairs Committee for his anti-Semitic utterances, is now the official candidate in Bradford East—for the Liberal Democrats?

**The Prime Minister:** May I first pay tribute to my right hon. Friend? Friend—my chum in this House—for all the service he has given, and not just for his service in this House: he had a considerable record in local government before he came into this House? He has also in his time and the work he has done on anti-Semitism and, indeed, intolerance in all its forms in our communities, and he should be proud of his record and the work that I know he will continue to do as a champion on this issue.
My right hon. Friend is right to highlight Bradford—of course, he has a particular knowledge of that city—and I think that people will be rightly disappointed to see the Liberal Democrats readopt a candidate with a questionable record on anti-Semitism. It is important that all parties maintain the strongest possible censure of all forms of intolerance and send that message to our communities.

Tim Farron (Westmorland and Lonsdale) (LD): In the nine months that the Prime Minister has held office, she has closed the door on desperate child refugees and ignored the plight of those suffering under the crisis in health and social care, and she is responsible for the shameful rape clause. Twenty years ago, she berated the Conservative party for being the "nasty party", but her party has never been nastier. The legacy of this Parliament—[Interruption.]

Mr Speaker: Order. Whatever the strength of feeling, the hon. Gentleman must be heard.

Tim Farron: The legacy of this Parliament is the utter, abject failure of Her Majesty’s official Opposition to effectively hold her Government account for any of this. Is it not time that Britain had a strong, decent, new Opposition?

The Prime Minister: First, let me pick up the point the hon. Gentleman made on child refugees. This Government have a proud record on supporting refugees from Syria. We have been the second biggest bilateral donor to the region, to support millions of refugees and educate children, as I saw when I visited Jordan recently, and of course we have also supported some of the most vulnerable refugees, including children, by bringing them here to make a new life in the United Kingdom. The hon. Gentleman talks about a decent Opposition; I find it difficult to hear those words coming from his mouth when we have just heard that his party has selected a candidate with questionable views on anti-Semitism.

Sir Gerald Howarth (Aldershot) (Con): It has been an immense privilege to serve the people of Cannock and Burntwood and of Aldershot for the past 34 years. I arrived here in 1983, when one formidable and determined female Conservative Prime Minister was transforming the country’s economic fortunes, and I depart as another is determined to restore to this country the status of a sovereign nation state embracing the rest of the world. As I, too, bid my right hon. Friend the Prime Minister farewell for a reounding victory on 8 June, may Aldershot make one final plea in these troubled times: please will she ensure that Her Majesty’s armed forces are properly funded, manned, equipped and housed to defend and protect the people of this glorious sceptred isle, the United Kingdom of Great Britain and Northern Ireland?

The Prime Minister: Once again, may I pay tribute to my hon. Friend for the work he has done in this House representing two different constituencies over 34 years? One of the underlying themes of his time in this House has been his passionate championing of, and consideration for, our armed forces, and I can assure him that on 8 June people will have a very clear choice between the Leader of the Opposition, who refuses to defend our country, and a Conservative Government who will continue to support our armed forces.

Grahame M. Morris (Easington) (Lab): May I ask the Prime Minister why she is running scared of the televised leadership debates? May I suggest that she hold a televised debate in the Easington colliery miners welfare centre, where she can see the consequences of seven years of her policies on housing, of the cuts to policing and of 500 people at Walker’s losing their jobs? Perhaps she could then explain to the people there, if that is possible, why she has any mandate to seek their support for re-election.

The Prime Minister: I have been in televised debates with the Leader of the Opposition week in and week out since I took over as Prime Minister, and I will be taking the fine record of this Conservative Government across all parts of this country. The hon. Gentleman talks about housing. Twice the number of council houses were built under the Conservatives as were built under Labour. There has been record funding for our national health service and our schools, and pensioners on the basic state pension are £1,250 a year better off. That is the proud record of the Conservatives and a record that we will continue after 8 June.

Mike Wood (Dudley South) (Con): It is good to be back—[HON. MEMBERS: “Hear, hear.”] To be honest, it is good to be anywhere. Doctors and nurses at Russells Hall hospital saved my life in January, but each year in the UK, 44,000 people are less lucky. Will my right hon. Friend look at what measures we can take to reduce deaths from sepsis, including awareness raising, a national registry to properly record the burden of sepsis and effective commissioning levers to incentivise best practice? The UK Sepsis Trust estimates that such measures would save 50,000 lives over the next Parliament.

The Prime Minister: It is fantastic to see my hon. Friend back in his place. I hope that he will have noted the welcome that he got from across the House. He is absolutely right to bring our focus on to the devastating condition of sepsis. Every death from it is a tragedy, but as we know, something like 10,000 deaths a year could be avoided through prevention, early diagnosis and treatment. We need to get better at spotting sepsis across the NHS, and the Department of Health is already beginning work on a new sepsis action plan. We are having a new public awareness campaign and we expect a NICE quality standard to be published later this year. With the passion that my hon. Friend now brings to this campaign, I am sure that he will continue to make his voice heard on this important issue.

Mr George Howarth (Knowsley) (Lab): Yesterday, my right hon. Friend the Member for Leigh (Andy Burnham)—who will be much missed in this House—had a debate on contaminated blood, in which he called for an independent, Hillsborough-style panel to get to the truth. The Prime Minister has praised the independent panel approach as a way to open up the door to justice, so will she join Labour and the Scottish National party in committing to setting up such a process in her party’s manifesto?

The Prime Minister: Last July, we committed £125 million of extra funding for those affected by the contaminated blood tragedy of the ’70s and ’80s. That is more than any previous Government have provided. We published
some proposed reforms last year, and we are now consulting on a new measure to allow the people affected to benefit from higher annual payments, but I can reassure everybody that everyone will receive, at a minimum, what they receive now as a result of the proposed changes. The Department of Health will respond to the consultation in due course.

Dame Angela Watkinson (Hornchurch and Upminster) (Con): It was a privilege to win back the seat of Upminster in 2001 for the Conservatives. Will my right hon. Friend tell the House why the good people of Hornchurch and Upminster should continue to vote Conservative at the coming election?

The Prime Minister: First, I should like to pay tribute to my hon. Friend for the contribution that she has made, not just for her constituents but in the time she served in the Whips Office in this House, for example. I am happy to tell the voters of Hornchurch and Upminster that every vote for me and the local Conservative candidate will strengthen our hand in the Brexit negotiations to get the best deal for this country, every vote for me and the local Conservative candidate will be a vote for a stronger economy and every vote for me and the local Conservative candidate will be a vote for a strong and stable leadership in the national interest, compared with the coalition of chaos that we would see under the Labour party.

Mr Douglas Carswell (Clacton) (UKIP): What assurances can the Prime Minister give to the 3.8 million people who voted UKIP at the last election that if she is Prime Minister after 8 June, the United Kingdom will become a sovereign country again, living under our own Parliament and making our own laws?

The Prime Minister: I will give an assurance to all those people who voted for the United Kingdom to leave the European Union—and to all people across the country, regardless of how they voted, who now want to see this Government getting on with the job of Brexit and making a success of it—that we want to see control of our borders, control of our laws and control of our money, and that is what we will deliver.

Several hon. Members rose—

Mr Speaker: In wishing the right hon. Gentleman all the best for the future, I call Sir Simon Burns.

Sir Simon Burns (Chelmsford) (Con): Mr Speaker, may I thank you for that? May I tell my right hon. Friend the Prime Minister that, for 30 years, I have had the privilege and the honour to represent the great people of Chelmsford? May I tell her that the great people of Chelmsford are perspicacious and that they have always wanted a Government who provide strong defences, a strong economy and strong leadership? May I also tell her that it is the Conservative party under her strong leadership that will deliver for this country for the next five years?

The Prime Minister: I thank my right hon. Friend for the significant contribution that he has made for his constituents in Chelmsford, in this House and in government over his period of time here. He is absolutely right to say that his constituents will be looking for strong defences, a strong economy and the strong leadership that will build a more secure future for this country, and it is only a Conservative Government that can provide that.

Alex Salmond (Gordon) (SNP): In this Brexit world, the Prime Minister is desperate to obtain trade deals with anybody or nobody, so the International Trade Secretary went to the Philippines this month, where he appeared with the President and said that he wanted a strong relationship based on “shared values”. Can the Prime Minister identify for the House what shared values she has in common with President Rodrigo Duterte?

The Prime Minister: The right hon. Gentleman is right to say that, as we leave the European Union, we want to ensure that we are a truly global Britain and that we have trade deals around the rest of the world. The reason that we want those trade deals—as well as the strong, secure, deep and special partnership with the European Union on trade—is so that we can ensure prosperity across the whole of this country and jobs for ordinary working families.

Several hon. Members rose—

Mr Speaker: Order. I will now take points of order. [Interruption.] We will come to points of order in a moment, but right hon. and hon. Members deserve an attentive audience. If, inexplicably, some right hon. and hon. Members are leaving the Chamber, perhaps they could do so quickly and quietly.
**Points of Order**

12.59 pm  

Mr David Winnick (Walsall North) (Lab): On a point of order, Mr Speaker. Because Question 1 was closed, there was no opportunity to follow up that particular point about the west midlands. Is it possible to put it on the record that, if there had been an opportunity, Labour Members—certainly I and other hon. Members from the west midlands—would have restated that public services have been crippled in the west midlands as a result of the Tory cuts? That should be said, as there was no opportunity to respond to the Prime Minister’s answer.

Mr Speaker: The hon. Gentleman has made his point with force. It will be recorded in the *Official Report* and may then, if he so wishes, be more widely disseminated.

Chris Bryant (Rhondda) (Lab) rose—

Mr Speaker: I am saving up the hon. Gentleman.

Paul Flynn (Newport West) (Lab): On a point of order, Mr Speaker. You and I are familiar with the syndrome of pre-election tension that afflicts this place. You are concerned for the wellbeing of Members, particularly the hon. Member for Lincoln (Karl McCartney), but I believe that what we have seen today is a sudden outbreak of parliamentary Tourette’s. The rumour is that something known as a “Crosby chip” has been implanted in the brains of Conservative Members that compels them to say “strong and stable” every 18 seconds and “coalition of chaos” every 38 seconds. Can we inquire into whether the affliction is permanent or one that can be cured?

Mr Speaker: I am grateful to the hon. Gentleman for his point of order. I am not sure it is a matter for the Chair. I can only say, I think without fear of contradiction, that in my time in this place I have never been pre-programmed, or otherwise, by anyone.

Chris Bryant: You used to be quite different from the way you are today.

On a point of order, Mr Speaker. I want to raise a serious point. You rightly referred earlier to today’s Order Paper, which commemorates two Members of this House who were killed in the first world war—that is the right thing for us to do. This short Parliament has seen two members of our community killed: Jo Cox, who was defending us, and Keith Palmer, who was our shield and protectress. I am sure the whole House would want to add their thanks to those expressed earlier to all the police officers who work on the estate.

Jo Cox will have a shield up in the Chamber by the time the next Parliament gathers. No Parliament can bind its successors, but it seems to me and, I think, to quite a lot of Members on both sides of the House, wholly appropriate that Keith Palmer should also have a shield up in the Chamber. He was not a Member of Parliament, but he was one of us. He was our shield and protector. Surely if there are any voices out there who say that this Chamber should just be for Members, those voices should be rejected. There must be a permanent reminder of what Keith did for us.

Mr Speaker: I thank the hon. Gentleman for his point of order, of which I had no advance notice—I make no complaint whatsoever about that. It is right that these matters should be considered by a number of people, and it would be wrong and disrespectful to other individuals who should be consulted for me simply to say, “Yes, it’s going to happen.” Am I, however, entirely open to the hon. Gentleman’s proposition? I most certainly am. Not all precedents in every matter have to be observed. There is scope for innovation; otherwise nothing would ever change. Keith Palmer will always have a very special and perhaps unique hold on the affections and respect of Members of this House, so I think that that discussion can continue. Perhaps I can most appropriately say, having heard the hon. Gentleman’s view and having expressed a response not unsympathetic, that I would be interested to hear the views of my parliamentary colleagues. I am absolutely up for doing just that.

Sir Desmond Swayne (New Forest West) (Con): Further to that point of order, Mr Speaker. I certainly agree with the hon. Member for Rhondda (Chris Bryant) in that respect.

I am mystified by the point of order from the hon. Member for Walsall North (Mr Winnick), who said that there was no opportunity to follow up on a closed question. There was an opportunity; he just did not take it. Surely he can stand and, depending on whether he catches your eye, Mr Speaker, be called on a closed question. It is just that the follow-up must relate to the substantive question on the Order Paper.

Mr Speaker: That is correct. I do not want to have a long debate about this. I do not know whether the hon. Member for Walsall North (Mr Winnick) was standing. I did not seek to call a supplementary on the closed question. The Chair makes a judgment about the best means by which to progress the business of the House and to maximise the opportunities for participation at Question Times in general and at the heavily subscribed Prime Minister’s Question Time in particular. I had, of course, given thought to that matter in advance, and I decided that I would move from the closed question to the engagements question from Mr Richard Drax. Believe me, I had made the mental calculations about numbers, and I think it was the right judgment.

There was not an opportunity on the closed question. More widely, I would simply say that colleagues might have noticed that, on this occasion and conscious of the very large number of people wanting to contribute, I ran proceedings on somewhat longer than normal. There is no debate offering the opportunity for valedictory speeches at the end of this Parliament, as there was at the end of the last Parliament. I make no complaint about that; I am simply saying that there is to be, as I understand it, no such opportunity. I thought that the mood of today was that as many Members as could reasonably be called should be called, perhaps particularly, although not exclusively, with regard to those who have announced their intention to leave the House. We ran on a bit, to which I reply, “So what?”

Mr Winnick: Further to that point of order, Mr Speaker. In order that there should be no misunderstanding, because the right hon. Member for New Forest West...
(Sir Desmond Swayne) gave the strong impression that I was not standing, I was desperately trying to catch your eye. If I may say so, the right hon. Gentleman and I have all the differences in the world, I am sure, but I have always looked on him as a person of integrity. I would be most grateful if he would clarify the position.

Sir Desmond Swayne: Further to that point of order, Mr Speaker. I confess that I was not looking at the hon. Member for Walsall North (Mr Winnick) at the time. I accept entirely that he was standing, so I withdraw my earlier comment.

Mr Speaker: Very gracious. We have it on the record that the hon. Member for Walsall North (Mr Winnick) was standing and seeking to catch my eye.

Chris Bryant: And you didn't call him.

Mr Speaker: Well, I did call 35 Members. I will take one further point of order—[ Interruption. ] Order. We really then ought to proceed.

Michael Fabricant (Lichfield) (Con) rose—

Mr Speaker: The hon. Gentleman has had a good crack today, but we will give him another go.

Michael Fabricant: On a point of order, Mr Speaker. I merely want to correct the hon. Member for Newport West (Paul Flynn), who I think was referring to me when he mentioned my hon. Friend the Member for Lincoln (Karl McCartney). Of course I am Lichfield. Although there has been considerable speculation about what might be on my head, a chip is not one of them.

Mr Speaker: It is very reassuring to have a bit of additional information. Head inspection, so far as the hon. Member for Lichfield (Michael Fabricant) is concerned, may be available to Members, but it is not available to those who observe our proceedings from elsewhere. I do not want them to feel excluded.

Sir Gerald Howarth (Aldershot) (Con): On a point of order, Mr Speaker. I am sure I speak for my colleagues who are standing down when I thank you very much for allowing us the opportunity to express our appreciation for the honour our constituents have done us and to the Prime Minister for staying as long as she did. As you know, I have always been a staunch supporter of maintaining conventions, but on this occasion your stretching of the convention was rather a good idea. Thank you very much.

Mr Speaker: I thank the hon. Gentleman. We have known each other a long time, and I wish him all the best for the future.

Construction Industry (Protection of Cash Retentions)

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

1.9 pm

Alan Brown (Kilmarnock and Loudoun) (SNP): I beg to move,

That leave be given to bring in a Bill to make provision to safeguard, and for the release of, cash retentions in the construction industry; and for connected purposes.

When I secured this ten-minute rule Bill slot, I genuinely hoped it was going to be the start of new legislation, but unfortunately the right hon. Member for Maidenhead (Mrs May) was apparently so scared of what I was proposing that she called a general election. [Laughter. ]

Joking apart, this topic is very important.

A cash retention is the deduction of a portion of an agreed value of a contract—in effect, a cash bond. That cash is withheld by the main contractor to cover any snagging defects in an agreed maintenance period of one or two years. Usually the subcontractor will remedy defects at their own cost, as per the contractual terms and conditions, with the expectation of the retention being released promptly at the end of the contract period. That is where problems arise, when the retentions are not released in a timely manner, for various reasons—even worse, they may not be released at all.

The most common reason for non-release is a company going into liquidation, and so, for example, a Wirral-based company lost £240,000 over a five-year period due to insolvencies. A Scottish plumbing firm has lost £150,000 of retentions over five years, which is a huge amount for a small or medium-sized enterprise—SME. We must also bear in mind that Scottish plumbers have also been hit by the Pensions Act 1995, with the section 75 multi-employer pension debt issue. Some company owners are already at risk of personal insolvency, so the retentions issue is just another distraction that is not required. One SME steelwork contractor with an annual turnover of £1 million has retentions of £150,000, which is 0.5% of turnover. Given how low profit margins can be at the downstream end of the construction industry, that is a considerable sum.

Having worked in the construction industry, I understand the origins of the retention system and, to be fair, I also know how hard it sometimes can be to get a subcontractor back on site to address snagging issues. The reason for that is often that they have moved on to another job and so the resources are not immediately available. That said, it is seldom that subcontractors would not fulfil their obligations, and so when they do so they expect the money to be released when it is due to them. If they comply, why should they not receive the money in a timely manner? I ask the House: why, in the 21st century, are we dealing with unprotected cash retentions?

The loss of cash retentions comes with a human loss attached. According to the then Department for Business, Innovation and Skills, a survey of SMEs found 25% stating that a debt of

“£20,000 or less is enough to jeopardise their business prospects.”
As I have highlighted, retention losses are often much higher than £20,000, which means: thousands of jobs lost or facing an uncertain future; fewer opportunities to recruit new apprentices and for companies to invest in training; and a risk of individual bankruptcies following calls by banks on directors’ personal guarantees to pay off loans.

This Government continually acknowledges a productivity problem in the UK, yet we have smaller companies struggling with cash flow, stressed and having to put man hours into chasing up these cash retentions. Surely resolving this issue can only improve productivity, in terms not just of the man hours saved through not having to chase up the retentions, but of money released for investment in new equipment or job creation, which will further improve productivity. The issue of late payments has been understood by this Government, with action taken, but the release of retentions is the missing link in this payment chain and action has yet to be taken on it. To further illustrate the seriousness of this, I point out that in 2015 small firms across the UK lost almost £50 million-worth of retentions because of insolvencies up the supply chain. That money could have been re-invested, and a client somewhere along the line has to pay for the lost revenue. Approximately £3 billion-worth of retention moneys are withheld at any one time. I repeat that this can affect productivity, cash flow and profits.

In addition, the uncertainty of retention release means that banks do not allow borrowing against sums due to companies. That is not a new issue; it has been known about for a long period. The Banwell report, prepared for a Government 53 years ago, recommended the abolition of retentions, and 23 years ago the Latham report, a joint construction industry and government report, recommended that cash retentions should be at least protected in a trust account. We operate a tenancy deposit scheme to protect individuals in the private renting sector, yet for some reason there has still been no will on the part of Governments to do something with these construction “deposits”.

In 2002 and 2008, the Business Select Committee recommended phasing out cash retentions because they were outdated and unfair to small firms. When this issue was raised in a debate in Westminster Hall in January 2016, the Minister confirmed that there would be an evidence-based review, to be completed by the end of that year. I was a member of the Enterprise Bill Committee when we were told:

“it is fair to say that there is absolute cross-party agreement about the need to reform cash retentions in the construction industry. I am very open about it: I think they are outdated and I do not think they are fair. They are particularly unfair to small businesses.”

When I challenged the Minister about timescales, she told me:

“the hon. Gentleman can be assured that this Minister gives absolutely her word that this matter is not going to be kicked into any long grass. In fact it is very short grass, which has only just grown, because the review will be completed by March and then recommendations will go out to public consultation. If legislation is required as a result of that consultation, I will be happy to be the Minister to take that through.” —[Official Report, Enterprise Public Bill Committee, 9 February 2016, c. 47-48.]

Here we are in April 2017, the process has been kicked back all this year and now we have a general election, which will cause further delay. We are not just in long grass, but in long grass growing out of a sea of mud. Worse still, it is rumoured that the consultation which has been completed will be consulted on again, so we can now assume that any new Government will not move on this until after the summer recess. I plead for consideration of suitable secondary legislation to be enacted early in the new Session, whoever the new Government may be.

I have been contacted by companies in my constituency affected by the late release or non-release of retentions. One company, which wished to remain anonymous, would not name the company it had been having difficulty with, because it still has to tender for more work from the company witholding the money and so does not want to upset it. That is how that market share operates. I pay tribute to the Specialist Engineering Contractors Group, SNIPEF—the Scottish and Northern Ireland Plumbing Employers Federation—the National Federation of Roofing Contractors and the Builders Merchants Federation, which have been proactive in raising these matters with me. Simply put, however, these organisations and companies are fed up with the blockages from the Government.

The Scottish Government have been operating a “Project Bank Accounts” system to ensure subcontractors get paid on time when the Government pay the main contractor. Such a system could be adapted to include retentions. As I mentioned, the tenancy deposit scheme is the model that should be adopted for retentions. This scheme could already have been in place had the UK Government accepted the proposed amendment to the Enterprise Bill. Instead, this year alone, we have seen examples of £720,000-worth of retentions lost when TAL Ltd in Northern Ireland went into liquidation in January this year. In an article in The Times in February, a Welsh bricklayer director was lamenting that

“main Contractors treat retentions as their own money” and that it can take five years to get bills settled.

Retention moneys are ring-fenced in separate accounts, in compliance with legislation, in countries such as the United States, Australia, New Zealand and certain EU member states. As I have outlined, we know what the problem is—it has existed for well over 50 years—we know that there is a solution that works, as it does in other countries, and the Government have acknowledged cross-party support for ending cash retentions. I have outlined today that this is a UK-wide issue that requires UK Government action, so I urge them to support the Bill. If I am lucky enough to be re-elected, I will continue to pursue this issue.

Question put and agreed to.

Ordered

That Alan Brown, Hannah Bardell, Callum McCaig, Gavin Newlands, Stuart Blair Donaldson, Bill Esterson, Alison Thewliss, Patricia Gibson, Corri Wilson, Dr Philippa Whitford, Mark Durkan and David Simpson present the Bill.

Alan Brown accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 12 May, and to be printed (Bill 174).
BUSINESS OF THE HOUSE

Ordered,
That the Order of 24 April 2017 (Business of the House (24, 25, 26 and 27 April) be varied as follows:
In paragraph (17)–
(a) after sub-paragraph (c) insert–
“(ca) proceedings on consideration of Lords Amendments to the Higher Education and Research Bill shall be brought to a conclusion (unless already concluded) two hours after their commencement;
(cb) the Lords Amendments to the Higher Education and Research Bill shall be considered in the following order: Nos. 1 to 12, 209, 210, 13 to 78, 106, 79 to 105, 107 to 208, 211 to 244;”, and
(b) in sub-paragraph (d), for “and (c)” substitute “to (ca)”.

DIGITAL ECONOMY BILL (WAYS AND MEANS)

Resolved,
That, for the purposes of any Act resulting from the Digital Economy Bill, it is expedient to authorise the imposition of charges which are payable to the Information Commissioner. —(Matt Hancock.)

Digital Economy Bill
Consideration of Lords amendments

Mr Speaker: I must draw the House’s attention to the fact that financial privilege is engaged by Lords amendments 248 to 254. If the House agrees to any of them, I will cause an appropriate entry to be made in the Journal.

Clause 1

Universal service broadband obligations

1.21 pm

The Minister for Digital and Culture (Matt Hancock): I beg to move, That this House disagrees with Lords amendment 1.

Mr Speaker: With this it will be convenient to consider the following:
Government amendments (a) to (c) in lieu of Lords amendment 1.
Lords amendment 2, Government motion to disagree, and Government amendment (a) in lieu.
Lords amendments 3 to 39.
Lords amendment 40, Government motion to disagree, and Government amendments (a) and (b) in lieu.
Lords amendments 41 to 236.
Lords amendment 237, and Government motion to disagree.
Lords amendment 238, and Government motion to disagree.
Lords amendment 239, and Government motion to disagree.
Lords amendments 240 to 241.
Lords amendment 242, Government motion to disagree, and Government amendment (a) in lieu.
Lords amendments 243 to 245.
Lords amendment 246, and Government amendment (a) thereto.
Lords amendments 247 to 289.

Matt Hancock: I am delighted that today we have a final opportunity to scrutinise the Digital Economy Bill and, I hope, get it on to the statute book before the Dissolution of Parliament. The Bill has been widely supported during its passage and tackles head-on some serious issues that many in this House feel strongly about. It will help us to extend digital connectivity, protect children from online pornography and better deliver Government services. The other House has made some amendments to the Bill, so I shall go through them in turn.

Lords amendment 1 challenges the Government to be more ambitious on universal digital connectivity. The universal service obligation forms part of our plan to deliver better connectivity, helping to ensure that everyone gets decent broadband and no one is left behind. However, we have serious concerns about whether the amendment is deliverable. As drafted, it is counterproductive to the implementation of a USO, because of the risk of legal challenge and the delay that that would cause. We are legislating for the USO under
the EU telecoms legislative framework, under which a USO is intended to ensure a baseline of services where a substantial majority has taken up the service but the market has not delivered, and where users are at risk of social exclusion.

According to Ofcom’s latest data, in 2016, take-up of ultrafast broadband with a download speed of 300 megabits per second and higher was less than 0.1%, so we are nowhere near being able to demonstrate that the majority of the population have access to full fibre with a download speed of 2 gigabits per second. We therefore cannot accept Lords amendment 1, and we are not in a position of a substantial majority having taken up superfast broadband. I do, however, support the ambition of better, faster, more reliable broadband, so the Government propose an amendment in lieu that requires any broadband USO to set a download speed of at least 10 megabits per second, and requires the Government to direct Ofcom to review the minimum download speed in the broadband USO once superfast take-up is 75%. That gives the assurance that any USO speed will be reconsidered once a substantial majority of subscribers are on superfast.

Lords amendment 2 seeks to tackle a number of issues relating to mobile phones and frustrations about the service we receive. I understand those frustrations—I represent a rural constituency, so am often subject to such frustrations—and the Bill is designed to address them through the new electronic communications code, new switching and information powers, the enabling of automatic compensation, and the strengthening of Ofcom’s hand in the interests of consumers. Lords amendment 2 is an understandable reaction to the faults in the market, but it is not the answer, for the following reasons.

First, the requirement to allow customers to roam is unclear, and there are doubts about whether it would work legally, as acknowledged by the Opposition Front-Bench team in the other place. Although superficially attractive, roaming is the wrong solution. It would stymie investment by operators—why would they improve their coverage when a competitor could reap the rewards as their customers roamed on to their network? By contrast, taking roaming off the table in 2014 locked in £5 billion of investment to improve the UK’s mobile infrastructure, and 4G coverage from all operators has grown from 29% to 72% in the past year.

Secondly, the Bill already has greater provision on switching than the Lords amendment would require. That provision concerns operators of all telecom services—including fixed line, broadband and pay TV—not just mobile phones. Ofcom is better placed to ensure that operators adhere to procedures that enable easy and quick switching, thereby compelling operators to improve the level of their service.

Thirdly, the Government intended to look into bill capping in the consumer rights Green Paper, and it is already offered by some providers. Although we cannot accept Lords amendment 2, we can see the benefits for consumers of being offered the choice to limit their bills and avoid bill shock. We have therefore put forward an amendment in lieu that requires providers to make sure that as well as new customers, those on existing contracts have the opportunity to place a limit on their bill. This will not affect any obligations regarding contacting the emergency services, be that by voice call or text message.

We agree with the spirit of Lords amendment 40 and the proposed code of practice for social media platform providers on online abuse. We take the harm caused by online abuse and bullying very seriously. We offer an alternative provision that we think will achieve the intended outcome and which will form part of our work in the next Parliament to tackle serious harms and online threats and improve internet safety. Our amendment in lieu will provide a code of practice that will help to protect the users of online services and set out the behaviour expected of social media companies. The code is intended to give guidance for how social media providers should respond to harmful behaviour such as bullying. Good work is being done by some companies to prevent the use of platforms for illegal purposes and, when it is reported to the police, potential criminal conduct will continue to be liable to investigation, as with any other offence. We already expect social media providers to work closely with law enforcement in relation to potential unlawful activity taking place on their sites.

Other uses of social media might be cruel, upsetting, or insulting, but nevertheless legal. More can be done to tackle online abuse, such as bullying, and the other serious issues that face our children and young people. The code will set out guidance about what social media providers should do in relation to conduct that is lawful but that is nonetheless distressing or upsetting. Our intention is that the guidance will address companies proportionately. The biggest social media companies have recently put in place some improvements to make their platforms safer, but we all agree that they still have some way to go, and the amendment in lieu will help to achieve that.

Lords amendments 237 to 239 would establish a BBC licence fee commission to make a recommendation on the level of the licence fee required to fund the BBC, for a full public consultation on the appropriate level of BBC funding. However, we do not believe it is right for an unelected body effectively to set tax rates. It is a long-established principle that the Government do not consult on the level of taxation, so the amendments are not only impractical but unnecessary.

Lords amendment 242 would extend the public service broadcasting prominence regime for TV to on-demand menus and platforms, and I know it is a favourite of the Opposition Front-Bench team. We recently consulted on this idea and concluded that we could see no compelling evidence to change the regime, but I understand the impulse behind the amendment—to ensure that PSB channels are readily available as technology changes. However, the technologies of broadcasting and internet-based on-demand viewing are completely different, and amendment 242 goes far beyond the current prominence regime because it would extend the regime to content originating from the non-PSB portfolio channels of the commercial PSBs. It also seeks to give absolute prominence to PSB content by removing Ofcom’s discretion in applying prominence rules, and to extend the current definition of an electronic programme guide to include smart TV interfaces, which manufacturers tell us would create the need for bespoke products for the UK market, putting up the cost of a television. Therefore, we cannot accept the amendment, but we do understand the strength of feeling in both Houses on this issue so we have tabled an amendment in lieu of Lords amendment 242 to place a new requirement on Ofcom to report on the ease...
of finding and accessing PSB content across all television platforms. If Ofcom’s report makes it clear that there is a problem in this area, and one that can be fixed only by legislation, then, assuming that this Government are returned in June, I can commit to bring forward that legislation as soon as possible.

1.30 pm

Another area that has raised serious concern is secondary ticketing. I pay tribute to colleagues across this House for their work on this, particularly my hon. Friend the Member for Selby and Ainsty (Nigel Adams), who is in his place in a bright blue suit. Since this issue was last debated in the House, we have published our response to the Waterson review, accepting the recommendations in full; introduced Lords amendment 247 to provide the power for Government to introduce a criminal offence to stop the use of bots to purchase tickets in excess of the maximum specified; provided funding to the National Trading Standards for enforcement action; and facilitated the sector’s participation in cyber-security networks. The Competition and Markets Authority has launched an enforcement investigation into suspected breaches of consumer protection law in the online secondary ticketing market.

However, that was not enough. The noble Lords have also added Lords amendment 246 to the Bill, requiring ticket resellers to provide buyers with the ticket reference or booking number and any specific condition attached to the resale of the ticket. We agree in principle with the amendment. We do, however, have concerns over its practicality, and the provision relating to the restrictions on tickets duplicates existing provisions in the Consumer Rights Act 2015. Therefore, we have tabled our amendment to Lords amendment 246, requiring that any unique ticket number must be identified, which we intend to have the same effect. We will also continue to work with industry to reduce the risk of fraud or unwarranted cancellation of tickets. I hope that that satisfies my hon. Friend the Member for Selby and Ainsty.

I also wish to say a few words about some of the amendments that we are proposing to accept on age verification for people accessing online pornography in part 3 of the Bill. This is a hugely important part of the Bill and has been welcomed across the House. Although the intention is to protect children, the scope of material for adults that the regulator can act against has prompted much debate. In the other place, we heard concerns over its practicality, and the provision relating to the restrictions on tickets duplicates existing provisions in the Consumer Rights Act 2015. Therefore, we have tabled our amendment to Lords amendment 246, requiring that any unique ticket number must be identified, which we intend to have the same effect. We will also continue to work with industry to reduce the risk of fraud or unwarranted cancellation of tickets. I hope that that satisfies my hon. Friend the Member for Selby and Ainsty.

Our goal here is to ensure that children are prevented from accessing online pornography. Our amendment therefore redefines the scope of the material, taking an approach based on the definition of an “extreme pornographic image” in the Criminal Justice and Immigration Act 2008. I can confirm that this does not change the definition of what is, and what is not, lawful for adults to view. In Lords amendment 45, we have made it absolutely clear that content behind age-verification controls can still be subject to criminal sanctions provided by existing legislation.
statutory duties. During the passage of this Bill, there has been debate on the state of the UK’s fibre networks, the ability to switch communication provider, the quality of business connectivity and other matters such as the universal service obligation, which are all vital to our future economy. This new measure will allow the Government to establish a clear policy direction on all these matters to ensure greater coherence in an increasingly complex and interlinked environment. I pay tribute to, and thank, Ofcom for the work that it has done supporting the passage of this Bill. It is an excellent regulator.

On Report in this House, we agreed that the parental control filters on internet connections are a very important tool in protecting children from harmful material online. I agreed to ensure that the Bill was amended in the Lords to tackle concerns that the EU net neutrality regulation would render these controls, which have worked well, illegal. Lords amendment 245 delivers on that promise.

Lords amendment 249 responds to an operational requirement of the police who need support in tackling gangs, particularly those in large urban areas, who supply drugs, especially class A drugs, to suburban areas, and market and coastal towns. To support their market expansion, gangs recruit, exploit and use children and vulnerable adults to carry drugs and money through deception, intimidation, violence, debt bondage and grooming. I pay tribute to my hon. Friend the Member for North West Hampshire for his long campaign on this and to the Under-Secretary of State for the Home Department, my hon. Friend the Member for Truro and Falmouth (Sarah Newton). With this amendment the police will be able to disrupt the mobile phones on which the drug gangs rely.

Lords amendments 249 to 252 are the start of our reform of the Data Protection Act. The new legal framework will come into force in May 2018, and these amendments pave the way by ensuring that the future funding mechanism can be put in place on time and provide certainty to data controllers.

Lords amendments 253 to 255 concern the Crown guarantee for BT pensions. These amendments are necessary following the announcement on 10 March of a deal between BT and Ofcom that will legally separate BT and Openreach. We welcome that split, and these amendments ensure that the split does not affect people’s pensions.

Tom Elliott (Fermanagh and South Tyrone) (UUP): Just briefly on that particular point, we do not have BT Openreach in Northern Ireland to roll out the broadband; that is carried out by BT itself. Is there any provision for BT in Northern Ireland?

Matt Hancock: The provision in the Bill is to ensure that those whose pensions are protected under the Crown guarantee, which was provided at the privatisation of BT, will be able to retain that protection when they transfer to the separate organisation, Openreach. For those who are not leaving BT Group, there will be no change to their pension arrangements, so they are not negatively affected. Therefore, the provision is not necessary. It is necessary to allow this split to take place without detriment, and without added benefit, to any current BT employee, so that the Crown guarantee continues to operate essentially as it does today.

Further technical amendments have been tabled, including to safeguard journalists from data protection laws when whistleblowing—this was brought to my attention by my hon. Friends the Member for Worthing West (Sir Peter Bottomley) and the hon. Member for Bishop Auckland (Helen Goodman)—and to refine the electronic communications code. That is one of the core measures of the Bill which, for all its technicality, will be a crucial enabler of better connectivity and a driver of the digital economy.

Just before I conclude, let me say that improvements have been made to the Bill thanks to the work of many people on both sides of the House, but—

Chi Onwurah (Newcastle upon Tyne Central) (Lab): The Minister spoke about missed opportunities. Does he recognise that he leaves this Parliament with data sharing and the rights of citizens over their own data in exactly the same state—if not worse—of chaos and total mess across Departments that was the case when he took up his role, I think just over a year ago?

Matt Hancock: The hon. Lady is usually reasonable and constructive, so a sense of electioneering must have got into her. I am afraid that I do not recognise that description. We have made considerable progress in the Bill on data sharing, but of course the rules around data will have to evolve, not least because European rules will come into force before we leave the EU. Yes, there is more work to do, but I think that she must have had the rosette on a little bit too often recently, given that she is so churlish about the progress in the Bill.

Chi Onwurah: Will the Minister answer the question? Do citizens own and control their own data—yes or no?

Matt Hancock: Well, of course citizens elect the Government, and in many cases the Government are responsible for data. Having democratic legitimacy behind the control of data is critical to a functioning democracy. No doubt we can return to this issue in the future. There are no Lords amendments on that subject, and I consider that the Bill represents significant progress.

I pay tribute to the hon. Member for Sheffield, Heeley (Louise Haigh). She has worked hard on the Bill and made a number of suggestions that we have taken on board. She has been a pleasure to negotiate with and very effective. When I am complimentary about her, she always tells me that I am damaging her career no end, so I hope that she will take my compliments in the spirit in which they are intended.

Louise Haigh (Sheffield, Heeley) (Lab): The Minister knows that it makes me deeply uncomfortable when we agree on anything, and that also applies to compliments paid from the Dispatch Box, but it is a great privilege to speak for the Opposition today during the closing stages of this Bill. Thanks to the deliberations of hon. Members on both sides of the House, including the Minister, and what I would describe as exemplary cross-party working, the Bill is in considerably better shape than when it was introduced last year.

The Bill still does not go far enough in a number of crucial areas. It represents a missed opportunity to update our infrastructure, skills strategy, finance, the responsibilities of the behemoths of the digital age, and
the rights that individuals should have in this era when data is increasingly the currency that matters above all. Nevertheless, there have been some useful changes, and I am grateful to the Minister for his considered exposition of the Government’s position, especially regarding the amendments, with which we are not in dispute.

I will deal briefly with each of the Lords amendments in turn. Lords amendment 1 will increase the USO to superfast levels to ensure that every household and business in the country can benefit from speeds of at least 30 megabits per second. The benefits of that do not need repeating, as we have considered them at length during many debates in the short time that I have served as shadow Digital Minister, and the House is united on the need for much improved broadband speed and reliability across the country. Indeed, I note that the Minister’s constituency has fallen down the rankings for superfast availability during his tenure in his post, so he will be particularly keen to tackle this issue.

1.45 pm

Just 59% of rural Britain has access to superfast speeds, while an utterly shocking 40% of people in rural hamlets do not have access to even basic broadband. In my city of Sheffield, superfast access is by no means universal. In fact, we have the poorest availability of any major city in the UK. I appreciate the Government’s argument about the universal service directive, although it is disappointing that more of an effort was not made at an earlier stage of the Bill’s passage to test that argument, given that Ofcom has clearly made the case that it is better value for money for the taxpayer to intervene in the market now and futureproof it for a speed of 30 megabits per second.

The European Commission provided only non-binding guidance in its latest review of universal service in 2011, so it is not entirely clear that a superfast designation is beyond the scope of its directive. Of course, the legal mechanism of a USO is only one of the tools that the Government have at their disposal to deliver decent broadband to all, including more highly specified services.

Nevertheless, Government amendment (c) in lieu of Lords amendment 1 directs Ofcom to continuously review broadband take-up across the UK and to review the USO accordingly, effectively tying the USO to the rest of the market and ensuring that the last 10%, 5% or 1% do not fall too far behind the rest of the UK. Of course, we would have liked the Government to back 30 megabits per second for all, and I do not accept that millions of consumers and businesses should simply be left behind. This was an opportunity to prepare the UK for the ubiquitous future demanded by the digital revolution, and although the Government’s amendment is a first step, it is a baby step and nothing more.

On Lords amendment 2, it is fantastic that the Government have now accepted the case that we put forward on mobile bill capping. Government amendment (a) in lieu of the Lords amendment will allow consumers to set a financial cap on their monthly bill when they enter a contract with their telecoms provider. Some mobile providers are offering bill caps already. Tesco Mobile and Three are leading the way, and BT Mobile has a cap of £5. In addition, some smaller companies have bill caps—Plusnet has a smart cap automatically set at £10, and iD Mobile has a £5 cap on its Shockproof tariffs. That proves that it is both possible and commercially viable for all companies to introduce such a measure. However, there is not currently the sector-wide standard that we would like. Amendment (a) will secure the same basic protections across the whole sector for all consumers, and we are delighted that the Government, who opposed such a measure earlier in the Bill’s passage, have seen sense and been persuaded by the sheer strength of our arguments.

On pornography and age verification, under part 3 of the Bill, Members from all parties in the House have worked together in partnership, and very often in unison. The original intention of protecting children from the harmful effects of pornography remains. I am delighted that the House has worked together to ensure that we will have one of the most effective regimes in the world for protecting children from pornography.

The digital age brings with it responsibilities, and part 3 of the Bill is a recognition of that fact. However, its provisions have grown beyond the narrow bounds of age verification during the Bill’s passage. The blocking measures relating to age verification, which we supported, have also brought us into the contentious areas of what is categorised as extreme pornography or prohibited material. Our consideration of the Bill could have been a welcome opportunity to debate fully what should and should not be accessible on the internet, but due to the late tabling of Government amendments on Report in the Commons, debate was curtailed. It is vital that these issues are properly debated because we are treading a very thin line between protection and censorship. We are pleased that the Government have chosen to accept our reasonable amendment that will require the Secretary of State to produce a report on the impact and effectiveness of this regulatory framework. Crucially, the Government will also be required to consult on the definition of extreme pornography in the Bill.

Claire Perry (Devizes) (Con): Does the hon. Lady agree, however, that in setting out these definitions on a spectrum ranging from prohibited material to extreme pornography—I will speak to this later—we have left ourselves in something of a quandary, as material that she and I would probably agree is completely unacceptable can in theory be viewed behind age filters? I heard that the Minister was prepared to consider this unfinished business. Will the hon. Lady, on behalf of her party, commit to trying to work out these definitions in the next Parliament to ensure that we arrive at a better place?

Louise Haigh: That was exactly why we pushed for an amendment in the Lords and it is why we are so pleased that the Government have accepted it. We need consultation, as well as a clear definition of extreme pornography and prohibited material. My understanding of the legislation is that nothing extreme, prohibited or otherwise will be able to be viewed behind age verification filters. If something is deemed to be pornography and analysed as such by the British Board of Film Classification, it will be required to be behind such filters.

Claire Perry: The hon. Lady is right, but she will know that the original definition referred to five statutes. We now have a definition that is much tighter, specifically because items that were included under the broader definition are now deemed not to be obscene—I agree...
with that. The problem is that there is material that, according to 85% of people who have viewed it, should not be accessible on the internet for any age group. Such material could be accessible behind those filters for anyone to see. That is the problem that we need collectively to solve.

Louise Haigh: The hon. Lady is absolutely right. It is true that such material is currently available without any AV filters, so we have made substantial and welcome progress in this area, but the consultation in the next Parliament will be crucial. We look forward to participating in that debate and ensuring that we get the best possible regime for online pornography.

Several Government amendments on age verification were tabled in the Lords. We understand why technology cannot be dictated in legislation or even guidance, but the effectiveness of AV measures will obviously be determined by the technology that is used. If we are not careful, we could end up with age verification that is so light-touch as to be too easily bypassed by increasingly tech-savvy under-18s, or that is far too complicated and intrusive. That could push viewers on to sites that do not use age verification but still offer legitimate content, or completely illegal sites that stray into much more damaging realms. Equally, we must ensure that privacy and proportionality are at the heart of the proposals, so I push the Minister to say more about that.

The BBFC has intimated that its likely preference is age-verified mobile telephony, but there are significant privacy issues with that approach. We should proceed with extreme caution before creating any process that would result in the storing of data that could be leaked, hacked or commercialised when that would otherwise be completely private and legitimate. Concerns have been raised about whether the BBFC is appropriate to be the AV regulator, not least in relation to its conduct in lobbying Members of this House and the other. I am grateful that the Minister has listened to those concerns and that guidance will now be produced by the Secretary of State, meaning that there is proper accountability, and then issued to the regulator. I want to ensure that the report that the Secretary of State produces on the effectiveness of the regulation covers the regulator itself, so I would be grateful for clarification about that from the Minister.

On the social media code of conduct, we are delighted that the Government have taken a decisive step in the right direction. Amendment (a) in lieu of Lords amendment 242, which requires Ofcom regularly to review electronic programming guides in relation to public service broadcasting and the implications of changing technology for public service broadcasting. We are pleased that the Minister has confirmed that any necessary powers will be transferred to Ofcom, should it be required to intervene.

We are delighted that, after many years of campaigning, not least by my hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson), significant progress has been made on efforts to tackle abuses in the secondary ticket market. Fans across the country will be thanking her, the Minister and all those involved in the campaign, but we recognise there is still more to do and that the Waterson review must be implemented in full in the next Parliament. We are pleased that the Minister has again seen sense by accepting Lords amendments on e-lending and on-demand accessibility.

The Bill has been improved significantly and it has been a privilege to enter negotiations with the Government. It has also been a privilege to negotiate with the Minister, as he said it had been to negotiate with me. However, I must say that this Bill is not legislation for the digital economy. The tech sector waited eagerly for well over a year for the Government’s strategy and vision for this crucial area of our economy. To say that it was disappointed with the lack of ambition and strategic direction in the Bill and the Government’s eventual strategy would be a gross understatement. Our burgeoning digital economy is the largest in the world, growing at a rate that we could hardly have expected even a decade ago, but after seven years of a Conservative Government, 12 million people still lack basic digital skills.

Some 3 million homes and businesses do not have access to superfast broadband. Britain does not even feature on the fibre broadband league table, and our 4G mobile coverage lags firmly behind that of our major competitors. Too often, workers find themselves overworked, underpaid and exploited by bosses they never meet who do not even fulfil their basic duties as an employer. People across the country suffer from digital exclusion because our infrastructure is second-rate, our feature on the fibre broadband league table, and our 4G mobile coverage lags firmly behind that of our major competitors. Too often, workers find themselves overworked, underpaid and exploited by bosses they never meet who do not even fulfil their basic duties as an employer. People across the country suffer from digital exclusion because our infrastructure is second-rate, our
will be preparing to take the Minister’s place, it will be the Labour party that will have the ambition and vision on infrastructure, skills and finance, and that will champion this sector, which is essential to the UK’s ability to thrive post-Brexit and for us to deliver the high-skilled, well-paid jobs that areas of the country such as mine so desperately cry out for. We welcome the improvements that have been made in the Bill, but I hope that, however the next Parliament looks, our digital economy will be given far greater prominence and priority.

Damian Collins (Folkestone and Hythe) (Con): I welcome the Bill and the Lords amendments supported by the Government. This debate takes place against the background of the UK’s creative economy, which is the leading creative and tech economy in Europe. London is by far and away the leading creative and tech city in Europe and one of the major centres of the world. The creative and digital economy has been a major factor in our growth and is a great success story for this country. The Bill brings in a series of necessary and welcome measures for reform, but builds on a position of considerable strength, where the UK tech and creative economy is the envy of Europe and many others in the world.

I thank the Government for their intervention in online ticketing resales and abuse in the secondary ticketing market. This follows the campaign of the hon. Member for Washington and Sunderland West (Mrs Hodgson) and my hon. Friend the Member for Selby and Ainsty (Nigel Adams), who have championed the cause. They brought it to the attention of the Select Committee on Culture, Media and Sport, and we held our first hearing on the matter in November, just before we debated the Bill on Report in the Commons. With cross-party support, we tabled an amendment seeking legislative reform to combat the use of bots and the failure of people correctly to identify tickets sold on the secondary market. The Minister said that the Government would consider the representations made, including amendments in the Lords. That has taken place. I congratulate him, the Secretary of State and the Department on the interest they have shown in the subject, on the important roundtables they hosted and on the decisive action that was taken, with the support of the Lords, to amend the Bill.

It is important that people who buy tickets online know what they are buying. I welcome the Competition and Markets Authority’s decision to open its investigation to ensure that the existing consumer protection legislation is being enforced. I also welcome the Minister saying that a ticket should have a unique reference number that people can see on the ticket when they purchase it. That would make it easier to identify the reseller.

There is also the question—perhaps the CMA could address this in its inquiry—of consumers buying tickets but not being clear about the seat number and row number. A reference number might not tell them where a ticket is for. People end up buying, at high and inflated prices, a cheap ticket at the back of the hall that they were not aware they could have bought themselves in the first place. Many of the venues that gave evidence to the Select Committee complained about that, and it should be addressed through the CMA investigation to make sure that existing consumer protection legislation is enforced and that action is taken against people who breach it. However, the amendment to make sure there is a unique reference number is a welcome addition.

I also welcome the amendment to ban the use of bots to harvest tickets for mass resale. There has been widespread abuse in the market, and I am glad that these reforms will lead to decisive action to combat it.

2 pm I want briefly to touch on the code of practice for online social media platforms, which was rightly born out of the debate about internet safety and, in particular, cyber-bullying. This will be an interesting issue for the future, because many of the practices of social media companies are giving cause for concern. One of them is linked to the sale of tickets online, particularly where social media platforms promote and support secondary ticket sites, with tickets being fraudulently acquired or fraudulently sold, which should not be the case.

In the context of the debate about social issues such as fake news, it is also important to consider the broader social obligations social media companies and platforms have to protect users from harmful or misleading content, to make sure there is fair redress for those who are its victims and to recognise that companies do have an obligation. When looking at some of these important issues after the election, we might even consider placing in statute a broader obligation on companies that is linked to the failure to act. If someone refers evidence to a company that harmful, misleading or elicit content has been distributed on a site, and the company fails to act, there could be some measure of redress against the company. That would be an important first step in looking at a code of conduct and at the broader social obligations of social media companies, and I would welcome that, too.

Calum Kerr (Berwickshire, Roxburgh and Selkirk) (SNP): It is only fitting that you are in the Chair, Madam Deputy Speaker, because this is my last opportunity to speak before we break up, and you were there for my maiden speech. It is lovely to see you there.

I welcome the changes to the Bill. We have worked very well together, as the Minister and the hon. Member for Sheffield, Heeley (Louise Haigh) outlined—at least, he is wearing red socks, so she might have had some influence on him, although she is shaking her head, and I think she is correct. None the less, it is excellent that we have been able to go on a journey with this Bill. A huge amount of work was needed; when we sat in the Bill Committee, there was a lot of concern that the Bill needed significant improvement. Even though we have managed to put a lot more into the Bill—something my colleagues and I have urged all along—there are still some deeply worrying issues, particularly around data sharing, which will need to be revisited.

It will not surprise Members who know me to hear that I would like to focus my comments exclusively on connectivity, especially given that the hon. Lady has covered every other aspect so wonderfully. Connectivity is a fundamental issue in rural communities and the lifeblood of our communities. It is no longer the roads, although people still complain about them, but the superhighways of the internet that people are desperately concerned about.
We therefore welcome the Government’s move on the universal service obligation. As we have heard, however, we would have liked to see more ambition, and the 30 megabits option, which was one of those proposed by Ofcom, highlights that that was possible. I do not accept the Government’s argument that it was not possible to be more ambitious because of the mechanism itself. If that truly is the case, we are perhaps choosing the wrong mechanism. If we are not choosing the wrong mechanism, we perhaps need to put in place other measures to ensure that rural communities are not left behind.

In areas in my constituency such as Oxnam, Bonchester Bridge and the Ettrick valley, 10 megabits would be a huge step forward, as people there have 5 or 12 kilobits or 1 megabit. Ten megabits would be welcome, but it will be overtaken in Scotland by the Scottish Government’s commitment to 30 megabits. The Minister has talked that down and said, “You’re not showing more ambition in Scotland. We could go further—things are open.” Well, I am afraid that the end product lets us down. In Scotland, the Scottish Government have committed to 30 megabits to 100% of the population over the current Scottish Parliament.

Let us look at what will happen with the Government’s offer here and at the trigger mechanism of a 75% subscription rate. In 2016, only 31% of people were getting 30 megabits; in 2015, it was only 27%. How long is a constituent in England, Wales or Northern Ireland going to have to wait before the USO catches up and gets to 75%? The USO could be either a really ambitious measure to close the digital divide or simply a safety net, and it is quite clearly the latter, which is fine—as long as it is clearly articulated as such—because other things can be done.

As the Minister knows, I have been a huge advocate of vouchers. I was disappointed that a voucher alternative was not included specifically in relation to the USO, but I welcomed the Government’s move at the end of last year to hold a consultation on vouchers. That consultation is ready to report, but we are going into purdah. On this occasion, I accept that that is a valid excuse for not continuing our discussion for a number of weeks. However, I urge the Government to live up to their ambition.

The Minister says that fibre means fibre and that fibre is the future, and the Chancellor talks about money in, the Government’s policy will widen and cement the digital divide. They will be telling constituents in rural areas, “You can only get 10 megabits,” while people in the cities are suddenly getting gigabits. I am sure many hon. Members here—not least those in rural constituencies—think that that would be a failure of Government policy. So let us take this opportunity to show ambition and to ensure that we realise the full potential of fibre and connectivity into the future.

I close by again thanking the team here for the way it has worked. I would like to have been consulted a bit more and to have seen a bit more foresight and ambition in the whole scheme, but the Bill does represent progress, even though it is, as was said, a baby step.

Nigel Adams (Selby and Ainsty) (Con): Thank you, Madam Speaker, for giving me this final opportunity to speak on this Bill. I am particularly pleased given all our hard work and the fact that the Government have made the completion of its passage a priority during this final week.

I will confine my remarks to Lords amendments 246 and 247, which address problems in the secondary ticketing market that I, along with many other music fans, have been personally affected by. We have refined these proposals through various stages of the Bill Committee and discussed them at length in the Culture, Media and Sport Committee. I thank the Chair of the Select Committee, my hon. Friend the Member for Folkestone and Hythe (Damian Collins), for helping us to get the time to hear detailed evidence on this very important issue. I also thank all my colleagues on the Committee for their tenacious advocacy for producers and fans of sports, theatre and music, and their constructive work to allow the Committee to make some unanimous recommendations for the Bill Committee.

Damian Collins: I thank my hon. Friend for his words. Does he agree that it was particularly regrettable that Viagogo decided not to appear in front of the Committee when it should have given important evidence to us? Many people will draw their own conclusions as to its reasons for not appearing.

Nigel Adams: I could not agree more. It is despicable that Viagogo has dodged and been slippery around attending the Select Committee. There have been so many victims of Viagogo that it should have taken the opportunity to come and explain how it markets itself and presents its website. I wholeheartedly agree with my hon. Friend.

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): I do not know if you are going to mention Claire Turnham and her campaign at this juncture, and I do not want to steal your thunder if you are, but I just wanted to mention—
Madam Deputy Speaker (Natascha Engel): The hon. Gentleman’s thunder.

Mrs Hodgson: Correct—his thunder. I wanted to mention that I have had an email from Claire Turnham, as I know you have—[Interruption.] He has, I mean. You would think I would have got the hang of this by now, Madam Deputy Speaker—I have been doing it for 12 years. I am obviously demob happy. I do apologise, and I will try to get the protocol right. Claire Turnham has been in touch, and the numbers are shocking—£51,000 has already been refunded to the victims of Viagogo. I was astonished, as I am sure the hon. Gentleman was, that there are still 418 members waiting to join the group.

Nigel Adams: I can assure the hon. Lady that my thunder is still very much intact and has not been stolen. I totally agree. The campaign that Claire Turnham has run has been exemplary, but she should not have had to run it. The customer services team at Viagogo should have dealt with the complaints that were flooding in. We will see, but I suspect that we have not heard the last of Viagogo in this place.

Although we have not been able to conclude the inquiry due to the impending Dissolution, I hope that our successor Committee, however it is comprised, will adopt the evidence that we have already heard and continue this work. I thank the hon. Member for Washington and Sunderland West (Mrs Hodgson), who has campaigned for years to get wider attention for the problems with secondary ticketing. Based on the number of people across the country who have shared their stories of being ripped off or missing out on a favourite show because of the practices of parasitical touts, I imagine that a large number of colleagues across this House have also heard from affected constituents how these practices are poisoning our cultural wells both for fans and creators.

Amendment 247 will prohibit breaches of ticket sales limits, helping to combat touts who use bot software to gobble up tickets before genuine fans can get them. I originally tabled a version of this amendment in Committee, and, thankfully, members of the Select Committee unanimously added their names. I am grateful to Ministers, particularly my right hon. Friend the Minister for Digital and Culture, a huge Paul Simon fan who has had experiences trying to gain Paul Simon tickets; to Members of the other place for their co-operation in fleshing out the legal details for a workable law; and to the Secretary of State for her work in engaging very closely with the industry.

It is particularly important that the amendment provides for an unlimited fine when someone is found guilty of this offence. Fans and ticket agents have been engaged in a technological arms race against increasingly sophisticated touts who can make tens of thousands of pounds of profit in one go from, say, just one pair of Adele tickets. To prevent fans from being fleeced and to protect the rights of artists to decide how they want to sell their tickets, we needed to make touting a genuinely bad proposition for those seeking to make a quick windfall, and a smaller fine could not have done that. I am very pleased that this law has teeth.

2.15 pm

Amendment 246 seeks to augment the Consumer Rights Act 2015 provisions that require transparency and declaration of certain information to the buyer during any ticket resale. We have heard time and again from fans who have bought tickets from touts only to find that they were misled about the validity of those tickets or where the tickets were located, or even denied entry; and, on the other side, from artists and venues who have anti-touting policies but cannot enforce them because touts and resale websites either flout the Consumer Rights Act or are not required under the Act to declare enough information for them to identify and cancel these tickets.

Some of these stories are heart-breaking. As we have heard, one of the worst offenders has been the company Viagogo, which, in addition to often completely ignoring Consumer Rights Act requirements to declare information such as the face value of the ticket, has often even failed to display to consumers the full price they would be paying for the resold tickets. As a result, fans who thought they would be paying a couple of hundred pounds would end up instead finding that their credit cards had been charged amounts into the thousands. For some, the dire financial straits this put them into has led them to have panic attacks and even to consider suicide. The Victims of Viagogo group organised by Claire Turnham has identified approximately £108,000 of refunds owed, of which less than half has been refunded, and the group has hundreds upon hundreds more ripped-off fans waiting to join. Even when a refund is given, people are still left without tickets for events they were excited about, with disappointed children and a family day out ruined, as was the case for one woman who hoped to surprise her husband with concert tickets when he came home from serving in Afghanistan. As we have heard, our Select Committee invited Viagogo to give evidence and respond to our questions, but it left an empty chair. I hope that our successor Committee does not let this pass.

Lords amendment 246, and the Government amendment to it, is important because adding an unique ticket reference number to any ticket resale will allow consumers to check with a venue, in advance of the purchase, whether that ticket will be valid, and also allow artists and venues to enforce their terms and conditions and to cancel touted tickets. There is no point in making a rule if we cannot enforce it, and it is high time for touts to learn that they cannot simply continue with impunity. I therefore ask that Ministers work with the industry to establish in regulations what constitutes a unique ticket number that will be identifiable to agents and venues. If this happens, it is genuine progress, and I am grateful to the Government for getting behind it. Originally, however, Lords amendment 246 included the addition of a requirement for the CRA to list any terms and conditions associated with resale of a ticket. The Government amendment has deleted that provision, contending that this is already covered under section 90(3)(b). What I have learned seems to indicate to me that the position is significantly less clear. An unequivocal statement from the Minister would therefore be a welcome step, and I would also be grateful if we could look into this further in future.

Going back to the point about a law being only as good as its enforcement, one problem we have is that there have not yet been any prosecutions under the Consumer Rights Act for violations to do with secondary ticketing, and instead the Competition and Markets
Authority is undertaking a review. The review is welcome, and should I be re-elected I will be most interested in its conclusions. There have clearly been myriad violations of the CRA with regard to ticket reselling. Without having been able to test the law’s function in court, we do not know whether it is legally effective and fit for purpose, not to mention the fact that the lack of prosecutions means that the law is not serving as the robust protection for consumers that it was intended to be.

For example, Metallica—a group with which I am sure you are familiar, Madam Deputy Speaker—has a very popular UK tour coming up this autumn. There are strict conditions attached to the tickets, including that the lead booker must enter with others in their party, which is limited to a maximum of four. They must also present photo identification matching the name on the purchase. All those conditions have been clearly listed by the primary sellers, namely Ticketmaster and the Ticket Factory. However, the FanFair Alliance, which does great work in this area, has found multiple listings on Ticketmaster’s secondary sites, Get Me In and Seatwave, as well as on those of the other two major resellers, StubHub and Viagogo, which do not note those conditions. It is a disaster waiting to happen for fans, if the venues follow through on enforcing those conditions.

Whether the problem is one of enforcement of the CRA or of the CRA being unclear, it certainly needs to be sorted out, because it is obvious that the conditions are not being consistently declared. Personally, I cannot see how it would be harmful to make the Consumer Rights Act absolutely clear on that issue, and I would appreciate clarification from the Minister.

Although we have achieved great progress, problems remain with secondary ticketing and they need to be considered in future. A number of dodgy practices are yet to be investigated. This week I heard from someone who recently resold spare tickets on StubHub. He told me that he had priced the tickets below those offered by other sellers and closer to their face value, but instead of a fan buying them it was StubHub itself that bought the tickets, presumably to resell for an even greater profit.

The potential use of Google AdWords is also an issue. Ticket resellers, including Viagogo, spend top dollar to advertise themselves highly in Google’s search results, often masquerading as official ticket resellers when in fact they have not been authorised by the venues or the event organisers and are selling tickets that are invalid if resold. I understand from Google that I have that he had priced the tickets below those offered by other sellers and closer to their face value, but instead of a fan buying them it was StubHub itself that bought the tickets, presumably to resell for an even greater profit.

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In conclusion—I can see the joy on the Whip’s face at those words. [HON. MEMBERS: “More!”] There is more, if Members would like me to continue. [Interuption.] I will not quote any of Metallica’s lyrics, but only because I do not know them. I thank Ministers, the Secretary of State and colleagues across this House for helping to make some real progress in this Bill and I look forward to seeing its measures enacted.

Mrs Hodgson: It is a pleasure to follow the hon. Gentleman, who I have got to know very well in our time campaigning on this issue during this and the last Parliament. It is a real delight that we have reached this stage and I rise to speak in favour of Lords amendments 246 and 247 on the resale of tickets. It is with great delight that I welcome the news that the Government accept those Lords amendments and that they will make it on to the statute book before this Parliament dissolves.

It goes without saying that we would not be in this position without the concerted cross-party campaigning to put fans first in this broken market. None of that would have happened without the campaigning by me and others over the years. The list is very long, so I hope that the House will indulge me. It includes the steadfast support received from my own party’s Front Benchers, especially in recent years. The shadow Minister, my hon. Friend the Member for Sheffield, Heeley (Louise Haigh), made an excellent speech today; I sincerely hope that she will be returned so that she can continue in that vein.

Conservative Members have also given support, including, most notably in the last Parliament, Mike Weatherley, the former Member for Hove and Portslade, who I know is a friend of the hon. Member for Selby and Ainsty (Nigel Adams). Mike Weatherley and I founded and co-chaired the all-party parliamentary group on ticket abuse. In recent years, the hon. Gentleman, the hon. Member for Folkestone and Hythe (Damian Collins) and other members of the Culture, Media and Sport Committee, including the hon. Member for Mid Worcestershire (Nigel Huddleston)—I was going to say the gentleman sitting over there wearing a red tie, but that would have made me sound like David Dimbleby—have worked tirelessly on its investigation into the secondary ticketing market. I sincerely hope that the Committee will pick up on the issue again in the next Parliament, so that all of the inquiry’s hard work is not lost. I am sure that that will happen.

I also acknowledge the Minister’s customary good humour and willingness to listen, which, along with the work of shadow Front Benchers in the Lords and those who tabled the amendments, has ensured that we have reached a satisfactory conclusion. I also thank the Secretary of State, who I am pleased to see in the Chamber. More than three years ago, when she was a Home Office Minister, she met me and the former Member for Hove and Portslade to discuss the fraud aspect of this issue. That proves that Ministers have long memories, so such meetings are worth it.

Matt Hancock: In response to a point raised by the hon. Lady and my hon. Friend the Member for Selby and Ainsty (Nigel Adams), we are clear that section 93 of the Consumer Rights Act requires secondary sellers to provide information on ticket restrictions on resale.

Mrs Hodgson: Excellent. I was going to come on to that issue, following on from the hon. Member for Selby and Ainsty. I will have to remember not to press the Minister on it, because he has already addressed it. That is welcome and I am pleased that he has put it on the record.

I also commend the sterling work over many years by colleagues on both sides of the House of Lords. Way back in 1997, the Labour peer Lord Pendry, the then
shadow Sports Minister, was the first to coin the phrase “put fans first”, so I cannot claim credit for that, as I did not invent it. He campaigned on the issue way back then, but sadly for him and, indeed, for us, he was not made a Minister in the Government that followed, so he was not able to ensure that this happened 20 years ago. That shows that this day has been a very long time coming.

More recent contributions have been made by Lord Stevenson and Baroness Hayter from the Labour Front Bench, Lord Clement-Jones of the Liberal Democrats and the amazingly talented late Baroness Heyhoe Flint of the Conservatives, who tabled the first relevant amendments in the Lords and who sadly passed away a few months ago. She was a joy to work with. Without this campaign I would never have had the chance to know her and I wish I could have had that privilege for longer.

I also want to give a special mention to the former Sports Minister and Conservative peer, Lord Moynihan, whose renowned tenacity during debates on the Consumer Rights Act 2015 and the wash-up at the end of the last Parliament ensured that we got certain measures on to the statute book. Without him, we would not have progressed to where we are now, as we would still be at base camp waiting for the weather to shift. He has been the most amazing ally and expert in this crusade, and all fans across the country who are not ripped off in the future should know his name and thank him.

Having finished the thank yous, I turn to the business at hand. Lords amendments 246 and 247 will take us one step closer to ensuring that fans are finally put first in the secondary market, something has been sorely lacking for years. At this point, I was going to press the Minister on the point that he has clarified, so I thank him again for doing so. Accepting the Lords amendments is a fitting way to end this Parliament, and I am confident that any residual issues will be picked up quickly once Parliament returns following the general election.

None of us know or can predict what will happen come polling day, but if the good people of Washington and Sunderland West re-elect me, and if other Members present are re-elected by their constituents, I will definitely get right back to businesses and pick up where we leave off today, because there are plenty more issues to continue to campaign on. We have taken one step closer, granted, but we are still far from our cross-party vision of a fair market that ensures that fans are not ripped off.

We need to consider the enforcement of current legislation, such as that which is being investigated by the Consumer Markets Authority, as the Chair of the Select Committee mentioned. We need to support the victims of Viagogo, who, as the hon. Member for Selby and Ainsty mentioned, have been unfairly ripped off by one of the worst players in this market, which, disgracefully, did not attend the Select Committee when called to do so. We should definitely revisit that question to see whether there are ways to force companies that have their head office overseas to come and give evidence in this place. It seems wrong that they can evade this by saying that they are not based in the UK when all their customers are based in the UK. We should also ensure that the Waterson review’s recommendations are implemented fully and effectively. The list of things that we need to put right could go on, but those are just a few of the many issues that must be picked up in the next Parliament.

Nigel Huddleston (Mid Worcestershire) (Con): It is a pleasure to speak today, because, as in the case of my friend the hon. Member for Berwickshire, Roxburgh and Selkirk (Calum Kerr)—I call him my friend with sincerity—you, Madam Deputy Speaker, were in the Chair when I gave my maiden speech. You will also be in the Chair while I make my final speech of this Parliament.

I support the Bill wholeheartedly as it is consumer-friendly from beginning to end. That will be of extreme benefit to my constituents; it will improve their lives and enable them to grow their businesses and have more fulfilling careers. In particular, I want to highlight the points made about the universal service obligation, switching mobile phones—this has been an ongoing debate for a while and it is good to see resolution on it—and all the initiatives with digital government. I also appreciate the intent of many of the suggested amendments, if not their exact wording, and agree with the Minister that those that have been accepted are there to improve the Bill.

I would also like to echo the comments of many other Members by saying that in the development of the Bill and in Committee—we almost have an alumni network of Committee members in the Chamber today—it has been very nice for me, as a relatively new MP, to see Parliament working at its best, when we work across parties, have meetings and discussions, and disagree respectfully, but come to reasonable conclusions because we have the same intent in mind. We see the theatre of Prime Minister’s questions and other events, but Parliament does a lot of work across the parties. I echo the comments in praise of the work done by many colleagues over many years, well before I came to the House of Commons, to make significant progress on a vital Bill.

I respectfully disagree slightly with the hon. Member for Sheffield, Heeley (Louise Haigh). I would not like to run down the UK digital economy. We have the largest digital economy in terms of percentage of GDP in the world and this Bill will enable us to be even more successful. We need to ensure that we have an enabling Bill to continue that success. We should not take our digital leadership for granted, and measures in this Bill will therefore be a huge advantage.

The Minister mentioned further work being required in several other areas. I agree with him, particularly on bill capping and many of the topics to do with the
significant changes required in secondary ticketing. The devil will be in the detail on secondary ticketing. I completely understand the rationale for having a booking number or unique reference number for secondary ticket transactions, but we have to be very careful that that does not have the unintended consequence of opening things up to more fraud. We must be very careful about the details of that element of the Bill.

Finally, I want to comment on the internet and social platforms. I know a fair bit about this because, as many Members know, I worked for Google before I came to Parliament. It is a great company, as are all the major internet players. They do a lot of good, but they also need to take their responsibilities far more seriously than they have of late. I welcome the changes, and significant progress has been made on child exploitation images and age verification. It was alarming for me to learn that 1.4 million people under the age of 18 accessed pornography in the UK just last year.

The scale of inappropriate content online now is huge. YouTube alone has 400 hours of video uploaded every single minute of every single day. A lot of that content is perfectly acceptable—fine, fun, entertaining, newsworthy and so on—but some of it is inappropriate and the scale of the inappropriate material is shocking, and this comes from someone who worked in the sector for a while. Every single day, Google removes 200,000 videos from YouTube for being inappropriate, up from 14 million the year before. Clearly, Google are being active and other social media platforms, particularly Facebook and Twitter, are being somewhat active, but we need to send a message loudly and clearly, particularly when we consider the social media code of conduct, that although they are doing something they are not doing enough.

If that means that they have to spend millions, tens of millions or billions working on making sure that we, our children and our families are protected and can operate online in safety, so be it. I would prefer the internet players. They do a lot of good, but they also have my full support in his attempts to resolve that matter.

I want to echo what has been said about how cross-party working can deliver in this place.
Both Ministers have received a letter from me on the part 3 amendments. I understand how we have reached the current position. We expressed concern during various briefings about the fact that definitional questions about the difference between “prohibited” and “extreme” were not thrashed out in Committee. I commend Ministers for the very productive Committee proceedings. Despite what the Opposition Front-Bench team have said, I think that the Bill was greatly improved by the current ministerial team, who showed a real willingness to engage, listen and improve the Bill. I feel strongly that we are in a much better place after Committee than we were when we started.

We have had concerns about the definition of “prohibited material”, which is now a clear, appropriate and workable definition guided by five different statutes, one of which is the Obscene Publications Act 1959. That Act gave rise to the concern about whether certain acts—I will not trouble Hansard to check whether certain terms are permissible; I will simply not use them—that were once considered to be illegal are no longer considered to be so, and thus should not be captured by the definition of “prohibited”. I think that the concern over those very specific items led the Government to narrow the focus too much to a definition of extreme pornography. That definition leaves in the middle a lot of material that is not currently captured by statute, but is considered to be anything from life-threatening, at worst, to damaging at best.

By my reading, the definition of extreme pornography makes space for two things: all but the most extreme forms of sexual violence—by that I am referring to choking pornography and multiple sexual acts on one woman or man—and non-photographic child sexual images, including animation. The latter particularly concerns us, because we have all worked hard to ensure that this whole area is outlawed, without any discussion of what is permissible. I think we would all support the complete removal of that whole area from the internet.

Thangam Debbonaire (Bristol West) (Lab): It was a great privilege to work with the hon. Lady on the Committee. Does she share my concern that we do not yet have enough information or clear, research-based evidence about the long-term impact of viewing or appearing in all sorts of different types of pornography?

Claire Perry: The hon. Lady raises an important point about such material, which is easily available and, in some cases, marketed for commercial purposes. Many of us believe—evidence is emerging to back this up—that it may be extremely damaging to people who view it, particularly if they are underage, as well as to those who have been coerced, forced or violently pushed into appearing in pornography. We may not be able to tell whether that is the case from viewing such material, and I am very concerned about the effect that that can have.

Thangam Debbonaire: I thank the hon. Lady for giving way a second time. I want to put on record a further concern that I raised by tabling a probing amendment in Committee, but that remains unresolved. Regardless of the appearance of the acts, I am concerned about the welfare and safety of people who may have been coerced, forced or violently pushed into appearing in pornography. We may not be able to tell whether that is the case from viewing such material, and I am very concerned about the effect that that can have.

Claire Perry: The hon. Lady raises an important point about such material, which is easily available and, in some cases, marketed for commercial purposes. Many of us believe—evidence is emerging to back this up—that it may be extremely damaging to people who view it, particularly if they are underage, as well as to those who are coerced into performing such acts. I hope that the hon. Lady shares my relief and satisfaction about the cross-party inquiry into the original question about what we should do in this space. In the face of much prevarication and pushback—not from within this place, but primarily from the industry—we managed to deliver a result that was effective and proportionate. I thank all colleagues, including Ministers and shadow Ministers, for continuing to work with such commitment.
I want to refer to the recent conversations that my right hon. Friend the Home Secretary has had about banning extremist material or making its dissemination more difficult. In this space, none of us is a technological expert—with the exception of my hon. Friend the Member for Mid Worcestershire (Nigel Huddleston), who can probably claim to be one—but I think that we understand what our constituents want. Whenever we want to change something in this space, we get the response, “Oh, don’t trouble your little heads about the internet,” or, “You innocent people know nothing about this, so how can you possibly stand up and talk about stopping extremist material or making its dissemination online? You do not really understand that the internet is a special place and it should be different.” I have never understood why we should allow the internet to be a special form of content dissemination when we have never understood why we should allow the internet to be a special place and it should be different. I have never understood why we should allow the internet to be a special form of content dissemination when we willingly accept self-regulation and Government regulation of other forms of media distribution.

What has been so good about the journey we have been on since 2012 is that we have seen an increase in corporate social responsibility, as my hon. Friend said. We have seen internet service providers—led, I might say, by TalkTalk and Sky, which were then joined rapidly by the others—really going out there to put in place family-friendly filters and to invest in education about online safety. I was delighted to see that the proposed changes for PSHE—personal, social and health and economic education—include conversations about how our young people can be safe digital citizens online.

I want to report back from a visit I recently conducted to the wonderful Internet Watch Foundation in Cambridge. It has benefited substantially from increased funding from the industry as the result of the work that we have all done. That work has enabled it to go into places such as the dark web, where it knows that people are exchanging child abuse imagery, and to block that material and take it down. It is extremely grateful for the work the Government have continued to do and the support it has received from right across the House.

However, I share the concerns raised by my hon. Friend. I still think that companies out there are hiding behind their legal jurisdiction in the United States, and therefore their adherence, as it were, to a very different set of freedom of speech standards. Secondly, they are giving the slightly shoulder-shrugging response, “Well, if you make it illegal, we will comply,” which is not the way to build Government and consumer confidence in their platforms. I am afraid that time is running out for companies such as Facebook to be saying, “We’re really sorry that a video of a man hanging his 18-month-old baby was on the internet.” If the company can be so clever as to make an advert for a specific colour of shoes, which I had browsed once, that will follow me around the internet almost in perpetuity, I think it has the technology—the pictorial and IP addressing technology—to deal with that. It would probably say, “Look, she does not know the right words,” but I am a politician, not a technologist. I think that the industry is stuffed full of very clever people who could make this change happen if they wanted to, and they should stop looking for individual or collective Governments to force them to do so.

Finally, I want once again to put on record my thanks to all Members who have campaigned with me. Together we have really made a difference. I also thank Ministers, who have really taken this seriously and worked very hard to deliver real progress. Should I be lucky enough to be re-elected in a few weeks’ time, I guess I will be happy to continue this journey, particularly in relation to the definitional clarity that would enhance this space even further.

Lords amendment 1 disagreed to.
Government amendments (a) to (c) made in lieu of Lords amendment 1.
Lords amendment 2 disagreed to.
Government amendment (a) made in lieu of Lords amendment 2.
Lords amendments 3 to 39 agreed to.
Lords amendment 40 disagreed to.
Government amendments (a) and (b) made in lieu of Lords amendment 40.
Lords amendments 41 to 236 agreed to.
Lords amendments 237 to 239 disagreed to.
Lords amendments 240 and 241 agreed to.
Lords amendment 242 disagreed to.
Government amendment (a) made in lieu of Lords amendment 242.
Lords amendments 243 to 245 agreed to.
Amendment (a) made to Lords amendment 246.
Lords amendment 246, as amended, agreed to.
Lords amendments 247 to 289 agreed to, with Commons financial privilege waived in respect of Lords amendments 248 to 254.

Madam Deputy Speaker (Natascha Engel): We now come to my favourite piece of parliamentary procedure, so in my last session in the Chair, I am delighted to ask the Whip to move the motion for the Reasons Committee.

Motion made, and Question put forthwith (Standing Order No. 83H(2)). That a Committee be appointed to draw up Reasons to be assigned to the Lords for disagreeing to their amendments 237 to 239.

That Mims Davies, Louise Haigh, Matt Hancock, Calum Kerr, Scott Mann, Jeff Smith and Graham Stuart be members of the Committee.
That Matt Hancock be the Chair of the Committee.
That three be the quorum of the Committee.
That the Committee do withdraw immediately.—[Chris Heaton-Harris.]
Question agreed to.
Committee to withdraw immediately; reasons to be reported and communicated to the Lords.
Criminal Finances Bill

Consideration of Lords amendments

Madam Deputy Speaker (Natascha Engel): I must draw the House’s attention to the fact that financial privilege is engaged by Lords amendments 11 and 33. If the House agrees to them, I will cause an appropriate entry to be made in the Journal.

Clause 1

Unexplained wealth orders: England and Wales and Northern Ireland

2.59 pm

The Minister for Security (Mr Ben Wallace): I beg to move, That this House agrees with Lords amendment 1.

Madam Deputy Speaker: With this it will be convenient to consider Lords amendments 2 to 147.

Mr Wallace: I just heard what you had to read through, Madam Deputy Speaker. I have 147 amendments, so I hope the Chair has changed by the time we have got through them. However, I do not think we will be taking them individually.

When we sent the Bill to the Lords some months ago, there was considerable cross-party consensus on its aims and measures. After exercising robust scrutiny, we made a number of amendments in this House, including the significant addition of the Magnitsky clause on gross human rights abuses and violations, which I believe significantly improves the legislation. I am pleased to say that the same consensus continued in the House of Lords and that the group before us consists only of Government amendments.

With Prorogation imminent, it is crucial that we get the many valuable powers in the Bill on to the statute book, including unexplained wealth orders, the seizure and forfeiture powers, and the offences of corporate failure to prevent tax evasion. I welcome the support of colleagues across the House to ensure that we can achieve that goal. Although there are 147 amendments in the group, I reassure hon. Members that they are to a great extent minor or technical changes that aim to enhance the operation of the Bill’s existing measures. I will briefly highlight some of the most significant measures.

Undoubtedly, the issue that received the most substantial scrutiny in the House of Lords was that of company ownership transparency in the British overseas territories with financial centres and the Crown dependencies. This topic is of great interest to right hon. and hon. Members in this House. As part of our international efforts to increase corporate transparency, the Government continue to work closely with our overseas territories and Crown dependencies to combat corruption and ensure that they implement the commitments they have made on law enforcement access to beneficial ownership data by the deadline of June this year.

I met the Chief Ministers of Jersey, Guernsey and the Isle of Man earlier this week to discuss their progress, and pressed again our ambition for transparent registers. Yesterday, I co-chaired a meeting of peers and the London representatives of the overseas territories, so that they could update us on their efforts so far.

Once the commitments have been implemented, they will put the UK and our overseas territories and Crown dependencies well ahead of most jurisdictions in terms of transparency, including many of our G20 partners and other major corporate and financial centres, including some states in the United States. As I have said previously, we should be proud of that fact and of the progress we have made since the anti-corruption summit last year. These arrangements will prevent criminals from hiding behind anonymous shell companies and bring significant benefits in terms of the capacity and information that UK law enforcement authorities will have at their disposal to tackle criminal activity and investigate bribery and corruption, money laundering and tax evasion.

It is right, however, that we review the effectiveness of the implementation to assess whether the arrangements are delivering the outcomes that we and our law enforcement agencies are after. That is why we amended the Bill in the House of Lords to require a statutory review of the progress made by the territories against their existing commitments. That report will be laid in Parliament, so that the House can revisit this issue as appropriate in due course.

Some peers and right hon. and hon. Members would have liked us to go further. However, as I have made clear, we are making considerable progress by working consensually with the territories and respect our constitutional settlements with them. The Government maintain that it would not be appropriate to force legislation on jurisdictions other than to a great extent, self-governing. With Prorogation growing ever nearer, I welcome the fact that that amendment was strongly supported by peers of all parties. I trust that hon. Members will agree that it is a sensible way forward at this stage.

Turning to the provisions that were already in the Bill, we have made a number of amendments to the proposed operation of unexplained wealth orders. The hon. Members for Dumfries and Galloway (Richard Arkless) and for Kirkcaldy and Cowdenbeath (Roger Mullin) raised concerns that the £100,000 threshold for the imposition of unexplained wealth orders could disadvantage law enforcement agencies in certain parts of the country, particularly where property values may be lower or the proceeds of crime more evenly shared out. The Northern Ireland Executive raised similar concerns. In the light of that, Lords amendments 2 and 15 will lower the threshold from £100,000 to £50,000, as was requested by the SNP. The threshold remains an important safeguard that will be considered by the court, along with other factors, before unexplained wealth orders can be made.

Following concerns raised in the Lords and by the right hon. Member for Barking (Dame Margaret Hodge) in evidence to the Public Bill Committee, further amendments were made in the Lords to ensure that unexplained wealth orders could be applied in relation to property held in trusts or other complex ownership arrangements, including through a foreign company. Those amendments will help to ensure that the orders have the greatest possible impact once law enforcement agencies can use them.

Lastly, in relation to unexplained wealth orders, Lords amendments 11 and 33 provide for a compensation scheme in relation to the interim freezing orders that can accompany an order. Such a freezing order would
be used to ensure that someone does not scamp while we go to court to put in place an order. We therefore need a compensation scheme, should the court decide an order is not appropriate. That is an important safeguard to circumscribe the use of such powers.

Hon. Members will recall that we extended the seizure and forfeiture powers in chapter 3 of part 1 on Report in the Commons to cover gaming vouchers and casino chips, following another concern raised by Opposition Members. Following a representation from the hon. Member for Dumfries and Galloway, Lords amendments 47 to 49 and 91 to 93 will also allow law enforcement agencies to seize a betting slip where they suspect that the funds used to place the bet are the proceeds of crime. Those provisions will be subject to the same safeguards as those on cash seizure, and we will work with bookmakers and their trade associations to ensure that the measures are used effectively. I trust that hon. Members will welcome that further expansion of the powers.

On a related issue, Lords amendments 69 to 71 will allow for legal expenses to be deducted from any property recovered under the seizure and forfeiture powers, helping to ensure that they function effectively in practice.

Following discussions with banks and other regulated bodies, Lords amendment 36 will extend the period in which companies can share information with each other to tackle money laundering. At present, information sharing can take place for 28 days from the initial notification; we are extending that to 84 days. That takes account of more complex cases where, for example, numerous banks may have relevant information. It is a further sign of this Government’s commitment to working in partnership with the private sector to tackle money laundering. It will help to ensure that the information sharing provisions underpin the incredibly important work of the joint money laundering intelligence taskforce.

As I said at the outset, there are a number of other Lords amendments in the group that provide for minor or technical changes to the existing provisions. I do not expect that any of them will provoke significant concern among hon. Members, but I would, as ever, be happy to address specific queries during my closing remarks.

I hope that the House agrees that the amendments that have been made in the Lords improve the Bill, which, as I have said, has been the subject of significant cross-party support throughout its passage. The Bill, as amended, will ensure that law enforcement agencies have the tools they need to tackle money laundering and terrorist financing and to work as effectively as possible with the private sector on those crucial national security priorities.

We must, of course, remember that the Bill is only one element of the Government’s wider approach to tackling corruption and other serious and organised crime. I referred in earlier debates to Labour’s Bribery Act 2010, which is another plank in the assault on corruption. That goes to the heart of how the Bill is part of a wider package and continual process of tackling corruption.

I was pleased that there was a call for evidence on the review of limited partnerships, which closed on 17 March 2017, as this allowed people to make their concerns known about the abuse of Scottish limited partnerships that we have all seen and that has been evidenced by The Herald newspaper throughout this process. I thank the hon. Member for Kirkcaldy and Cowdenbeath, who has been an effective champion on this issue. I hope that, once the review is completed and we see the results, he and I will be in agreement about the next steps. Department for Business, Energy and Industrial Strategy officials are analysing the responses and expect to submit advice on options to Ministers shortly after the election.

The Ministry of Justice has conducted an initial call for evidence to examine the case for changes to the law on corporate criminality liability for wider forms of economic crime. It is considering the responses at present. We are also strengthening the supervisory regimes for the regulated sector, including proposals for a new office of professional body anti-money laundering supervision—OPBAS, I am told it is called—in the Financial Conduct Authority, to help ensure that the non-statutory supervisors comply with their obligations in the money laundering regulations.

The UK’s public register of beneficial ownership information—the first of its type in the G20—has been up and running since June 2016. Recently, we published proposals for a further public beneficial ownership register for foreign legal entities to increase the transparency of overseas investment in UK property and central Government procurement contracts. We are continuing to reform the suspicious activity report regime, including through investment in systems and processes to complement the legislative reforms. Following a commitment at last year’s anti-corruption summit, we have worked closely with civil society, businesses and practitioners to develop the first UK anti-corruption strategy.

I am pleased that we have reached this stage of the Bill’s consideration in such a constructive fashion. I invite the House to agree to the Lords amendments before us, so that this crucial legislation can be enacted without further delay.

Dr Rupa Huq (Ealing Central and Acton) (Lab): I rise to speak on behalf of Her Majesty’s loyal Opposition for the final occasion in the current Parliament.

The Minister talked about cross-party co-operation and Labour’s Bribery Act 2010, which the Bill builds on, as well as the Proceeds of Crime Act 2002. We welcome all the Government’s technical amendments, because we want a Bill that works and prevents financial crime.

We all remember the heady days of 2016, when the Bill was first announced. We remember the headlines about the possibility that the assets of human rights abusers who bought London homes would be seized and all the rhetoric about cleaning up dirty money. We welcome the Bill and we are happy to support the amendments, most of which are technical and will ensure that some measures in the Bill will work more effectively. They perform a tidying-up function. We particularly support the measures that are intended to ensure that unexplained wealth orders cannot be circumvented through trusts or other complex financial arrangements, and we welcome the thought that has gone into the specific arrangements for the devolved Governments in Scotland and Northern Ireland. We in
the Labour party hope that the return of an inclusive devolved Government in Northern Ireland will be achieved as soon as possible.

Let me now say something about Lords amendment 34. Throughout the Bill’s passage through the House of Commons, we have consistently returned to the elephant in the room: beneficial ownership and transparency in the United Kingdom’s overseas territories and Crown dependencies. I do not want to restate all the arguments—there is no time for me to do so, because we all have to go back to our constituencies and prepare for power, do we not?!—but I believe that my position, and that of the Labour party, is clear. Labour believes that the Government have a moral duty to ensure that our overseas territories and Crown dependencies adopt publicly accessible registers of beneficial ownership to prevent them from being at the global epicentre of illicit financial practices, which damage developing countries and the world economy. They contribute to geopolitical instability, and they do our reputation harm as well. We have seen headlines that, while not suggesting that dead bodies can be seen piling up on the streets of London, make it clear that malpractices have been taking place.

The argument can run and run, and we can have another day for it, but I take heart from the Government’s realisation that a step in the right direction on the long and winding road is ensuring that the new arrangements for information sharing between the relevant territories and the UK’s enforcement agencies are subject to an open and transparent review. Territories such as the British Virgin Islands and the Cayman Islands have been astute. They are very clever at using what are essentially tokenistic, box-ticking consultations—soi-disant, in inverted commas—to argue that compliance, competitiveness and security concerns hamper their adoption of centralised and closed registers of beneficial ownership. They do that because they know they can get away with it. They know that having a centralised, as opposed to a decentralised, platform brings them one step closer to laying the foundations for a public register in the future. That is the holy grail. That is what is at the end of the rainbow—what we are all looking for.

The Government’s concession on the issue is much appreciated, but I believe that the original Labour amendment would have been a far more effective vehicle for assessing the substance of the overseas territories’ claims that they are unable to have public registers of beneficial ownership owing to those compliance, security and competitiveness concerns—all the pretexts and excuses that are being wheeled out. We firmly believe that this is a missed opportunity for Britain. The systems of British overseas territories and Crown dependencies allow tax avoidance on what some people describe as an industrial scale. It does go on, and we cannot pretend that it does not. The Government’s unwillingness to support our position on registers of beneficial ownership is unforgivable. Sadly, it shows that the Conservative party is not serious enough about money laundering. It could do better. We used to be tough on crime and tough on the causes of crime—indeed, we still are—but the Conservatives could be tougher on financial crime. They are not as tough as they would have us believe.

3.15 pm

Money laundering and corruption have been identified as high-priority threats in the National Crime Agency’s national control strategy. The Minister mentioned last year’s summit under David Cameron. How long ago it all seems! Times are changing before our eyes. Those threats have also been identified in the UK’s strategic defence and security review, its national risk assessment of money laundering and terrorist financing and its overseas development aid strategy. Incidentally, I welcome the fact that the 0.7% commitment remains in the Conservative manifesto.

We all know that international terror networks require large-scale and continuous funding to conduct their operations. It could not be clearer that a finance sector embroiled in money laundering and tax avoidance is a threat to us all. I grant that the Bill is a step in the right direction, but it is regrettable that it does not contain provision for public registers of beneficial ownership. It is a case of two steps forward, one step back. However, I am not surprised that the Government are unperturbed by having missed this opportunity, given their threat to turn post-Brexit Britain into a low-wage tax haven in which workers’ rights will potentially be tossed aside.

We are in a wash-up period, so let us hope that a Bill that was announced with such fanfare is not washed up on a beach of lost dreams. We now find ourselves caught up in a precipitous rush to an election that is taking place with almost indecent haste. Whatever happened to the Fixed-term Parliaments Act 2011? It really is not worth the paper that it is written on. This election is taking place for no other reason than political expediency. I very much hope that on the other side of it we will be in government, but wherever we are, we will be watching what happens next.

If the forthcoming review demonstrates that the decentralised platforms favoured by the overseas territories are impeding the operational efficacy of our enforcement agencies, Labour Members will demand that the Government react immediately to ensure that all platforms are centralised and made public. The review is not the end of the path towards transparency for those territories; it is merely the start. The Labour party will continue to fight to ensure that they eventually embrace full openness and transparency.

Richard Arkless (Dumfries and Galloway) (SNP): Unlike some other Members, Madam Deputy Speaker, I did not make my maiden speech with you in the Chair, but I seem to have made a number of speeches in front of you, although some have been made to an empty Chamber. Perhaps, if we are both lucky enough to be re-elected, we will not be drawing the short straw during the next parliamentary term.

As the Minister said, the Bill’s passage has been widely consensual and co-operative. We have managed to work together across all party boundaries in Committee, at various meetings, in discussions with the Minister and during debates on the Floor of the House. We have reached a point at which we think that the Bill is a very decent start towards the longer-term goal of tackling and eradicating financial criminality. I think that everyone agrees with those aims. Of course, we think that the Bill could be improved, and I am sure that the Minister will be minded to agree, in theory, with the principles of the improvements that we envisage. I trust that we will work on that as time goes on.
Touching now on some of the Lords amendments, I was delighted to hear the Minister say that the threshold for unexplained wealth orders will be reduced from £100,000 to £50,000 pursuant to the submissions we made in the Bill Committee. It was gracious of the Minister to give us that credit at the Dispatch Box, and it is taken graciously. There are very good reasons why the threshold should be £50,000, and the Minister acknowledged them in his speech. The last thing we want is something in the terms and conditions—the facets and facilities—of an UWO that could be used by the criminals to get one step ahead and subvert that process. Bringing the threshold down goes a long way towards closing off the gaps for the criminals; I thank the Minister for that and am glad that this change will be in the Bill in its final form.

The inclusion of betting slips as a form of cash in the Bill is also welcome. That was a Scottish National party election pledge, and we are proud that it has been delivered in the Bill.

My hon. Friend the Member for Kirkcaldy and Cowdenbeath (Roger Mullin) has made significant political waves on the issue of Scottish limited partnerships, and special mention must go to the journalists David Leask and Richard Smith from the Herald—as acknowledged by the Minister—who have done some great investigative journalism on this subject over the last couple of years.

Roger Mullin: I had not intended to participate in this debate, but just want to acknowledge the co-operative way in which the Minister has responded.

Richard Arkless: I corroborate that: the Minister has never given any indication at any point in the process that he does not agree with the thrust of what we have been saying. It is heartening to hear that he has corroborated our position in the consultation. My only request to him—and I will take him at face value—is that he and his Department show the same energy in tackling this issue beyond the consultation period, so that we can finally get rid of the scourge of the awful vehicle of the Scottish limited partnership, which brings this place and our economy into disrepute.

The question of compelling jurisdictions to publish registers of beneficial ownership has been a hot topic during the debates on the Bill. I would have preferred a situation where we could justify persuading or compelling overseas territories to publish registers of beneficial ownership, although we in the SNP would, rightly, always stop short of allowing this place to tell another jurisdiction what it can and cannot do; clearly, that is consistent with what we believe on constitutional issues. For that reason alone, I am pleased, although not overwhelmingly so, by the new provisions in the Bill. There is a commitment for discussions and an assessment to take place in relation to the information-sharing between the territories and the UK Government. We have had good and constructive discussions with all the territories and with the Government, and they all assure us that, on a 24-hour turnaround, information can be ascertained to aid the tackling of financial criminality in the UK. That is a good and reassuring assurance, but it must be documented and proved in this House.

Joanna Cherry: I congratulate my hon. Friends the Members for Dumfries and Galloway (Richard Arkless) and for Kirkcaldy and Cowdenbeath (Roger Mullin) on contributing to putting some real teeth into this Bill. Does my hon. Friend the Member for Dumfries and Galloway agree that the Government’s compromise amendment 34 on sharing beneficial ownership information is not really a compromise at all, and instead just a restatement of existing Government policy, with no mention of transparency or of developing countries? Does he also agree that this is a lost opportunity, in light of the Panama papers, to grasp the issue of corruption and work a bit harder to ensure real transparency in the OTs, so that we can stop the sucking away of money from developing countries?

Richard Arkless: I agree with my hon. and learned Friend, but the jurisdictional issue still comes into play. Although of course I agree completely with the thrust of her substantive argument that it would be sensible to compel the OTs to publish these registers, unless I can satisfy myself that this place has locus to do so, I would find it very difficult to support that suggestion. My view is that we will never fully rid the financial sector of financial criminality until we have a uniform publication of registers of beneficial ownership, and we must strive to achieve that.

Despite the cross-party co-operation, I was somewhat perturbed by the Labour Front-Bench Member saying that its position is clear on this matter. I do not agree; it has not been clear. In particular, an amendment was put before the House when the Bill was previously before it that would have compelled the Crown dependencies to publish their registers, but with nothing against the OTs. That should have been the other way around. Therefore, we could not support that amendment, but we would have been willing to support an amendment in relation to the OTs. That might well have been a missed opportunity.

Throughout the passage of this Bill we have sought to co-operate, and, more importantly, we have sought to widen the debate beyond the technicalities and the manifestations of financial criminality contained in the Bill. We think that the banking culture in the UK is a significant facilitator and indeed the root cause of financial criminality, and that we will never have the tools to eradicate it fully until we tackle that root cause. I do not think that that is a particularly controversial point. I can understand why the Minister was keen not to include the provision for a banking culture review in the Bill, although we would have done so, but I urge the Conservative Front-Bench team—or whoever is in government after the next election—to pursue this point. The banking culture that has developed over the last generation is the real facilitator of financial criminality and it must be reviewed and brought to task.

We have sought to widen the debate in relation to whistleblowing. Whistleblowers need genuine, material and proper protection. It is not easy for people working in large financial services organisations who see things to report to their boss that things are not as they ought to be. People who find themselves in that position should have the maximum protection from this place, to feel able to bring that information forward so that the regulators, the Government and all of us can react accordingly. That will be crucial in the future.
Therefore, while we accept and agree with what is in the Bill, I do not want the conversation to stop here. It should continue beyond this Bill, to examining how we can tighten things up further and deal with some of the underlying root causes of financial criminality, not just the manifestations and the vehicles to tackle it.

I conclude by saying that I am delighted that I will be fighting the general election in Dumfries and Galloway for the SNP. We will be giving it everything we have got, and hopefully sending this Prime Minister homewards to think again.

Lords amendment 1 agreed to.
Lords amendments 2 to 147 agreed to, with Commons financial privilege waived in respect of Lords amendments 11 and 33.

Higher Education and Research Bill
Consideration of Lords amendments

Madam Deputy Speaker (Natascha Engel): I must draw the House’s attention to the fact that financial privilege is engaged by Lords amendments 23, 138 and 139. If agreed by the House, I will cause an appropriate entry to be made in the Journal. I also remind the House that certain of the motions relating to the Lords amendments will be certified as relating exclusively to England and Wales, as set out on the selection paper. If the House divides on any certified motion, a double majority will be required for the motion to be passed. I also alert Members to the fact that an additional paper has been published today containing three additional motions to disagree to Lords amendments 183, 184 and 185. I am sure that the Minister will explain this further to the House. The first motion to be taken is to disagree with the Lords in their amendment 1, with which it will be convenient to consider the other motions and amendments as on the selection paper. I call the Minister to move to disagree with Lords amendment 1.

3.29 pm

The Minister for Universities, Science, Research and Innovation (Joseph Johnson): I beg to move, That this House disagrees with Lords amendment 1.

Madam Deputy Speaker (Natascha Engel): With this it will be convenient to discuss the following:
Government amendments (a) to (d) in lieu of Lords amendment 1.
Lords amendments 2 to 11.
Lords amendment 12, and Government motion to disagree.
Lords amendment 209, and Government motion to disagree.
Lords amendment 210, and Government motion to disagree.

Government amendments (a) to (g) in lieu of Lords amendments 12, 209 and 210.
Lords amendments 13 and 14.
Lords amendment 15, Government motion to disagree, and Government amendments (a) and (b) in lieu.
Lords amendments 16 to 22.
Lords amendment 23, Government motion to disagree, and Government amendments (a) to (c) in lieu.
Lords amendments 24 to 70.
Lords amendment 71, Government motion to disagree, and Government amendment (a) in lieu.
Lords amendments 72 to 77.
Lords amendment 78, and Government motion to disagree.
Lords amendment 106, and Government motion to disagree.

Government amendments (a) to (h) in lieu of Lords amendments 78 and 106.
Lords amendments 79 to 105.
Lords amendments 107 to 155.
Lords amendment 156, Government motion to disagree, and Government amendments (a) to (c) in lieu.
Lords amendments 157 to 182.
Lords amendment 183, and Government motion to disagree.
Lords amendment 184, and Government motion to disagree.

Lords amendment 185, and Government motion to disagree.

Lords amendments 186 to 208.

Lords amendments 211 to 244.

Joseph Johnson: The Higher Education and Research Bill sets out the most significant legislative reforms of the sector for 25 years. The world of higher education has changed fundamentally since the Further and Higher Education Act 1992, leaving a regulatory system that is complex, fragmented and out of date. The sector has consistently called for new legislation to update the regulatory framework and just yesterday the two main sector groups, Universities UK and GuildHE, reiterated their full support for this important legislation.

Given its scale and importance, this Bill has understandably received robust and constructive debate as it has progressed through this House and the other place. I would like to put on record my thanks to all Members and noble Lords who have engaged with it during the process, throughout which we have listened, reflected and responded. This group includes no fewer than 240 amendments agreed in the other place which strengthen and improve the drafting of the Bill. They cover a range of issues including institutional autonomy, the inclusion of collaboration and diversity of provision in the Office for Students’ duties, student transfer and accelerated degrees. The other place also agreed amendments to strengthen the research provisions in the Bill, including putting the Haldane principle into legislation for the very first time. Today, I am pleased to show once again that we are willing to engage and respond. I hope that hon. Members will bear with me if I speak at some length: there are many important points that I would like to set out clearly.

Turning first to Lords amendment 1, we listened carefully to the debate in the other place about the role and functions of universities. At its heart was the importance of protecting institutional autonomy, which we fully support. We responded to this with a significant package of amendments designed to provide robust and meaningful protection of institutional autonomy across the whole of the Bill, which I was pleased to see receive support from all parties. On the definition of a university, in a limited sense a university can be described as predominantly a degree-level provider with awarding powers. If we want a broader definition, we can say that a university is also expected to be an institution that brings together a body of scholars to form a cohesive and self-critical academic community to provide excellent learning opportunities for people. We expect teaching at such an institution to be informed by a combination of research, scholarship and professional practice. To distinguish it from what we conventionally understand a school’s role to be, we can say that a university is a place where students are developing higher analytical capacities: critical thinking, curiosity about the world and higher levels of abstract capacity in their analysis.

Further, the strength of the university sector is based on its diversity and we should continue to recognise that a one-size-fits-all approach is not in the interests of students or of wider society. In particular, small and specialist providers that support, for example, the creative arts, theology and agriculture have allowed more students with highly specialised career aims the opportunity to study at a university. Indeed, as we have said in our White Paper and throughout the passage of the Bill, the diversity of the sector and opportunities for students have grown as a result of the important changes introduced by the previous Labour Government in 2004, including the lifting of the requirement for universities to have students in five subject areas and to award research degrees. No one would want, and we would not expect, to go back on the specific changes that the party opposite made.

To protect the use of university title, we have tabled amendments (a) to (d) to Lords amendment 1 to ensure that before allowing the use of that title, the Office for Students must have regard to factors in guidance given by the Secretary of State, and that before giving the guidance, the Secretary of State must consult relevant bodies and persons. This consultation will be full and broad. It will reference processes and practice overseas, for example in Australia, and provide an opportunity to consider a broad range of factors before granting university title. Those factors might include a track record of excellent teaching; sustained scholarship; cohesive academic communities; interdisciplinary approaches; supportive learning infrastructures; the dissemination of knowledge; the public-facing role of universities; academic freedom and freedom of speech; and wider support for students and pastoral care.

In the other place, we tabled an amendment based on a proposal from Baroness Wolf requiring the Office for Students to take expert advice from a relevant body on quality and standards before granting, varying, or revoking degree-awarding powers. I can confirm that the role of the relevant body will be similar to that of the Quality Assurance Agency for Higher Education’s advisory committee on degree-awarding powers, and the system we are putting in place will build on the QAA’s valuable work over the years.

Amendment (a) in lieu of Lords amendment 71 further strengthens that provision. Specifically, the amendment makes it clear that, if there is not a designated quality body to perform the role, the committee that the OFS must establish to perform it must feature a majority of members who are not members of the OFS. Further, in appointing those members, the OFS must consider the requirement that the committee’s advice be informed by the interests listed in the proposed new clause, which will ensure that the advice is impartial and informed. The amendment also makes it clear that the advice must include a view on whether the provider under consideration can maintain quality and standards, and it requires the OFS to notify the Secretary of State as soon as possible after it grants degree-awarding powers to a provider that has not previously delivered a degree course under a validation arrangement.

I also confirm that I expect the Secretary of State’s guidance to the OFS on DAPs to continue to require that a provider’s eligibility be reviewed if there is a change in its circumstances, such as a merger or a change of ownership. The OFS has powers under the Bill to remove DAPs from a provider where there are concerns as to the quality or standards of its higher education provision following such a change. We expect the OFS to seek advice from the relevant body on any such quality concerns before taking the step of revocation.
In the other place we made amendments providing additional safeguards on the revocation of DAPs and university title, recognising that those are last-resort powers. Amendments were also made relating to appeals against such decisions. Amendments (a) to (h) in lieu of Lords amendments 78 and 106 achieve the same aims as the Lords amendments but will align the wording more closely with terminology used elsewhere in legislation.

The amendments allow an appeal on unlimited grounds, and permit the First-tier Tribunal to retake any decision of the OFS accordingly, including on any changes to the OFS. This must cover many aspects that have concerned Members of this House and the other place, including whether the metrics used are appropriate for use in the TEF; whether the names of the ratings, to which the hon. Member alluded, are appropriate for use in the TEF; the impact of the TEF on the ability of providers to carry out their research, teaching and other functions; and an assessment of whether the scheme is, all things considered, in the public interest. I am happy to confirm that the Secretary of State will take account of the review and, if he or she considers it appropriate, will provide guidance to the OFS accordingly, including on any changes to the scheme that the review suggests might be needed, whether in relation to the metrics or any of the other items the review will look at.

We have also heard concerns about the impact of the link between TEF and fees. We recognise the important role of Parliament in setting fee caps. That is why I am also pleased to propose amendments (a) to (g) in lieu of amendments 12, 209 and 210, which amend the parliamentary procedure required to alter fee limit amounts, to ensure that any regulations that would raise fees would be subject, as a minimum, to the affirmative procedure. That provides a greater level of parliamentary oversight on fees than the measures originally put in place under the Labour Government in 2004. I have also today brought forward a further motion to disagree with Lords amendments 183 to 185, which are no longer required as a consequence of these amendments. That is a purely technical change as a result of the wider set of amendments regarding fee amounts.

Furthermore, today’s amendments demonstrate our commitment to a considered roll-out of differentiated fees. Amendments in lieu (c) and (d) will delay the link between differentiated TEF ratings and tuition fee caps, so that this will not come in for more than three years, with the first year of differentiated fees as a result of TEF ratings being no earlier than the academic year beginning autumn 2020.

**Dr Roberta Blackman-Woods** (City of Durham) (Lab): I hear what the Minister is saying about the TEF, but does he accept that, although there might be widespread consensus in both Houses on the importance of teaching in higher education, we have always been a world leader in our approach to higher education in this country, but we cannot and should not be complacent. The teaching excellence framework offers us the opportunity to safeguard the UK’s best teaching and to raise standards across the sector. For the TEF to work properly, however, there must be reputational and financial incentives behind it. We propose to disagree with Lords amendments 12 and 23, which would render the TEF unworkable.

Almost 300 providers took part in the first round of assessments, and we have received vocal support for the TEF from the major sector representatives. The sector has voted with its feet and has demonstrated real confidence in the framework. It would not be appropriate to stop or fundamentally alter the TEF now.

Dr Roberta Blackman-Woods: I hear what the Minister is saying about the TEF, but does he accept that, although there might be widespread consent across the sector for a TEF-type exercise, the sector is not happy about the traffic light system and wants to see the review he is establishing?

**Joseph Johnson:** I thank the hon. Lady for raising that point, which enables me to discuss the amendment that the Government have tabled precisely to address those concerns.

I am pleased to present to the House a series of amendments that demonstrate our continued commitment to developing the teaching excellence framework iteratively and carefully. We have consulted widely on the TEF, and we want to continue drawing on the best expertise as we develop this important scheme. That is why I am pleased to have tabled amendment (c) in lieu of Lords amendment 23, as it requires the Secretary of State to commission an independent review of the TEF within one year of the TEF clause being commenced. Crucially, the amendment requires the Secretary of State to lay the report before Parliament, ensuring parliamentary accountability for the framework as it moves forward.

The report must cover many aspects that have concerned Members of this House and the other place, including whether the metrics used are fit for use in the TEF; whether the impact of the TEF on the ability of providers to carry out their research, teaching and other functions; and an assessment of whether the scheme is, all things considered, in the public interest. I am happy to confirm that the Secretary of State will take account of the review and, if he or she considers it appropriate, will provide guidance to the OFS accordingly, including on any changes to the TEF.
Before moving on to our other amendments, I would like to reiterate our commitment that the TEF will evolve to assess the quality of teaching at subject level, as well as institutional level. We recognise that subject-level assessments are more challenging, which is why I have already announced an extension to the roll-out of subject-level TEF pilots, with an additional year of piloting. This follows the best practice demonstrated in the research excellence framework, and means the first subject-level assessments will not take place until spring 2020.

3.45 pm

In both this House and the other place, we have heard compelling arguments about the importance of student electoral registration. I commend the hon. Member for Sheffield Central (Paul Blomfield) for his passionate work on that issue. Having worked closely with my hon. Friend the Minister for the Constitution, I am pleased to propose Government amendments (a) and (b) in lieu of Lords amendment 15. Our amendments will improve the electoral registration of students by permitting the Office for Students to impose a condition of registration on higher education providers that requires their governing bodies to take steps specified by the OFS to facilitate co-operation with electoral registration officers in England. The amendments place that requirement firmly within the new higher education regulatory framework while, equally importantly, maintaining unaltered the statutory roles and responsibilities of EROs for ensuring the accuracy of the electoral register. The provisions will complement EROs’ existing powers.

In implementing the condition, the OFS will be obliged to have regard to ministerial guidance issued under the general duties clause, which will lay out what the Government expect in relation to the electoral registration condition, alongside expectations about other functions of the OFS. There are many excellent examples from across the sector of methods of encouraging students to join the electoral register, including the models put in place by the University of Sheffield—in the constituency of the hon. Member for Sheffield Central—that provide an example of good practice.

Through the Government’s amendments, the OFS will have a specific power to impose an electoral registration condition to deal with HE providers that are not doing enough to co-operate with electoral administrators. When a condition is imposed, it takes effect as a requirement—it will oblige action to be taken. The clear aim is for the OFS to look across the sector and, when needed, ensure that necessary action is taken. The condition can require particular steps to be taken so that higher education providers work with EROs to facilitate registration. As with any registration condition, non-compliance is enforceable, including through OFS sanctions.

Paul Blomfield (Sheffield Central) (Lab): I thank the Minister for his comments on the work that we have done on this issue. The Cabinet Office has been extremely helpful from the very start in supporting the initiative with the University of Sheffield. Nevertheless, does the Minister recognise that the critical game-changer is the seamless integration of electoral registration and student enrolment? When other universities—not only Sheffield—have taken that up, they have seen levels of registration that the simple promotion of the voter registration portal, or giving direction towards it, have not succeeded in achieving. In monitoring the effectiveness of the Government’s proposals, will the Minister look at effective outputs? If universities’ outputs through methods of co-operation with electoral registration officers do not deliver the sort of 70% mark that integrated systems have delivered, will he expect them to be pushed in that direction by the Office for Students?

Joseph Johnson: I thank the hon. Gentleman for his continued and thoughtful engagement with this issue. We look forward to continuing to work with him as we develop the guidance that will be given to the OFS. As we have said previously, we do not expect that there will be a one-size-fits-all approach. We need an approach that recognises the particular circumstances at different institutions. We look forward to continuing to engage closely with the hon. Gentleman in the coming weeks and months, subject to the results on 8 June.

It is vital for this country that we have a healthy democracy that works for everyone. The Government share the aim of increasing the number of students and young people who are registered to vote. It is vital that the views of students and young people are taken into account in the democratic process, and our amendments will help to deliver that.

Last but by no means least, amendments (a) to (c) in lieu of Lords amendment 156 relate to international students. I reiterate that the Government value and welcome international students who come to study in the UK. We recognise that they enhance our educational institutions, both financially and culturally, enrich the experience of domestic students, and become important ambassadors for the UK in later life. It is for those reasons that we have no plan to limit the number of genuine international students who can come to study in the United Kingdom. I need to be very clear that that commitment applies to all institutions. We have no intention of limiting any institution’s ability to recruit genuine international students. We have no plans to cap the number of genuine students who can come to the UK to study, or to limit an institution’s ability to recruit genuine international students based on its TEF rating or on any other basis.

Richard Fuller (Bedford) (Con): Can the Minister explain the logic of including in a statistic which the Government wish to limit a statistic that they have no desire to limit?

Joseph Johnson: I can reassure my hon. Friend that this Government welcome international students, who deliver huge value to our institutions, our economy and our learning environment. However, it is also important to recognise that the independent Office for National Statistics classifies students as part of migration. The ONS has an independent status and it applies that definition accordingly. It is appropriate that the matter is treated in the way that it is at present in our immigration system.

Neil Carmichael (Stroud) (Con): I thank the Minister for these amendments, as they reflect very well what the Education Committee said in its recent report on the university sector and implications of leaving the European Union. I, like the Minister, believe that it is important to ensure that our sector—this very important sector—is attractive abroad.
Joseph Johnson: Indeed. No one would disagree with that. It is good news that the UK continues to be a highly attractive place in which international students can come to study. Numbers of international students are running at record highs, and we have more than 170,000 non-EU entrants to UK higher education institutions for the sixth year running. The latest Home Office visa data show that, since 2011, university-sponsored visa applications have risen by around 10%.

Several hon. Members rose—

Joseph Johnson: I will take one more intervention—/Interruption./ I will take two more interventions on this subject.

Wes Streeting (Ilford North) (Lab): I am grateful to the Minister for giving way, but he is being rather selective with the statistics, because the UK is losing market share across the world when it comes to international students. In fact, the Higher Education Statistics Agency shows that the UK has seen a reduction of more than 50% in students coming to the UK from India. More than half of international students in the UK say that they do not feel welcome. Does he recognise the scale of that problem?

Joseph Johnson: Perhaps the hon. Gentleman is being selective. I can easily point to the 8% increase in visas from Chinese nationals in 2016. Overall, if we look at the numbers since 2011, visa applications are up by 10%, but let us not get distracted further. I will take a further intervention and then I shall move on.

Ben Howlett (Bath) (Con): My hon. Friend has been a great advocate on this issue for a long time. I personally thank him for delivering these amendments. Given that there will be a new duty on institutions to give out their numbers since 2011, visa applications are up by 10%, but let us not get distracted further. I will take a further intervention and then I shall move on.

Paul Blomfield: Will the hon. Gentleman give way?

Joseph Johnson: For the last time.

Paul Blomfield: Thank you. I understand his discomfort on the issue. He talked about numbers, but does he not recognise that in the latest year for which numbers are available—2014-15—new enrolments of international students fell by 3%, so he cannot say that the numbers are going up?

Joseph Johnson: We can certainly say that visa applications have risen by around 10% since 2011, although there might be fluctuations from year to year. That has been the case for many periods in the history of international students coming to study in this country. There has not been a story of continued growth; there have been ups and downs. Since 2010, which is a longer timeframe, we have seen applications up by around 10%.

Lords amendment 156 could do real damage. For example, it would prevent international students being treated as long-term migrants. The internationally recognised definition of a long-term migrant is anyone moving countries for a period of more than a year. If we were not able to apply to international students the key features of our work immigration regime, such as the need to obtain a time-limited visa that specifies the terms on which the migrant can come and a requirement to return home upon expiry of the visa, that could undermine our whole student migration system. I cannot advise the House to agree to that amendment.

Secondly, the Lords amendment would prohibit any change to the future student migration regime that could be interpreted as more restrictive than that in force when the Bill is passed. Any future changes—even minor technical changes—would require fresh primary legislation rather than being made by immigration rules laid before Parliament. I do not believe that that would be sensible or helpful, particularly given how crowded the forthcoming legislative programme is likely to be.

That said, I recognise the strength of feeling on the issue, so I am pleased to ask the House to support amendments (a) to (c) in lieu of Lords amendment 156. The Bill already creates for the first time a requirement for information on higher education providers to be published. It also puts in place a statutory duty to consider what would be helpful to students on higher education courses here, prospective students and higher education providers. Our amendments expressly extend that important new duty to cover what information would be useful to current or prospective international students in higher education and to the providers that recruit them or are thinking of doing so. They will also specifically require a consideration of the publication of international student numbers. All this is designed to help to ensure that as much information as possible is available about the UK’s offer to international students. We have a good story to tell and the Government are keen to ensure that it is told.

The Bill is long overdue. It will streamline the higher education system’s regulatory architecture. It will give students more choice and opportunity. It will strengthen our world-class research and innovation capabilities, and it will enhance the competitiveness and productivity of our economy. I thank all Members for their constructive engagement throughout the Bill’s passage.

Gordon Marsden (Blackpool South) (Lab): It is a great pleasure and privilege to speak on these amendments this afternoon. I join the Minister in thanking the various teams of drafters and Clerks for all the work they have done. He and I have had some intense discussions in the past three to four days, and they must have put great pressure on the Clerks to produce the substantial amendments that are before us today. I want to give special thanks to the Public Bill Office. Most people who have been in opposition, of whatever party, know that it is very much, in terms of resources, a David and Goliath process and we are enormously grateful for the professional work of the Public Bill Office in assisting us.

I want to place on record, because we are talking about Lords amendments, my gratitude and that of many in the House for the robust exercise by the House of Lords of its historic privilege, which is to revise, to...
remind and to warn. It has done all three things with this raft of amendments, which, combined with the intense pressure that was applied across the sector by numerous groups, the work that we have put in and the Minister’s co-operation in recent days, has brought us to where we are today.

I am sorry that the Minister, in his measured presentation, did not find time to talk about the contribution of the people who work in universities. Their contribution is just as important as that of students and teachers, because without them we would not have universities or other higher education institutions. I place on the record also my thanks to the various sector groups who have assisted us: the National Union of Students, which delivered thoughtful and trenchant critiques that helped us get to where we are today, as did the other unions involved—the University and College Union and Unison—and the Council for British Universities, as well as the whole range of universities, modern and traditional. I must not forget the submissions from the further education sector and the Association of Colleges, because as I frequently remind the Minister, 12% and rising of higher education in this country is provided by further education colleges.

This process has been about the dialogue with university vice-chancellors and junior lecturers. We are in a much better place because of the specialist critique and the Lords amendments that the Minister has accepted on UK Research and Innovation, and on research. As the hon. Member for Glasgow North West (Carol Monaghan) is in the Chamber, I pay tribute to her and her team for the points they made about the importance of the devolved Administrations.

4 pm

Let us turn to the amendments that the Government wish to remove; I was going to say “tamper with”, but that would be churlish. The Government’s concession on university title is welcome and necessary, and, my goodness, it has been a long time coming. From the beginning, there have been strong concerns about this across the sector from people who work within it—people concerned about the nature of their employment and about the quality of their teaching—and, as I have said, from the students who increasingly have to pay more and more.

We should not forget that the Bill is being wound up in the context of a world-class university sector that is now facing all the challenges of Brexit that have not been not included in the Bill in any shape or form. We have to protect our world-renowned brand of universities in as many ways as possible, so we are content that the Government have now committed to holding this full and wide-ranging consultation on university title. As the Minister said, once that consultation has finished, as a result of the discussions that we have had with him, the Secretary of State will have to issue guidance to the Office for Students on the criteria to be applied when awarding university title, to which the OFS must have regard.

Dr Blackman-Woods: My hon. Friend is making a strong case. I agree that it is good that the Government have recognised the challenge to university reputation that could come from the extension of university title without safeguards in place. Does he agree that the Government’s proposals are a watering down of Lords amendment 1 and that it will be necessary to look carefully at the guidance in due course to ensure that it adequately protects university title?

Gordon Marsden: My hon. Friend, the esteemed chair of the all-party parliamentary university group, is absolutely right. She makes precisely the same point that so many people want to make to the Government. Edmund Burke famously said that the price of liberty was eternal vigilance. Well, the price of extracting these concessions from the Government today—if, by any chance, they get back into office after 8 June—will be at least very severe, if not eternal, scrutiny. Whatever the situation is, not just in the House but outside it, that scrutiny has to happen.

The agreed process is not a tick-box one, but one where there must be a big conversation. My hon. Friends the Members for City of Durham (Dr Blackman-Woods), for Sheffield Central (Paul Blomfield) and for Ilford North (Wes Streeting) and all sorts of other people have made this point. I pay tribute to Baroness Brown for pursuing the matter. I hope that the penny has finally dropped for the Government. As MillionPlus said, “strong safeguards need to be put in place to ensure that any body that is awarded degree awarding powers...has met the criteria to do so, and will not put student interest at risk, or potentially damage the hard earned reputation of the entire higher education sector in the UK.”

That is why it is so important that the Government commit to that full and wide-ranging consultation.

I am pleased that the Minister has confirmed, as we discussed, that the consultation will look at international examples, such as Australia, in granting university title. It is crucial that the Government look at the range the Minister talked about: excellent teaching, sustained scholarship, cohesive academic community, learning infrastructure, knowledge exchange and—often forgotten—pastoral care, with universities actually supporting students to learn and not simply be part of some vague online community. As Research Fortnight said last year, “the title of university needs to be seen as a privilege...not an automatic entitlement”.

That is why this consultation and the subsequent guidance are so important, with the market being open to new entrants, and that is why we will continue to press Ministers on this issue.

Let me move on to the granting of degree-awarding powers. As we have said from the beginning of proceedings on the Bill, that is at its heart significantly about trust, or the lack of it, and that was nobly elaborated and strengthened by the amendment tabled in the other place by Baroness Wolf, who is a fantastic advocate for the HE and FE sectors and who knows of what she speaks, which is why the Government have had to move on this issue. We have said right from the beginning that the Government need to make things very clear to allay some of the concerns that we, along with a number of people across the sector and the noble Baroness and others in the other House, have had about the principle of independence. Giving providers the option from day one to build up degree-awarding powers is potentially dangerous, and we are potentially taking a gamble on probationary degrees from probationary providers.
I do not want to reopen the debate we had on this in Committee, and I want to say very strongly that we are not against private providers or new providers as such, but the provision must be to strengthen the public sector and to ensure that new providers can demonstrate that they provide high-quality education—including robust governance that maintains academic quality, protects the student interest and has a demonstrable track record of delivering higher-quality education—before they are granted degree-awarding powers.

We know only too well from the issues that have arisen in the United States with private providers, from the criticisms Baroness Wolf has levelled at a similar process in Australia and from the issues involving BPP and the Apollo group three or four years ago why the safeguards being put into the Bill are entirely necessary. The Council for the Defence of British Universities said exactly that in its submissions.

We are therefore pleased that a significant degree of scrutiny will now be put in place and that, when granting, varying or revoking degree-awarding powers, the OFS must be advised by the independent designated quality body—the Government have conceded that—on a provider’s ability to provide and maintain HE provision of an appropriate quality and standard. It is crucial that there is a traffic light, if I can dare to use that expression, saying “Caution” and providing a guarantee of the process. It is important that the OFS is advised in the way I have described; after all, in the first few years of its existence—whether we take the term neutrally or not—be a creature of the Government, but one that is on probation and on trial.

There are known quantities in this process, which is why I was pleased to hear the Minister praise the QAA for what it has done, but, as he said, things change with time. That is why we had to press the Government so hard to come forward with a new mechanism if the QAA were no longer to be the appropriate body. That is reiterated in the concession of an automatic review by the designated quality body if there is a change of ownership or a merger at a university. We know what can happen, just as people in the sector know—the people employed there and the people being taught in inferior conditions because of what has happened in the past. We therefore need these steps, alongside a consultation and guidance on university title, to protect our brand of HE providers.

This is about not just the letter but the spirit of these proposals, and that is reiterated by the automatic review, which will prevent university title and degree-awarding powers being purchased without the protections of quality assurance. We remain concerned that, should no independent designated quality body exist, the OFS must set up an independent specific committee. We were determined to encourage the Government to take that fall-back position. Their concession of an independent specific committee with a majority of members with no previous involvement with the OFS is crucial. It is also crucial that this body remains independent of Government and of the OFS, for the reasons that I have described.

I want to move on to the teaching excellence framework, and Lords amendment 23 and the amendments that the Government have tabled in lieu. The Minister said that the importance of teaching excellence was accepted across the House. Indeed, who would be against teaching excellence? However, the devil is always in the detail.

In this case, the detail is that it took nearly six years to take through the research excellence framework process. We are therefore wise to think and to pause, particularly on the potential to differentiate fee levels at higher education institutions, which has been a major concern for many across the sector. We have expressed serious fears from the start, not least in the context of the ridiculously titled “gold, silver and bronze” scheme, which was no doubt dreamed up in the Minister’s office by someone in a post-Olympics euphoria back in the autumn.

People are concerned that any sort of link is bound to affect student decision making adversely, particularly in deterring students from low-income families from applying. Those concerns have been expressed right across the sector, from unions such as the UCU and Unison to a number of other groups. The Minister quotes somewhat selectively on occasion the groups that he wishes to quote, but I can assure him that a number of universities and university groups, including some of our most revered and aged, remain concerned about this. That is why it is crucial that the Government put in place a legislative commitment to a full independent review before the TEF could be used to differentiate fees and why it is right that that has been accepted and aided by the work that the Lords has put in. It gives us a different direction of travel from the rubber-stamping technocracy the Government previously had in mind for us.

The Government’s agenda on higher education has consistently hit students hard, particularly those from disadvantaged backgrounds. As we have always said, we will do everything in our power to resist the TEF being used as a Trojan horse for the escalation of fees. We know from the Sutton Trust and from the various surveys about the daunting mountain of debt that is being imposed on students as a result of how this Government and their predecessor have gone forward on this: what an impediment to their hopes and dreams. Now that inflation is leaping, post-Brexit, to the sorts of levels that will bring in increases in future, we are right to be concerned that there should be a proper process in how we take this forward.

Along with the unions involved and many others in the sector, we feel very strongly about any sort of link that affects student decision making adversely—particularly, as I say, with regard to low-income families. The NUS and the UCU have strong concerns that the TEF would create a high-stakes, multi-tiered system and increase pressures on teachers, as well as incentivising universities to cut teaching in subjects that score less well. Sally Hunt, the general secretary of UCU, said last December:

“If the Government really wants to improve teaching quality, it”

also

“needs to think...about whether staff are supported”

enough

“to deliver their best teaching.”

It is therefore vital that the Government have now finally, on the back of the strength of the concerns of our colleagues and the people who really know what is going on in the sector, found the courage to put in place a legislative commitment to a full independent review before the TEF could be used for differentiating fees.

I was grateful to the Minister for spelling out so clearly the chronology of that process, because it is not
simply about the extra year, but about the process itself. We would have preferred—and we will still campaign for—the link between the TEF and the fees to be removed altogether, but we know that we have entered a process where we have to do the best we can with this Bill.

Dr Blackman-Woods: Does my hon. Friend agree that the review is welcome but that it would have been really good to hear the Minister say this afternoon that he would definitely want to act on its outcome, not simply ignore it, which could happen in the future?

Gordon Marsden: My hon. Friend knows that I cannot be responsible for the Minister’s mood music. I can only respond to what he has committed to do in the Bill, and its commitment to an independent review is very important. A whole raft of people, not just the Lords, are concerned. The combined efforts of an outside challenge, the wisdom of the Lords, who constrained the Minister by inserting the original amendment, and our determination have resulted in welcome concessions.

Joseph Johnson: To reiterate what I said in my speech, I am happy to confirm that the Secretary of State will take account of the review and, if he or she considers it appropriate, will provide guidance to the OFS accordingly, including on any changes to the scheme that the review suggests are needed, whether they be in relation to the metrics or any of the other items that the review will look at.

Gordon Marsden: I am grateful to the Minister for that important clarification. It is also important that all fee regulations under the Bill that were previously subject to negative procedure will now be subject to affirmative procedure. That puts daylight on issues related to rocketing fees, and I believe that it will be entirely possible that the Secretary of State, whoever it will be, will have to listen to a dogged independent statutory review that says, “This ain’t working. Either it won’t ever work, or it certainly won’t work for the time being.” It is in all of our interests to make sure that that statutory review is as potent as we wish it to be.

I welcome the Government’s electoral registration amendment, which strengthens the current position to some extent. We would have preferred a full commitment to ensuring block registration, but nevertheless we wholeheartedly welcome anything that will facilitate greater student interest in and awareness of political affairs. I pay tribute to the fantastic work of my hon. Friend the Member for Sheffield Central and to the pilot work undertaken at the University of Sheffield and the University of Bath. I also praise my fellow member of the Bill Committee, my hon. Friend the Member for Ilford North, and my hon. Friends the Members for Ealing Central and Acton (Dr Huq) and for West Bromwich West (Mr Bailey), all of whom have concerns about students and feel very strongly about the matter. It is important to note that we are not just relying on nudges. The Minister was kind enough to refer to the involvement of the Cabinet Office in this regard, and there will be specific powers to impose an electoral registration commitment to deal with HE providers not doing enough.

Finally, let me turn to the amendments on international students. I praise and welcome the doggedness with which Lord Hannay pursued this matter with the coalition that worked across Parliament to insert the original amendment. I hoped and thought that the strength of that coalition might have moved the Government, but unfortunately it is not a question of the warm words, values and welcomes which the Minister talked about and to which, I am sure, he signs up—he was a dedicated remainder before the election. Unfortunately, he has a Prime Minister who has been at best curmudgeonly and at worst obstructive on this issue. The sharp questions from the hon. Member for Bedford (Richard Fuller) and the contribution of the Chair of the Select Committee on Education, the hon. Member for Stroud (Neil Carmichael), show where we are on this matter.

At a time when Brexit is throwing up fresh problems for the higher education sector, the Government’s stance is threatening both the sector and our reputation worldwide. Those new issues are about whether we will be able to stay in Erasmus or get funding for beyond Horizon 2020, and about European structural funding, but the university and HE sector has enough to contend with without having a Prime Minister who appears to wrinkle her nose and, sometimes, attach manacles to her colleagues in Cabinet every time they suggest a different path.

Ms Margaret Ritchie (South Down) (SDLP): My hon. Friend is making compelling points. In Northern Ireland there are two universities, Queen’s University, Belfast and the Ulster University. They both rely on Erasmus and European social funds to develop cross-border educational research programmes with higher education institutions in the Republic of Ireland. The impact of Brexit in the context of this debate is therefore particularly important to us; does he agree with me on that?

Gordon Marsden: I absolutely agree. My hon. Friend makes a further point about the Government’s still having a long way to go in understanding and realising what that international sector is all about. That is why it is so disappointing that the Minister will not go further—in fact, the truth is that he cannot go further. He and his colleagues have been sat on from a great height by the Tory party and its members are split down the middle on this issue. It is an unedifying shambles that the hon. Member for Southport (John Pugh), who is retiring, presciently commented on in The Times today. It is a shambles that Labour, in government, would have no part in.

During this election campaign, we will continue to press for the removal of students from net migration statistics for public policy purposes, and although I genuinely welcome the new designated body that the Minister has talked about, the truth is exactly as the
hon. Member for Bedford said: it leaves the Minister without a visible means of support in delivering the objective that he will no doubt fervently wish could be delivered under that process.

The problems and weaknesses of the Bill have been substantial, not least as regards the wilful obtuseness of the Government to do anything to make a pre-Brexit Bill—conceived when the Minister and the Government at the time assumed that Brexit would fall—fit for a post-Brexit world. They could have put it out to pre-legislative scrutiny, but they did not. They could have paused it. That was quite rightly argued for by the University and College Union, the Council for the Defence of British Universities and others, including distinguished figures across the sector and in this House, not least the Chair of the Business, Energy and Industrial Strategy Committee, my hon. Friend the Member for Hartlepool (Mr Wright)—but they did not.

It has been left to us—by us, I mean not just the Labour party, but the other opposition parties in this House and in the House of Lords—to make the arguments in this place. A concerted effort has been made by cross-Benchers, Lib Dem peers, the noble Lord Hannay and the small but important group of Conservative peers, including Lord Patten, who have wrinkled their noses at, and fought ferociously against, the technocratic complexities and central dictation in the Bill. Those things risk blunting the creativity and dynamism of our HE sector, whether delivered at an old university such as Oxford or Cambridge, at the many dynamic new universities which MillionPlus celebrated at its 25th anniversary last night, or in the further education sector. I pay tribute to the Government for extending HE awarding powers to the FE sector, not least because my college, Blackpool Fylde College, will be one of the first to benefit.

The Americans have a saying that goes something like, “When you get lemons, you have to try to make lemonade,” and that is what we have all tried to do. We have tried to make a flawed Bill better fit for purpose, and to help, not hinder, the dynamism that I have talked about. We have had a decent thrash at it; without that decent thrash and the work of the House of Lords, I think it would have been a very poor Bill indeed.

Ben Howlett: You will be pleased to know, Madam Deputy Speaker, that my remarks in this debate will be short. I think all hon. Members have something else to do right now.

I have championed universities for the last six years, and I have debated with many different Members from across the House. In the last two years, it has been a great privilege to be vice-chair of the all-party group on students, together with my friend the hon. Member for Sheffield Central (Paul Blomfield). I wish him every success, and I hope to be able to join him in continuing to represent students in Parliament after 8 June. I have 23,000 students in my constituency, spread across two universities: Bath Spa University and the University of Bath. Both universities have a large complement of international students, who are absolutely vital. We have had debates in this place for years about how much they contribute to our local and national economies.

I am pleased that the Bill has been introduced. The student community and the higher education sector as a whole have called for such legislation since 2011, when Lord Willets introduced new law in this area, and I hope that this Bill will receive Royal Assent later today. I pay tribute to my hon. Friend the Minister for all his work on the Bill. He has been a great champion of the higher education sector and international students, and the Bill is testament to all his work.

I turn quickly to Lords amendment 156 and Government amendments (a), (b) and (c) in lieu. As has been said, it is incredibly welcome that the Minister and the Department for Education have listened to a campaign group of MPs and placed on the Higher Education Statistics Agency, or the designated body, a duty to report on the number of international students. That makes a massive difference, and it represents a significant change in the Government’s tone. I thank the Minister for listening to us and delivering that amendment.

I want to give a bit of a shout-out to Members who have made a big contribution to the campaign, particularly my hon. Friends the Members for Tiverton and Honiton (Neil Parish), for Eastbourne (Dr Mathias), for Eastbourne (Caroline Ansell), for Portsmouth South (Mrs Drummond), for Cheadle (Mary Robinson) and for Bedford (Richard Fuller), and my right hon. Friend the Member for Loughborough (Nicky Morgan) and for Broxtowe (Anna Soubry). They are great champions for their student communities and for international students. I pay tribute to Opposition colleagues who have also championed that case.

I am delighted that the Department for Education has produced the amendment. If the outcome of the election on 8 June is favourable, I guarantee not only to my constituents that I will continue—in collaboration with Universities UK, the Russell Group and MillionPlus—to make the case for taking international students out of the overall immigration figures. It is very peculiar that they are still included. If I am around after 8 June, as I hope to be, I will make such representations along with colleagues. I hope that they will all be re-elected, too, so that we can make this final carve-out in the interests of my constituents, students, international students and the UK’s reputation overseas. I wish everybody a huge amount of luck in the forthcoming general election.

4.30 pm

Carol Monaghan (Glasgow North West) (SNP): Last July, when the Bill was first brought to the House, I spoke about the issue of pushing ahead with it following the Brexit vote and questioned whether the time was right for this particular Bill. There are still some issues, including those raised by the hon. Member for Blackpool South (Gordon Marsden), with regard to Brexit, and I will come on to them in a little while. I pay tribute to the hon. Gentleman for his tenacity, and for collaborating with those from across the House on all aspects of the Bill. I also pay tribute to the Minister for Universities, Science, Research and Innovation for the huge amount of work that he has done on the Bill.

We welcome Government assurances that the decision about whether Scottish higher education participates in the TEF will remain in the hands of the Scottish Government. That was one of our key asks, and it is very important to us. There should not be any system that is detrimental to Scotland’s world-renowned higher education sector, which is currently worth over £6 billion annually to our economy.
Ms Ritchie: The hon. Lady will be well aware that Northern Ireland, where both education and higher education are devolved, does not have any political authority at the moment due to the lack of political institutions being up and running. That is particularly damaging for us, with Brexit looming, because our universities rely on EU migrants both for their teaching and student populations. Does she agree that the resolution of both issues is needed to ensure that further and higher education continue to be the pumps that fuel the local economy?

Carol Monaghan: SNP Members have of course been consistent in our calls for EU workers and EU students, both in universities and in our local communities, to be given the assurances they need. This is not about them getting assurances that they are allowed to stay; it is about them getting assurances that they are welcome to stay and that we appreciate the contribution they make.

We agree with subsection (4) in Lords amendment 23 that any assessment system should not be used to create a single composite ranking of higher education providers, which would skew prospective students’ opinions about whether to attend a particular institution. Scottish higher education already has its own quality assessment process, which includes inputs not just from students, but from teaching professionals across the sector. The enhancement-led institutional review is highly regarded, and we would not want a UK-wide system to replace or threaten Scotland’s current system. The UK Government do not have any jurisdiction over the Scottish HE sector, and therefore the Secretary of State alone should not be creating an assessment system for Scottish education. We are looking for assurances that the Scottish Government will be allowed to play a full part in the development of any system that could be made to apply, without full consultation, to higher education in Scotland.

On Lords amendment 156, it is positive to hear the Government reiterating their commitment that there are no limits on international student numbers. However, the Government’s amendments in lieu, which place a duty on higher education institutions to publish information relating to international students, do not go far enough to allow this sector to thrive. Current immigration policy poses a significant risk to Scottish universities, and we are losing out to key competitors in attracting international students.

Joanna Cherry (Edinburgh South West) (SNP): I pay tribute to my hon. Friend for her hard work on the Bill. Picking up on what she said about Scottish universities, Heriot-Watt University in my constituency, which has an outstanding international reputation, particularly in the fields of science and technology, recently announced cuts and redundancies. It specifically cited the Brexit effect, the Government’s immigration policies and the Government’s messaging on immigration. Does she agree that without Lords amendment 156, UK universities will continue to suffer adverse effects as a result of Brexit, the Government’s immigration policy, the ridiculous inclusion of international students in the net migration figures and the lack of protection for university staff from the strict immigration controls?

Carol Monaghan: My hon. and learned Friend speaks passionately about her constituency and Heriot-Watt University, but the picture she has painted of Heriot-Watt could be applied to any of our universities. They are all feeling those effects very strongly at the moment. This is not so much the case with established professors, but students and early career researchers are extremely mobile. When they move, we could potentially lose our position in the university world rankings.

Data from the Higher Education Statistics Agency show that Scotland saw a 2% increase in non-EU international entrants in the academic year 2014-15, compared with 2013-14. There was an increase in the number of entrants from some countries, including India, Pakistan and Nigeria. Although we welcome those slight increases, there remains a significant fall in the number of entrants from those countries since the academic year 2010-11. The number of Indian students has fallen by 59% since 2011, which is causing devastation across the sector. By comparison, between 2012-13 and 2013-14, the number of international students in higher education in Canada increased by 11%. It is able to capitalise on this market, which we are failing to do.

Joanna Cherry: I visited Canada recently with a parliamentary delegation from the Scottish National party. Does my hon. Friend agree that Canada’s immigration policies, which encourage people to come to Canada and stay to contribute to the Canadian economy, could be a great model for the UK, rather than the very narrow path that the Government are intent on going down?

Carol Monaghan: Absolutely. The UK is becoming an increasingly hostile environment for international students and they are being enticed to competitor countries with the promise of a more attractive route to post-study work options.

In Scotland, international students make an important contribution to the economy. The UK Government have focused their migration policy on control, rather than having effective policies that allow for flexibility and support in the area of migration. The loss of the post-study work visa is a blow to many students, but also to our local economy, which is missing out on those skilled people.

Mr Jim Cunningham (Coventry South) (Lab): I thank the hon. Lady for giving way and apologise for coming in during her speech. International students are worth something like £7 billion to the economy. We have two very successful universities in Coventry and Warwick.

Carol Monaghan: In Scotland, the value is estimated to be £1 billion annually, so it is very significant. That is something we need to consider. There are not only benefits to our economy, but benefits to our community, such as the diversity that international students bring.

We call on the UK Government to take international students out of the net migration target. We look forward to seeing that in the next Queen’s speech. As the UK leaves the EU, I assume that EU students will be classified as international students. The effects of Brexit on Scotland’s world-class universities and research institutes cannot be ignored. If we do not get the immigration policy right, long-term damage will be done to our vital HE sector and the wider economy. As was pointed out earlier by my friend the hon. Member for South Down (Ms Ritchie), we need guarantees for EU nationals, both those working in higher education and prospective students at our universities.
Our problem in Scotland has always been emigration, not immigration. It is time for the Government to face the facts and take international students out of the net migration target. We need skilled people, and I hope very much that the Government will take a serious look at Scotland's needs when considering future immigration policies. It is great to see that the Minister for Immigration is present; I hope that he has listened to some of the points that have been made today by Members on both sides of the House.

I understand that Lords amendments 229 to 240, which relate to schedule 9, have not been selected for debate, but I hope that the Minister for Universities, Science, Research and Innovation, if he is re-elected—or, indeed, the Department for Education—will clarify the role of UK Research and Innovation's executive committee and its impact on research priorities. We will seek assurances that the committee will not prove detrimental to Scottish institutions by removing funding streams or allowing a large number of research priorities—and, therefore, funding—to stay in England.

SNP Members tabled a number of amendments in Committee and on Report. In particular, we wanted the devolved nations to be represented on the board of the UKRI to ensure that consideration would be given to research priorities throughout the United Kingdom. When we return, we will seek clarification on the composition of the board and assurances about the impartiality of board members.

Higher education is at a crossroads, and the United Kingdom is at a crossroads. I hope the path that we choose to take, both today and in the weeks, months and years to come, will protect this vital sector of the Scottish and the UK economies. It is important to all our futures that we get it right.

Richard Fuller: It is a pleasure to follow the hon. Member for Glasgow North West (Carol Monaghan). She made a number of points of principle with which I have a great deal of sympathy, especially about the long-term indications for our getting immigration policy right for our institutes of higher education.

Let me take this opportunity to praise my hon. Friend the Minister for Universities, Science, Research and Innovation. In the best of circumstances, this Bill would have required deft handling, compassion, understanding and compromise to resolve the issues in not just this House but the other place. Moreover, given the truncated procedure that has become necessary, the fact that we have reached this point is, I think, due to my hon. Friend’s significant abilities and dexterity in the management of different interests.

It is also a great pleasure to see that my hon. Friend the Minister for Immigration is in the Chamber—I can be nicer to him today. I will say of him that he is a true man of Yorkshire. I know that the principles of securing our borders and ensuring that the systems work effectively is at the core of everything that he has done as Immigration Minister, and those two great points of view have come together in amendments (a) to (c) in lieu of Lords amendment 156.

I support the Government amendments, because although I personally believe, like the hon. Member for Glasgow North West, that the long-term goal should be to exclude student numbers from the immigration statistics, I also think that we need precision first. The truth is that many of our immigration statistics are represented on sample sets. Information about immigration may be available to the Home Office in very specific circumstances, but out there in the great blue yonder—trust me, it is a great blue yonder—there will be a lot of misunderstanding about what immigration really is.

People have a very sensitive understanding of different types of immigration. We should not treat immigration as a single clump, because that is not how the population think of it. People understand that it can be good for the country, particularly when it comes to the transfer of skills and the transfer of people who will contribute in the long term to the economic vitality of our country. In that context, I think that the Government’s proposal is worthy of support, because it will establish a structure within which we can secure precision and that will be understood not only by the Government, but by the institutes of higher education. I think that that would provide a firmer basis for the future direction of the control of student immigration numbers that we seek.

Mr Jim Cunningham: I agree with most of what the hon. Gentleman has said, but including student numbers in the statistics totally distorts the true immigration figures. People therefore get the wrong impression about immigration, and that causes confusion.

4.45 pm

Richard Fuller: The hon. Gentleman is both right and wrong. It is a bit of a stretch to say that the student numbers distort the overall immigration numbers, because the net implication of student migration is quite small, but his comment about the signal that this sends is a point to the point. As I said in an intervention on the Minister, there is a conundrum—an illogical position—when we include within a number that we wish to control a number that we do not wish to control. That epitomises the tension that exists as we wrestle with the way in which we communicate our message about immigration. What the British public want, of course, is a Government who are prepared and able to control migration in total, as this Government are, but I would hope that the Government also want to send a signal to the rest of the world that we are open for people to come here and study hard at our universities. While student numbers are included in the immigration statistics, the problem for our institutions of higher learning is that instead of having a green light, they have, at best, an amber light. They are always going to be looking over their shoulder and trying to work out if they are pushing things too far or have really kept themselves within the goal of the Government. At some point—practically speaking in the next Parliament, when the institution frameworks that the Government are putting in place have had time to bed in—we should look again at taking out the student numbers, because ultimately they should not be in the immigration figures. However, this proposal is a good way of getting precision for now.

The second reason why this compromise is important is perhaps more of a point of philosophy about the Conservative party. The party is at its best when it looks towards the light. In politics there are things that inspire us and move us forward, and there are things that make us fearful and cautious. That light can be on issues of trade and enterprise, of acceptance of culture and diversity, or of research and learning.
The Conservative party must ensure that it will be pointing towards the light in the next few years. By the very nature of the name of our party—Conservative—we do not always get there first, but it is surely to the benefit of our country as a whole that we always have a positive view about what our country represents. We are a beacon for many around the world who are finding that their freedoms—perhaps their social freedoms or their freedom of expression—are restricted, so there is a responsibility on our party to look at the issue, particularly in relation to our world-class universities, and to say that the next Conservative Administration will be looking towards the light and making ourselves an open and international country, because that is where the best interests of our country lie.

We have seen a trebling of university tuition fees, and seven years, is that their future is on the ballot paper. Conservative-led Governments have done over the past period of time, they are the least likely to turn out and who are stuck with the consequences for the longest referendum than anyone else, because they are the people young people often have more at stake in an election or who are graduating with higher levels of debt than those most expensive in the world. It is a disgrace that in the number of students applying to study nursing. NHS bursary to support student nurses, midwives and allied health professionals. We have also seen a nosedive in the number of students applying to study nursing. Thanks to the decisions taken by this Government, many people who are working in our national health service—and in other areas, including our universities—are wondering whether the UK is really the place for them to work, even though they make an extraordinary contribution to our civic, economic, social and political life.

As we enter the election process, I hope that we will bear in mind the proposals made by my hon. Friend the Member for Sheffield Central (Paul Blomfield). It is a constant source of frustration to me that although young people often have more at stake in an election or referendum than anyone else, because they are the people who are stuck with the consequences for the longest period of time, they are the least likely to turn out and vote. My message to them, as they look at what Conservative-led Governments have done over the past seven years, is that their future is on the ballot paper.

We have seen a trebling of university tuition fees, and the abolition of grants for the poorest students and of the education maintenance allowance, which supported the poorest students through sixth form and college.

Wes Streeting: I am delighted to be in the Chamber for the conclusion of proceedings on the Higher Education and Research Bill, having been involved in the Public Bill Committee. We might not be entirely confident about the contents of the Bill, but we can say with absolute confidence that it is in a better shape than it would have been were it not for that Committee and the Bill’s consideration in the other place.

I want to take this opportunity to congratulate Shakira Martin on her election as president of the National Union of Students. The NUS and students unions can be proud of their contribution to the debate about the Bill, and the Bill is better for it.

In considering the Bill, I have taken a particular interest in the question of student voice and student representation. That issue is close to my heart, and it is particularly important in the light of where higher education finds itself today. We have not addressed in this debate the fact that UK universities are now the most expensive in the world. Students at UK universities are graduating with higher levels of debt than those anywhere else in the world. It is a disgrace that in the past two years we have seen maintenance grants for the poorest students abolished and the scrapping of the NHS bursary to support student nurses, midwives and allied health professionals. We have also seen a nosedive in the number of students applying to study nursing.

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We have seen a trebling of university tuition fees, and the abolition of grants for the poorest students and of the education maintenance allowance, which supported the poorest students through sixth form and college.

Those are not policies that champion the ambitions and aspirations of young people in this country, but policies that seek to cap those aspirations.

International students make an enormous social and academic contribution to our universities, as well as an enormous economic contribution, generating some £26 billion for our economy. They also provide long-term soft power benefits to the UK. It is unfair to criticise the Minister in this regard, but it is a constant source of astonishment to me that, despite all that, we have a Prime Minister who is so short-sighted and narrow-minded in her world view that she cannot see either the short-term or long-term benefits of welcoming people from across the world to work and study in our universities. If she had understood that, she would have not only followed the advice of Ministers around her Cabinet table and Opposition MPs, but listened to public opinion, because the majority of members of the public understand the contribution that international students and staff make to our universities. I do not know why the Prime Minister does not understand it.

I very much look forward to debating such issues over the next six weeks. I hope that every young person in this country, whoever they choose to cast their vote for, will recognise that when young people do not turn out to vote and make their voice heard, other people will make decisions for them, and those decisions are often not in their interests. Every young voter in this country should bear that in mind on 8 June.

Paul Blomfield: It is a pleasure to speak in this debate, although I regret the fact that this Bill has been caught in the wash-up, because we would have had a better and more structured opportunity to discuss these Lords amendments if we had had more time. I pay tribute to the many Members of the other place who have contributed so much during their consideration of the Bill.

I welcome a number of the concessions that the Government have made, especially by accepting an independent review of the teaching excellence framework, although big questions remain about the metrics and the process involved. In previous debates, people have often cited the research excellence framework as a model for the TEF, saying that if that model worked for research, there was no reason why it should not work for teaching. That principle is right, but it took many years to develop the REF into its current form. A real fear was expressed in Committee, as well as in the Chamber, that we were rushing into a TEF in a way that could create unintended consequences. The idea of an independent review and the way in which that has been framed are welcome.

I am grateful for the concessions that were made in the Lords on strengthening the role of the Director of Fair Access, which I talked about in Committee. I am also grateful to the Home Secretary for responding to points that we discussed in Committee about extending to refugees who had been granted humanitarian protection the opportunity to access higher education as though they had been granted refugee status. I recognise that that the group does not capture everyone, but it was a significant move by the Home Secretary.

On voter registration, in which I have become boringly engaged over many years.

Richard Fuller: No.
Paul Blomfield: I thank the hon. Gentleman for disagreeing with me. This measure is a step in the right direction, but we will find that it will not go far enough unless we embed electoral registration seamlessly within university enrolment procedures. For many reasons, I hope we can continue to work on that together in the next Parliament.

I welcome the strengthening of provisions on degree-awarding powers, but I retain one concern—the Minister might wish to cover this either in an intervention or in his concluding remarks—about the transfer of ownership. I heard his comment that the Office for Students will be expected to review degree-awarding powers when there is a transfer of ownership, but I am concerned about the nature of that review if ownership is transferred to an organisation that has no track record as a provider. In those circumstances, will we effectively press the reset button and have a comprehensive review as if we were talking about a new provider? I would be grateful if the Minister responded to that point.

Having said all that, I am bitterly disappointed that there has been insufficient movement on the issue of international students, and I say that as co-chair of the all-party group on international students—I share that work with Lord Bilimoria. My disappointment is evidently shared by Conservative Members. In his typically incisive way, the hon. Member for Bedford (Richard Fuller), who was a great colleague on the Business, Energy and Industrial Strategy Committee, put his finger on the contradiction in the Government’s current position very effectively. I was pleased to hear his subsequent contribution on the issue.

The hon. Member for Bath (Ben Howlett) has been a great colleague during his short time in Parliament so far, and I have been delighted to work with him on the all-party group. He has been a great advocate for higher education and students, and he has done sterling work on championing the cause of international students.

My concern and disappointment cross the House, and I know that the Minister will share my disappointment—he is not alone. From what we hear, the majority of the Cabinet share my disappointment. It is No. 10 that is saying no. Frankly, this is madness. The Government are shooting themselves in the foot. Just when we need to be building on our country’s success, the Government are torpedoing it.

Lords amendment 156 was thoughtfully drafted by Lord Hannay, who made it clear that it would take international students out of consideration as long-term migrants for public policy purposes. The Minister said that he would have to count international students. The Government often cite the United States, where the Census Bureau counts international students, but the Department of Homeland Security, which is responsible for public policy on migration, does not treat them as migrants. That is the model we are looking for, and it is the model embedded in Lords amendment 156. If the amendment were agreed to, it would enable growth, generate earnings and create jobs in towns and cities across the country. The regional dimension is important, because the distribution of our universities across the regions and nations of the United Kingdom means that when universities succeed, that success is shared, quite uniquely, across the country.

We do not want to reduce the debate about international students to simple economics. International students enrich the learning environment of our campuses.

Ms Ritchie: Does the hon. Gentleman agree that these international students add to the scholarly, research and investigative processes undertaken by universities in terms of academic freedom and the richness of our society?

5 pm

Paul Blomfield: I thank the hon. Lady for her intervention. She pre-empts me perfectly, because that was the point I was coming to. We are talking not simply about an extraordinary opportunity in an ever-smaller world for UK students to learn and study alongside those from many other countries, but about the contribution to research. I see that not only from our universities, but from my local businesses that benefit in Sheffield, and it is of huge importance.

To that list we should add the enormous benefits of the lasting residencies we build with those who study in this country. Last year I was talking to the high commissioner of a country that is one of our major trading partners and an important ally. He said to me, “Do you realise that more than half our Cabinet were educated at UK universities?” According to the Higher Education Policy Institute, 55 world leaders from 51 countries studied here. That is the sort of soft power that other countries would die for—political influence and commercial contracts based on the affection that people feel around the world because of their experience of studying in the UK.

All those things are in addition to economic benefits—almost £11 billion of export earnings. One would imagine that the Government would be celebrating that great British success and trying to make it stronger, but that is not the case. Throughout the last Parliament, to growing concern, the Government undermined our ability to keep up on international student recruitment. The Minister contests that claim and says that the numbers have stayed broadly level. I agree that largely they did—they dip off, and I will return to that point—but staying level in a growing market represents a failure. Holding level is not good enough when it means that we are reducing our market share, to the benefit of our competitors. As I said earlier, in 2014-15, the latest year for which numbers are available, new international student enrolments fell by 3%. He says that these things go up and down, but we can contrast that figure with the position in the United States, which has the biggest share of international students and where enrolments increased by 7%. The situation also contrasts with what is happening in Australia, where enrolments increased by 35%. Seeing our weakness, it put in place a strategy that was deliberately designed to take students from the UK. Canada is also planning to double its numbers, all at our expense.

Throughout the last Parliament, new measures introduced by the Government made the UK a less attractive destination. Those measures were put in place to help the Government to hit their net migration targets, and this is why the point made by the hon. Member for Bedford is so relevant. The problem is that the Government view international students as part of the migration debate, but that is not how the public see them. As he said, polls show that 75% of the public want international student numbers to stay the same or
go up. It is also not the way this place sees them, because in the last Parliament an unprecedented five Select Committees of the House of Commons and the House of Lords called for change and for taking international students out of the net migration targets. These are challenging times for our country as we chart our course in the post-Brexit world. We need to win friends, not alienate them. As the Prime Minister’s trade mission to India last year demonstrated, many of those friends will put access to our universities at the heart of their discussion about our future trading relationships. We need to build on our successful sectors.

In terms of export earnings, universities are a huge success, but that is put at risk by Brexit. This is about not just the 125,000 EU students who are here, but the 30% of non-EU students who said that the UK would be a less attractive destination if we left the EU. We face losing up to half our international students if we do not get this right, and that will have an impact on the economy of every town and city across the country that has a university. As the Minister knows, it puts at risk critical courses, particularly in STEM subjects at a postgraduate taught level, which depend on numbers of international students.

A sensible Government and Prime Minister would look at those facts and say, “How can we strengthen our appeal to international students?” While our competitors are doing just that by developing recruitment strategies to win more students, the Prime Minister is saying no. I shall address briefly some of the questions asked during the debate. The hon. Member for Glasgow North West (Carol Monaghan) asked about the role of the independent review with respect to the TEF. The independent reviewer will consider the devolved Administrations when appointing the UKRI board. The executive committee is, though, an internal management committee for UKRI.

The hon. Lady also asked about post-study work for international students, a subject on which many Members focused. I reiterate that there is no limit to the number of international students graduating from UK universities who can move into skilled jobs in the UK. They do not count against the tier-2 limit and, actually, numbers have been rising year on year for the past three years.

The hon. Member for Sheffield Central (Paul Blomfield) asked about the transfer of ownership of degree-awarding powers. The answer is that, yes, should a provider with no track record buy a provider with degree-awarding powers, a full review of the provider’s continuing eligibility for degree-awarding powers would be undertaken.

I thank the Members who have given such time and so much energy during the many hours of debate we have had. I particularly thank the members of the public Bill Committee, which sat in the autumn, and pay tribute to the Opposition Members involved, especially the hon. Member for Blackpool South (Gordon Marsden).

Gordon Marsden: The Minister will recognise that on such occasions certain things have to be said, and said forcefully, but I put on record how courteous he has been to me and the rest of our team.

Joseph Johnson: I am grateful for that. It has been a pleasure to work with the hon. Gentleman and his colleagues, including the hon. Member for Ashton-under-Lyne (Angela Rayner). I also pay tribute to the devolved Administrations who have played a full part in the scrutiny of this Bill, especially the members of the Scottish National party, including the hon. Member for Glasgow North West who has been tireless in her scrutiny of the measures.

The other place has excelled itself, with extensive and very thoughtful debate on this legislation. I thank all those who have given their time and energy to this Bill, including the very large number of highly distinguished academics, former Ministers and those who have extensive experience of the university and research sectors in the other place. Their passion for the sector has been clear to all those who have followed these proceedings.

I also add my thanks to those more widely in the sector, including the two main representative bodies, Universities UK and GuildHE, which have given their time in abundance to ensure that the sector’s views have been fully heard and understood and reflected in this legislation. That explains why they have repeatedly expressed their support for passing this Bill into legislation.

There is absolute agreement on the importance of our world class HE sector and our globally leading research. I am pleased that we in this House have agreed a Bill that finally fits this important sector for the 21st century, putting students, choice, value for money and global competitiveness centre stage.

Lords amendment 1 disagreed to.

Government amendments (a) to (d) made in lieu of Lords amendment 1.
Lords amendments 2 to 11 agreed to.
Lords amendments 12, 209 and 210 disagreed to.
Government amendments (a) to (g) made in lieu of Lords amendments 12, 209 and 210.
Lords amendments 13 and 14 agreed to.
Lords amendment 15 disagreed to.
Government amendments (a) and (b) made in lieu of Lords amendment 15.
Lords amendments 16 to 22 agreed to.
Lords amendment 23 disagreed to.
Government amendments (a) to (c) made in lieu of Lords amendment 23.
Lords amendments 24 to 70 agreed to.
Lords amendment 71 disagreed to.
Government amendment (a) made in lieu of Lords amendment 71.
Lords amendments 72 to 77 disagreed to.
Lords amendments 78 and 106 disagreed to.
Government amendments (a) to (h) made in lieu of Lords amendments 78 and 106.
Lords amendments 79 to 105 and 107 to 155 agreed to, with Commons financial privilege waived in respect of Lords amendments 138 and 139.
Lords amendment 156 disagreed to.
Government amendments (a) to (c) made in lieu of Lords amendment 156.
Lords amendments 157 to 182 agreed to.
Lords amendments 183 to 185 disagreed to.
Lords amendments 186 to 208 and 211 to 244 agreed to.
Motion made, and Question put forthwith (Standing Order No. 83H(2) ), That a Committee be appointed to draw up Reasons to be assigned to the Lords for disagreeing to their amendments 183 to 185.
That Jo Churchill, Chris Heaton-Harris, Joseph Johnson, Gordon Marsden, Carol Monaghan, Wendy Morton and Karl Turner be members of the Committee.
That Joseph Johnson be the Chair of the Committee.
That three be the quorum of the Committee.
That the Committee do withdraw immediately.—(Andrew Griffiths.)
Question agreed to.
Committee to withdraw immediately; reasons to be reported and communicated to the Lords.

PETITIONS

Closure of King George Hospital Accident and Emergency Department

5.21 pm

Wes Streeting (Ilford North) (Lab): I rise to present a petition against the closure of King George hospital accident and emergency department, signed by well over 10,000 of my constituents in Ilford North, as well as many constituents in Ilford South and other neighbouring constituencies. Were my hon. Friend the Member for Ilford South (Mike Gapes) not attending the NATO Parliamentary Assembly today, he would be by my side. This issue is of central importance to the people I was sent here to represent. For that reason, it was the very first issue that I raised upon election to this House.

The Conservatives promised that they would keep the maternity and accident and emergency departments at King George hospital. Maternity has gone, and the closure decision for A&E has been taken.

The petitioners therefore request that the House of Commons urges the Government to undertake a review of the original decision to close King George Hospital A&E and in particular the criteria used which the petitioners believe are now out of date.

I look forward to continuing to champion this cause for many years to come.

Following is the full text of the petition:

[The petition of constituents of Ilford South, Ilford South (Mike Gapes) not attending the NA TO Parliamentary Assembly today, he would be by my side. This issue is of central importance to the people I was sent here to represent. For that reason, it was the very first issue that I raised upon election to this House.

The Conservatives promised that they would keep the maternity and accident and emergency departments at King George hospital. Maternity has gone, and the closure decision for A&E has been taken.

The petitioners therefore request that the House of Commons urges the Government to undertake a review of the original decision to close King George Hospital A&E and in particular the criteria used which the petitioners believe are now out of date.

I look forward to continuing to champion this cause for many years to come.

Following is the full text of the petition:

[The petition of residents of the UK.

Declares that the petitioners are against the closure of the A&E department at King George Hospital in Ilford.

The petitioners therefore request that the House of Commons urges the Government to undertake a review of the original decision to close King George Hospital A&E and in particular the criteria used which the petitioners believe are now out of date.

And the petitioners remain, etc.]

[P002041]

Ulverston Post Office

5.23 pm

John Woodcock (Barrow and Furness) (Lab/Co-op):

It is with considerable pride that my last act in this Parliament before prorogation is to present a petition of 7,846 residents of Barrow and Furness—of course, overwhelmingly in the town of Ulverston—to save Ulverston post office.

Ulverston post office has been an essential part of community life in its building in County Square for more than 100 years, so we were devastated to find that it had been placed under threat of closure by the Government’s latest reforms. There has been an extraordinary response from the town. Well over half of all the residents have already signed the petition. My particular thanks go to Mr Malcolm Tyson, who has probably gathered more than half these signatures on his own. He tells me he has walked more than 500 miles to save Ulverston post office, and I hazard that he would probably walk 500 more to be the one who did save it. This issue is critical.

The petition states:

The petitioners therefore request the House of Commons to make provisions to ensure that the Post Office remains open and available for use by the community.

As long as I remain the strong, independent Labour voice for Barrow and Furness, I will back them to the hilt.

Following is the full text of the petition:

[The petition of residents of the UK.

Declares that Ulverston Post Office has been an essential part of community life in its building in County Square for more than 100 years, so we were devastated to find that it had been placed under threat of closure by the Government’s latest reforms. There has been an extraordinary response from the town. Well over half of all the residents have already signed the petition. My particular thanks go to Mr Malcolm Tyson, who has probably gathered more than half these signatures on his own. He tells me he has walked more than 500 miles to save Ulverston post office, and I hazard that he would probably walk 500 more to be the one who did save it. This issue is critical.

The petition states:

The petitioners therefore request the House of Commons to make provisions to ensure that the Post Office remains open and available for use by the community.

As long as I remain the strong, independent Labour voice for Barrow and Furness, I will back them to the hilt.

Following is the full text of the petition:

[The petition of constituents of Barrow and Furness, Ulverston Post Office.

Declares that Ulverston Post Office has been a central part of the community for over 100 years and serves as a lifeline for many residents; further that the petitioners believe it should remain in County Square with no loss of services to users and no reduction in jobs for its local employees.

The petitioners therefore request the House of Commons to make provisions to ensure that the Post Office remains open and available for use by the community.

And the petitioners remain, etc.]

[P002042]
Transitional state pension arrangements for women born in the 1950s

5.25 pm

Chris Bryant (Rhondda) (Lab): I rise to present a petition on behalf of my constituents for transitional state pension arrangements for women born in the 1950s. Every constituency in this land will have thousands of women who have been affected by the changes to state pension provisions.

On Friday, in Porth in my constituency, I heard from one woman who had no idea she was going to be affected by these changes until I wrote her a letter about them. I think that the Government should have been notifying these women. I heard from another woman, who has worked for 43 years already in very strenuous, arduous jobs, and who has now had to take up three tough additional jobs at the age of 61 just to keep the wolf from the door, when the food bank in the Rhondda, which is based in Tylorstown, has had a dramatic increase in the number of elderly people, and particularly women, who are using it. It is perhaps an irony that the food bank is based in what used to be the Conservative club.

The injustice here is absolutely obvious. It is one thing to tell somebody at the age of 20 that they are going to have to work till 66, 67 or 68, but it is quite another to start telling people that when they are coming up to those years already, particularly in constituencies such as mine, where many of these women will be solely reliant on the state pension to make ends meet.

No woman was properly warned about this. The changes happened far too swiftly. Only 280 constituents have signed the petition, but I can assure the Government that if we had had a little longer in this Parliament, thousands would have signed up in the Rhondda. I just say to any Government that want to mess with the women of the Rhondda: they will see you off. I hope that presenting this petition will be the last thing I do in this Parliament, but I also hope that this issue will be the first I deal with in the next.

The petitioners therefore request that the House of Commons urges the Government to make fair transitional arrangements for all women born on or after 6th April 1951 who have unfairly borne the burden of the increase to the State Pension Age.

Following is the full text of the petition:

[The petition of residents of the Rhondda,
Declares that the 1995 Pensions Act has been implemented unfairly; further that Women Against State Pension Inequality (WASPI), agree with equalisation, but don't agree with the unfair way the changes were implemented — with little/no personal notice (1995/2011 Pension Acts), faster than promised (2011 Pension Act), and no time to make alternative plans; further that retirement plans have been shattered with devastating consequences; and further that hundreds of thousands of women have had significant changes imposed on them with a lack of appropriate notification.

The petitioners therefore request that the House of Commons urges the Government to make fair transitional arrangements for all women born on or after 6th April 1951 who have unfairly borne the burden of the increase to the State Pension Age (SPA).

And the petitioners remain, etc.]
particular. Like me, he regularly knocks on doors. If I speak to someone on one of these roads, the No. 1 issue is the diesel fumes coming from it and the effect that is having on their children. There needs to be real political will and a sense of urgency from the Government about this. It is no good using delaying tactics—this is happening now. It is a disgrace and a scandal now.

Nick Smith (Blaenau Gwent) (Lab): Does my hon. Friend agree that companies such as Volkswagen seem to be getting off scot free with their diesel emissions scandal? Does he further agree that all our constituents need is a Government who hold companies such as Volkswagen to account for their very bad behaviour?

Chris Evans: I absolutely agree with my other parliamentary neighbour in the north when he says that Volkswagen seems to have got away with the diesel emissions scandal in terms of lowering the emissions from its engines. It is not just the residents who are affected—consumers who bought those engines were ripped off because they thought they were more fuel-efficient. Again, the Government are not taking on the people in society who are doing the wrong things. It sometimes seems that the Government will go after the small guy—the easy target—but when it comes to tackling sometimes seems that the Government will go after the people in society who are doing the wrong things. It is a disgrace and a scandal now.

Jim Shannon (Strangford) (DUP): Will the hon. Gentleman give way?

Mr Deputy Speaker (Mr Lindsay Hoyle): I am sure that this has got a lot to do with Northern Ireland.

Jim Shannon: Absolutely, Mr Deputy Speaker. The hon. Gentleman has referred to old cars that have a bit of age on them, but some of the stats that come out refer to new cars, which are also failing to filter out toxic diesel fumes, many people do not have a choice. DEFRA has had plenty of chances to tackle the issue, but it has chosen to let my constituents down every time. Illegal levels of air pollution have become the norm in Britain, and residents in areas such as Hafodyrynys are helpless to do anything about it. It further worries me that there is a primary school just a mile from the road, putting young children at risk of the health complications caused by exposure to nitrogen dioxide.

Chris Evans: Of all the Members I have served with during my seven years in this House, the hon. Gentleman is the only one who could shoehorn an intervention about Northern Ireland into a debate about Islywn. I welcome that.

Mr Deputy Speaker: Can I just say that I do not think he did? I was just showing leniency from the Chair.

Chris Evans: I was trying to be kind and charitable to the hon. Gentleman, as he has always been to me. He raises a pertinent point. The Government need to show political will, but the motor industry, including HGV and freight, also needs to make an effort.

As I have said, there is an average of five deaths a day in Wales due to air pollution. That means that between now and the general election on 8 June, 215 people in Wales will lose their lives due to this Government’s inaction. Those most at risk of contracting lung diseases from exposure to air pollution are the two most vulnerable groups in society: young children and the elderly.

On the Hafodyrynys Road in my constituency, one of the residents—a pensioner—suffers from chronic obstructive pulmonary disease. He says that the fumes on the road make it even harder for him to breathe. Another resident, who moved to the road in 2014, has visited the hospital four times since moving there and has been diagnosed with a leaky heart valve. That is further aggravated by the exposure to nitrogen dioxide. Furthermore, a mother of two young children says that the fumes affect her son so badly that he has been prescribed an inhaler to help him breathe. That is just not right. People should be able to leave their homes without having to worry about their health, and to enjoy the outdoors. Instead, my constituents on that road are being made to feel like prisoners in their own homes.

The situation has become so desperate for my constituents on Hafodyrynys Road that half of the residents have called on the local council to purchase compulsorily and demolish their homes so that they can relocate. How can it be acceptable that people have got to the point that they feel that they have no other option than to see their homes demolished? Residents cannot afford to live elsewhere, as they know that their current properties will not sell due to the adverse publicity about pollution in the area.

This is a public health crisis and the Government are choosing to ignore it. In Wales, pollution is the second biggest killer after smoking. When it comes to breathing in toxic diesel fumes, many people do not have a choice. DEFRA has had plenty of chances to tackle the issue, but it has chosen to let my constituents down every time. Illegal levels of air pollution have become the norm in Britain, and residents in areas such as Hafodyrynys are helpless to do anything about it. It further worries me that there is a primary school just a mile from the road, putting young children at risk of the health complications caused by exposure to nitrogen dioxide.

I am not the only one incensed by the issue of air pollution. I pay tribute to local councillor Andrew Lewis, who has been at the forefront of the campaign for better air quality in Hafodyrynys. The Mayor of London and public health bodies have all called on the Government to do more. Just this week, my hon. Friend the Member for Workington (Sue Hayman) asked the Environment Secretary an urgent question. The Secretary of State said that her Government are committed to leaving the environment in a better state than they found it. Those are empty words, because at every opportunity they have been given to take action they have proposed inadequate plans. The Government have had long enough. It is clear where their priorities lie and, based on the evidence, it is not with the environment or the health of the British public.

My constituents want illegal and toxic pollution levels to be vanquished, as I am sure do the other 40 million people living in areas of the UK with illegal levels of air pollution. That is entirely achievable, if the Government show political will.

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey): Labour didn’t manage it.

Chris Evans: That is just typical. I am talking about public health and the Minister is more interested in scoring political points.
Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Let us see if we can help. We are nearly at the end. What we do not want is sideshow arguments. Please continue and I am sure that interventions will be possible when the Minister sums up the debate.

Chris Evans: I have to say, Mr Deputy Speaker, that the Conservative Government have been in power for seven years. Their default position is to blame Labour for everything and that just will not wash. They have had seven years.

Although encouraging people to walk or use public transport and increasing taxes on diesel-fuelled vehicles are necessary measures, they are not enough to reduce the fumes. The Government need to commit to making clean energy alternatives more accessible to the public, particularly for those using HGVs. An increase in clean air zones in cities across the country with illegal levels of air pollution is also necessary to protect the health of our citizens.

It is not just the public’s health that is at stake. Illegal levels of air pollution drive down house prices and can also lead to businesses deciding not to invest in the area. What is more, nitrogen dioxide has detrimental effects on the surrounding wildlife. My constituency has a booming agricultural industry, with farms and woodland such as those on Cwmcan Forest Drive, located very close to the Hafodyrynys Road in Islwyn. It is not fair that the environment and these businesses should have to suffer due to the Department’s inaction.

It is not just Hafodyrynys Road that is at risk. As my hon. Friends the Members for Caerphilly (Wayne Davies) and for Blaenau Gwent (Nick Smith) have mentioned, they have the same problems in their valley constituencies. Last year, Hazrem Environmental applied for planning permission for a waste transfer plant in Cwmfelinfach in my constituency. It is just a few miles down the road from Hafodyrynys. It was down to the campaigning of the Lower Sirhowy Valley residents’ group, led by Alan Sharpe, Councillor Philippa Marsden and Councillor Jan Jones, that that did not go ahead. I mention that because it was discovered that the valleys have a microclimate. Basically, the fumes reach up into the air and are trapped between the hills. These are not safe places for diesel fumes to escape or for waste transfer plants. I say to any company that wants to put a waste transfer plant in any valley constituency—whether mine or those of my hon. Friends—that these are not places that lend themselves to such planning applications, and they have to stop right now.

I urge the Government to see the air pollution situation not just in Islwyn but the entire country for the public health emergency that it is. People are dying prematurely at an alarming rate. The greatest tragedy is that it could easily be prevented, but the Government chose not to stick to their original timetable to deliver a competent and much needed air quality strategy. As one of the wealthiest countries in the world and at the forefront of tackling global environmental issues, we have the resources to put into place an effective and successful air quality plan. I urge the Minister and the Department to delay these plans no longer, and to end the suffering of so many people in my constituency and other affected areas in the UK.

If I may seek your indulgence, Mr Deputy Speaker, this will probably be the last time I speak in this Parliament, so I pay tribute to Mr Speaker and to you and the other Deputy Speakers for the way in which you have chaired Parliament over the past two years and for the years before that. I thank all the members of staff who look after us, especially the security staff, and our Doorkeepers, for all they do to keep this place ticking over. I also pay tribute to Members on both sides of the House. We often attack each other and score political points, but there is deep warmth, friendship and affection among us, as we saw a couple of weeks ago. I thank everybody and pay tribute to them for the experiences I have had in my seven years in this place. I hope that I will be back in June.

5.42 pm

The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice): Let me begin by explaining that I have not taken on additional responsibilities in DEFRA. As hon. Members know, the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Suffolk Coastal (Dr Coffey), leads on these issues, but she has had a particularly busy day today including a debate in Westminster Hall on water catchments so was unable to be here for the beginning of this debate. I congratulate the hon. Member for Islwyn (Chris Evans) on securing the debate. I think it is the last end-of-day Adjournment debate that we will have in this Parliament.

I associate myself with the comments the hon. Gentleman made in praise of you, Mr Deputy Speaker, and your great chairmanship in these debates.

The hon. Gentleman has described some of the problems that his constituents face and I welcome the chance to respond on those points. He is of course aware that this is a devolved matter and many of the issues and challenges that he raises are matters for the Welsh Assembly or the relevant local authorities, but since he has raised a number of UK-wide issues and commented on the UK Government’s position, I want initially to set this in the wider UK context. I reassure the hon. Gentleman and all Members that improving air quality is a priority for this Government and we are determined to cut emissions to improve the health of the people we all represent and to protect the environment.

We have already achieved significant improvements in air quality across a range of pollutants, and the UK meets the legal limits for almost all pollutants, but faces significant challenges in achieving limits on nitrogen dioxide. We are not alone; 16 other EU countries face similar challenges.

The pollutants generated by diesel fumes, which the hon. Gentleman mentioned, are particulate matter and nitrogen oxides. Long-term exposure, over several years, to elevated concentrations of particulate matter at levels typically experienced in urban areas can reduce life expectancy by between several months and a few years. Air pollution is a contributory factor, along with many others, in mortality. It has a major effect on deaths from cardiovascular disease and a lesser effect on deaths from lung cancer and other respiratory diseases. Nitrogen oxide emissions are considered to exacerbate pre-existing health conditions, as well as affecting more vulnerable groups. However, particulate matter, which consists of very small particles of soot and dust, can affect all of us. That is why we are focused on this pollutant, and that is why it is a key indicator for Public Health England outcomes.
As our recently published toolkit for public health directors points out, care is needed around how information is communicated. Air pollution has many of the characteristics that make it a threat to health—a more worrying—so-called fright factors—and that creates a real risk of counterproductive reactions if communication is poorly handled. It is important that local communities have access to balanced and accurate information about the sources and consequences of air pollution in their local areas. Our assessment is that the main source of PM emissions is domestic wood burning, and we are working on plans to help households to reduce their exposure to it.

Diesel is often used in non-mobile machinery—equipment such as cranes, generators and chainsaws—but I recognise that the problem that the hon. Gentleman has described relates predominantly to vehicles. Transport is responsible for a substantial proportion of air pollution; specifically, it is responsible for 80% of nitrogen oxide emission at the roadside in areas where we need to take action to reduce levels. That is why transport has been the principal focus of our action on air quality, and it is why we have committed more than £2 billion to green transport initiatives. The autumn statement provided a further £290 million to support greener transport, including by supporting the early market for ultra low emission vehicles between 2015 and 2020. The Department for Transport is working actively with the freight and haulage industry to reduce vehicle emissions from light and heavy goods vehicles. That may directly help the problem with lorries along the A472 as companies replace their fleets.

The House will be aware that the reason for the difficulty in meeting our nitrogen dioxide limit values is the failure of Euro standards for diesel vehicles to deliver the expected reductions in nitrogen oxide emissions. The Euro standards should have resulted in major reductions in nitrogen oxide emissions. That has not been the case, particularly in real-world emissions for diesel vehicles, which have proven to be many times higher than those in lab tests. Previous commitments, to which former Governments signed up, were made in good faith and in the expectation that technological improvements would help us to achieve the Euro standards. However, it is clear that the standards have failed. That is why, since 2011, we have been at the forefront of action in the EU to secure more accurate real-world emissions testing for diesel cars.

The national air quality plan for nitrogen dioxide, which was published in December 2015, set out an approach designed to improve air quality and achieve compliance. The five cities identified in the plan are working to implement clean air zones, with Government support, to target the oldest and most polluting vehicles. That is on top of the action taken in London by the former Conservative Mayor and the current Mayor. The consultation on the clean air zone framework was launched in October 2016 to ensure that a consistent approach was taken, and we expect to publish the summary of responses and our finalised framework shortly. Our plan was based on the best evidence available at the time. We have been pressing for updates to COPERT emission factors, and we got those updates in September last year. We said that when we got the new factors, we would update our modelling, and that is exactly what we have been doing. We have been updating our plan with new modelling based on the updated COPERT factors.

The hon. Gentleman should be aware that the new plan will be published with the Welsh Government and other devolved Administrations because, as he knows, improving air quality is a devolved matter. As such, the issues in Islwyn—particularly on the A472 at Hafodyrynys, which he mentioned—are a matter for Caerphilly County Borough Council and the Welsh Government. I understand the hon. Gentleman’s concern where people’s homes face straight on to a strategic road used by a number of heavy goods vehicles. He has described the experiences of his constituents, and I hope that joint action can be taken by for Caerphilly council and the Welsh Government to improve the situation.

I understand that Caerphilly council is producing an air quality action plan for submission to the Welsh Government, and has established an air quality steering group to produce the action plan. The steering group comprises local residents, ward members, Public Health Wales, and officers from the council and the neighbouring councils of Blaenau Gwent and Torfaen. I also understand that the Welsh Government have very recently received a draft action plan from Caerphilly council, but given the upcoming elections, it is right and proper that the incoming Administration take ownership of the plan, finalise it and take forward its implementation.

The Welsh Government undertook a public consultation on local air quality and noise management in Wales, which closed on 6 December. The Cabinet Secretary for Environment and Rural Affairs in the Welsh Government issued a written statement on 30 March, explaining how the local air quality and noise management system in Wales will change in light of the responses received. Through our discussions with the Welsh Government, I know that they are firmly committed to improving air quality across Wales. Legislative frameworks are in place to limit the levels of air pollution. The hon. Gentleman will be aware of such EU directives and domestic legislation, including the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016, which they hope will reduce or remove barriers to effective action on local air quality. There is a role for national measures to improve air quality, which we are undertaking, but local actions—with targeted, bespoke interventions—can make substantial changes, including measures to improve traffic flow, planning and deterrents for idling traffic.

I want to talk briefly about the situation in England. English local authorities have powers, under the Road Traffic (Vehicle Emissions) (Fixed Penalty) (England) Regulations 2002, to issue fixed penalty notices of £20 to drivers who allow their vehicle engines to run unnecessarily while the vehicle is stationary. In November, my hon. Friend the Parliamentary Under-Secretary wrote to 230 local authorities across England that have long-standing air quality challenges to highlight the need for further action and to understand better the issues they are facing. Responses from the local authorities show that many are working in partnership with other local authorities and regional air quality groups, as well as at county level. Many are taking forward measures in air quality action plans, traffic management initiatives and improved air quality-focused planning guidance for new developments.
Local authorities of course need support. This is why DEFRA provides statutory policy and technical guidance for local authorities in England to enable them to fulfil their air quality management duties. I am aware that the Welsh Government provide similar technical guidance to local authorities in Wales. The successful applicants to our clean air grant fund were announced in February. Nearly £3.7 million was awarded to local authorities to deliver projects such as clean air zone feasibility studies in Bristol and the retrofitting of Derby City Council’s HGV fleet with emissions-reduction technology.

The Under-Secretary of State for Environment, Food and Rural Affairs also wrote to public health directors, together with the public health Minister, the Under-Secretary of State for Health, my hon. Friend the Member for Oxford West and Abingdon (Nicola Blackwood), to encourage them to engage with their local councils on actions that can reduce air pollution. On 1 March, DEFRA, in partnership with Public Health England, released an updated air quality toolkit for directors of public health. The toolkit is a suite of information, guidance and communication tools designed to make it easier for local authorities to be as effective as possible in improving local air quality.

In conclusion, I assure all hon. Members that air quality is a top priority for DEFRA, my hon. Friend the Under-Secretary of State for Environment, Food and Rural Affairs, who leads on the issue, the Secretary of State and the whole Government. As the Prime Minister said recently:

“We have taken action, but there is more to do and we will do it.”—[Official Report, 2 November 2016; Vol. 616, c. 887.]

Question put and agreed to.

5.55 pm

House adjourned.
Oral Answers to Questions

EXITING THE EUROPEAN UNION

Tourism

1. James Duddridge (Rochford and Southend East) (Con): What recent discussions his Department has had with representatives of the tourism sector on the implications for that sector of the UK leaving the EU.

2. Chloe Smith (Norwich North) (Con): What recent discussions his Department has had with representatives of the tourism sector on the implications for that sector of the UK leaving the EU.

Mr Walker: My hon. Friend raises an important point both about regional aviation and the beautiful part of the world he represents. That part of the world is known for its common sense, which I am sure will be reflected on 8 June. We have been very clear that we are working to ensure the best possible liberal access to European aviation markets and are seeking to replicate third-country arrangements with the likes of the US and Canada. We are committed to working with the sector to get the best deal for the UK, and I will be delighted to meet him to discuss how we can boost tourism in Southend.

Mr Walker: My hon. Friend is right to champion tourism in Norwich. As the Prime Minister has said, it is right that we ensure that tourism and hospitality businesses can access the skills they need from the EU and that we ensure that young people in the UK have the right skills to work in this sector. I know she will continue to support tourism through her Norwich jobs initiative and as vice-chair of the all-party parliamentary group on youth employment, on which I enjoyed working with her.

Mike Weir (Angus) (SNP): Many businesses in rural areas such as Angus have diversified in recent years into short-term holiday lets, many of which are taken by citizens of other European countries will be a personal priority and, secondly, that in seeking a strong future, especially for our young people, the Government will address the skills that British workers could develop to offer Norwich’s growing tourism industry?

Chloe Smith: Tourism employs 12,000 people in Norwich, where the value of the sector has grown 87% over the last 10 years—my fine city is a top 10 destination. Tourism is a quarter of the city’s employment. Will my hon. Friend reassure me and Norwich employers, first, that the position of valued members of staff who may be citizens of other European countries will be a personal priority and, secondly, that in seeking a strong future, especially for our young people, the Government will address the skills that British workers could develop to offer Norwich’s growing tourism industry?
Mr Walker: My hon. Friend is absolutely right to champion the aviation routes from her constituency, and of course the UK, as a global nation, will continue to want to trade with both Europe and the wider world. Having strong aviation links and liberal access for aviation will be an important part of that.

Jim Shannon (Strangford) (DUP): Tourism in Northern Ireland currently generates £764 million of revenue and attracts 4.5 million visitors. The aim is to double that by 2020 using major events such as the world police and fire games, the UK city of culture and the Giro d’Italia. To achieve that goal, will the Minister outline his strategy for incorporating the UK-wide tourism industry? What support is being offered in the interim?

Mr Walker: We have been working closely with the Department for Culture, Media and Sport and our colleagues in the territorial Departments to ensure that we have the best approach to selling the UK brand around the world. I recognise that Northern Ireland has a fantastic tourism offer, and I was delighted to meet representatives of the Northern Irish hospitality industry during my visit last autumn.

Jeremy Lefroy (Stafford) (Con): As you know, Mr Speaker, some of the finest parts of the Peak District national park are in Staffordshire, alongside Shugborough, Doxey marshes, Cannock Chase and many other beautiful places. One of the skills that our young people need so that we can benefit from the tourism industry lies in the teaching of languages. What is my hon. Friend doing, together with the Department for Education, to ensure that that is a priority?

Mr Walker: My hon. Friend, who is a great champion for his local area, is right to raise this issue, and we have discussed with the tourism and hospitality industry the importance of attracting people with language skills. One aspect we are looking at is how, through negotiations, we might be able to continue engagement with the Erasmus programme in the future, but there are many other ways in which we need to boost our skills domestically, and boosting languages will be very important to a global Britain.

Ms Margaret Ritchie (South Down) (SDLP): Tourism is the main catalyst for economic development in South Down, which will have a land border with the EU. How will that burgeoning cross-border tourism trade be nurtured and financially protected in the face of the challenges from Brexit and given that the Republic of Ireland’s VAT rate on tourism is 9% whereas in my constituency it is 20%?

Mr Walker: One of our highest priorities in these negotiations and in our whole strategy for the UK’s exit from the EU is to secure the soft border that exists, to make sure that there is no return to the hard borders of the past and that the economic progress we see as a result of north-south tourism within the island of Ireland continues, and to ensure that those bodies can be in place. I assure the hon. Lady that this is an issue on which we will continue to engage, and we will continue to promote the excellent tourism offer in Northern Ireland.

Nigel Huddleston (Mid Worcestershire) (Con): The Minister is obviously aware that a record 37.6 million overseas visitors came to the UK in the past year. Is he aware that 70% of those came from the EU? Does he agree that those figures show that although the UK may be leaving the EU, we are very much welcoming and open to visitors from the EU and the rest of the world?

Mr Walker: I wholly agree with what my hon. Friend and neighbour says. He is a great champion for the tourism industry, and may I thank him once again for the work he has done to make sure that our Department gets to hear directly from the tourism and hospitality industry across the UK?

Northern Ireland

4. Tom Elliott (Fermanagh and South Tyrone) (UUP): Whether he has had discussions with representatives of Sinn Féin on that party’s priorities for Northern Ireland in the negotiations on the UK leaving the EU; and if he will make a statement.

11. Danny Kinahan (South Antrim) (UUP): Whether he has had discussions with representatives of Sinn Féin on that party’s priorities for Northern Ireland in the negotiations on the UK leaving the EU; and if he will make a statement.

The Parliamentary Under-Secretary of State for Exiting the European Union (Mr Robin Walker): The Northern Ireland Executive, including Sinn Féin Ministers, have participated in the Joint Ministerial Committee processes, but to discuss our preparations for exit and ensure that we can deliver an approach that works for the whole and each part of the UK we want to see the political situation in Northern Ireland resolved and Assembly government continuing. That is what the Secretary of State for Northern Ireland is working hard to achieve.

Tom Elliott: I thank the Minister for that answer and for his interest in Northern Ireland; he has come over to visit us—including my constituency, which has a long and significant land border with the Republic of Ireland—on a number of occasions. How can he and the Department ensure that there is further good co-operation as Brexit negotiations continue, particularly in the absence of a Northern Ireland Executive?

Mr Walker: I thank the hon. Gentleman for his question. The Secretary of State for Northern Ireland and the Prime Minister are fully committed to ensuring that as we establish our negotiating position, the unique interests of Northern Ireland are protected and advanced. I touched earlier on the issue of the common travel area. They have a clear understanding of the range of views from across Northern Ireland, and we will continue to champion the interests of Northern Ireland in the coming months. We remain committed to continuing to work with all parties and a new Executive in the months ahead, as part of our effort to ensure that we deliver a good deal for the whole of the UK, including Northern Ireland.
Danny Kinahan: May I, too, thank the Minister for all his hard work on behalf of Northern Ireland and Scotland? In recent weeks many discussions have taken place in Northern Ireland about electoral pacts and the bid to block Brexit, as if the decision were reversible. Does he agree that the efforts of all parties would be much better if they were put together in seeking to achieve the best possible outcome for Brexit and for Northern Ireland?

Mr Walker: Absolutely. One great strength of our electoral system is that it allows constituencies and their voters to choose the best candidate to represent them, and not stitch-ups between politicians and parties. Like the hon. Gentleman, I campaigned on the remain side during the referendum but am now working as hard as I can to make the decision of the UK a success for the whole of the United Kingdom. I think voters should reflect on whether their representatives are working constructively to get the best outcome for their constituencies and for the United Kingdom, rather than on deals behind closed doors.

Dr Matthew Offord (Hendon) (Con): Will my hon. Friend assure the House that he will do his utmost to prepare for the financial services industry, prepare for the UK leaving the EU.

Mr Walker: Absolutely. Friend absolutely right. As a priority, we are pursuing a bold and ambitious trade agreement with the European Union. That agreement should be of greater scope and ambition than any seen before it, so that it covers sectors that are crucial to our linked economies, such as financial services. We know that our European neighbours have a stake in this, too, because they do not want European firms to lose access to the City of London’s financial services. Financial stability is important, not only for the UK but for the whole of Europe, which is one reason why we want to reach a deal with the EU on financial services. We will seek to establish strong co-operative oversight arrangements with the EU and will continue to support and implement international standards to safely serve the UK, European and global economy.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Will the Minister stop reading his brief and speak from the heart? I have two sets of workers in Huddersfield. Many people work in financial services for Lloyds, and their jobs are in peril. I also have a large number of people who work in the national health service, and the Government are doing nothing to stop the cruel closure of the Huddersfield infirmary. Will the Minister do something about my financial sector workers and my health workers, with the EU catastrophe arriving soon?

Mr Speaker: My counsel would be to stick to the financial services industry.

Mr Walker: I will follow your guidance, Mr Speaker. I am delighted that the Government are standing up for every sector of our economy, including the financial services sector. The hon. Gentleman neatly points out that the financial services sector matters not only in the City of London but throughout the country, in constituencies such as his. We will fight for those jobs; unfortunately, every Labour Government in history has destroyed jobs.

Mr Steve Baker (Wycombe) (Con): Was my hon. Friend as impressed as I was by the new spirit of resolve and optimism witnessed yesterday among senior City figures at the Prosperity UK conference, at which the Secretary of State spoke so inspirationally?

Mr Walker: I am grateful for my hon. Friend’s question. Of course we welcome the engagement of so many businesses from across different sectors, including the financial sector, in making this process the greatest success it can be.

20. Margaret Ferrier (Rutherglen and Hamilton West) (SNP): I hope you will indulge me for a moment, Mr Speaker. When I took my oath, you told me that my voice would be heard in this Chamber, and you have kept your word. You have been a champion for Back Benchers and I thank you for that.

At the start of the week, the EU 27 firmed up their Brexit negotiating guidelines and inserted a new paragraph that states: “Any future framework should safeguard financial stability in the Union and respect its regulatory and supervisory regime and standards and their application.”
Following this major blow to the Prime Minister’s unworkable plans for a hard Tory Brexit, can we expect to see a change in the Conservative manifesto?

Mr Walker: I welcome the hon. Lady’s question and her focus on financial stability, because, as I said in my answer to my hon. Friend the Member for Wimbledon (Stephen Hammond), we absolutely recognise the importance of financial stability for the whole of Europe, including the UK, and of reaching a deal with our European counterparts. When I met the financial services industry in Scotland to talk about these matters, it was very clear on the vast importance of the United Kingdom industry in Scotland to talk about these matters, it was very clear on the vast importance of the United Kingdom market for Scottish financial services.

Geoffrey Clifton-Brown (The Cotswolds) (Con): What assessment has my hon. Friend made of the French Government’s warnings that the City should continue to be overseen by EU regulators?

Mr Walker: We recognise the importance of regulatory oversight and mutual regulatory understanding as we move towards a comprehensive trade agreement with the European Union. One thing I have learned while doing this job is the huge respect in which UK regulators are held around the whole of Europe. I think we have some of the best financial regulators in the world.

Tom Brake (Carshalton and Wallington) (LD): What assessment has the Minister been able to make of the loss of the European Banking Authority and the impact that it might have on the financial services sector?

Mr Walker: The future of European agencies is of course a subject for the negotiations to come, but I have no doubt that the UK will continue to be a global centre both for financial services and for leading the conversation about the regulation of financial services in the years to come.

Sir Julian Brazier (Canterbury) (Con): Financial services are important to the economy in my constituency, and I welcome all my hon. Friend’s comments. Does he agree that it is in Europe’s interests that it should have a good deal here, as it will need access to the City of London? It is not the UK that has a banking crisis at the moment.

Mr Walker: My hon. Friend is absolutely right for drawing attention both to the importance of financial services across the whole of the UK and to the fact that this is about the mutual interests of the UK and the EU. We want a deal that works for both, and access to the global leading financial markets in London will be as important for the other side in these negotiations as it is for us.

Matthew Pennycook (Greenwich and Woolwich) (Lab): Last month, the Secretary of State confirmed to the Brexit Select Committee that exiting the European Union on World Trade Organisation terms would mean an end to passing rights. Does the Minister agree that that would be catastrophic for our financial services sector and all those who work in it? If so, does he agree that no deal is not a viable option for the financial services sector?

Mr Walker: As a priority, we are pursuing the most ambitious trade agreement that has ever been achieved with the European Union. Its scope and ambition should be greater than that of any agreement before it. The financial services market access—access for European firms to the UK and access for UK firms to Europe—is hugely important. That is what we are focused on achieving. Let me say to the hon. Gentleman that the position of his party that any deal is better than no deal is an absurdity when it comes to defending the national interests of this country. We need to get the right deal and to be able to say to the other side that if they do not offer us the right deal the UK will manage and take the right steps to protect itself. Of course our focus should be on getting the best deal.

Matthew Pennycook: The latest draft EU negotiating guidelines discussed on Monday suggest that financial services will be separated from any agreement on our future trade deal. If the Government cannot secure the safety and certainty of the financial services sector as part of any future agreement, what is their back-up plan?

Mr Walker: I say gently to the hon. Gentleman that we do not write the guidelines, but we recognise that financial services will be part of a comprehensive deal. We have talked about a comprehensive free trade agreement, and it certainly has not been ruled out. What the EU has said is that it does not want to do separate sectoral deals—well, actually, nor do we. We want the most comprehensive trade agreement available and we think that that should include services, including financial services.

Employment and Workers’ Rights

6. Michael Tomlinson (Mid Dorset and North Poole) (Con): What steps the Government are taking in preparing the great repeal Bill to protect (a) employment and (b) workers’ rights.

The Secretary of State for Exiting the European Union (Mr David Davis): I shall start by saying that I am going to disappoint the hon. Member for Huddersfield (Mr Sheerman) as I will stick to my brief.

The White Paper published on 30 March sets out that the employment and workers’ rights that are enjoyed under EU law will continue to be available in UK law after we have left the European Union as the great repeal Bill will convert EU law into domestic law. This will give certainty and continuity to employees and employers alike, creating stability in which the United Kingdom can grow and thrive.

Michael Tomlinson: I am grateful to the Secretary of State for that answer. Since the Health and Morals of Apprentices Act, it is the Conservatives who first protected workers’ rights and put those protections on to the statute book. Will he confirm that, post-Brexit, we will continue to do so not only to protect them, but to enhance them, thereby proving that we are the real workers’ party?

Mr Davis: I had not expected references to 1802—it was 1802, was it not?

Michael Tomlinson indicated assent.
Mr Davis: I thought so. It was the very first piece of employment legislation in this House, brought in by a Conservative Government long before the Labour party existed. I suspect that we will still be bringing in such legislation long after the Labour party has ceased to exist. My hon. Friend is absolutely right: we will continue to protect workers’ rights. Indeed, the Prime Minister has made it plain not just that we will protect rights, which was the line I started promulgating last summer when I took this job, but that we will expand them. She has appointed the Taylor commission, under Matthew Taylor, with the explicit aim of ensuring that these rights are appropriate to the modern age and will protect people in the modern age.

Dr Rupa Huq (Ealing Central and Acton) (Lab): All the evidence shows that public holidays improve the productivity and wellbeing of workers, including those in the NHS still awaiting their £350 million a week as promised by the leave campaign. Does the Secretary of State agree with having an additional four days, as the Labour party proposes? Although that would still be short of the number in Finland and Spain, which have 14 and 15 days respectively, it would bring us in line with the European average of 12. At the moment we only have eight. That is an example of how, when we leave—

Mr Speaker: Well done—very good. I think we have the gist. The thrust of the question has been communicated and we are eternally grateful to the hon. Lady.

Mr Davis: The short answer is no. The more elaborate answer is that employment rights in this country are better than the European Union minimum across the board. That is true of the average number of mandatory annual holidays and maternity rights, to give just two examples. I am afraid that we do not have an awful lot to learn from the European Union in that respect.

Stephen Gethins (North East Fife) (SNP): After these threats to jobs?

Mr Davis: I suppose if there is one thing I should take lectures from the Scottish National party on, it is promoting civil conflict. If the hon. Gentleman’s question is whether our priority is the promotion of the economy, the answer is yes.

Stephen Gethins: The reason that the SNP is outpacing the Tories so highly is that we are united in getting behind workers’ rights and getting a decent deal in Europe. The Secretary of State has put aside these negotiations for narrow political benefit, which he will not have in Scotland. What is he going to do about these threats to jobs?

Mr Davis: We will seek the best possible deal to maintain our relationship with the European Union. Over and above that, we will seek the best possible deal with the rest of the world, which already gets 60% of our exports.

Great Repeal Bill: Future Trade Terms

Sir Henry Bellingham (North West Norfolk) (Con): What discussions he has had with the Secretary of State for International Trade on the potential effect of the great repeal Bill on negotiating future trade terms with the EU.

The Parliamentary Under-Secretary of State for Exiting the European Union (Mr Robin Walker): My Department is responsible for overseeing negotiations to leave the EU, and establishing the future relationship between a global Britain and the EU. We are, of course, working hand in hand with the Department for International Trade as we seek a deep and special partnership with the EU, and a bold and comprehensive trade agreement. The great repeal Bill will ensure a smooth and orderly exit from the EU. The laws and rules that we have now will, wherever practicable, continue to apply. The negotiations with the EU on the future relationship with Britain will be unlike any before, since both sides will start from the point of exact equivalence.

Sir Henry Bellingham: I thank the Minister for that comprehensive reply. When it comes to these key negotiations, is it his intention to recruit and embed outside talent and expertise from different sectors such as law, insurance and financial services to reinforce and bolster the Government’s own civil service teams? Has this outreach programme started?

Mr Walker: I can assure my hon. Friend that we have been doing that outreach. Both my Department and the Department for International Trade have been bringing in expertise from across the civil service and from key areas of the private sector. The Under-Secretary of State for International Trade, my hon. Friend the Member for Wyre Forest (Mark Garnier), tells me that his Department has already recruited more than 200 trade advisers.

Heidi Alexander (Lewisham East) (Lab): I have asked Ministers six times in the last three months how the Government plan to extract us from the European economic area. Not once have I got a straight answer. Throwing away our membership of the single market with no plan for a vote in Parliament is the single largest act of economic self-harm and democratic nihilism that I can imagine. In which year does the Minister believe we should come out of the European economic area, and will the so-called “great” repeal Bill include the repeal of the European Economic Area Act 1993?

Mr Walker: The Government’s position has been very clear: we are a member of the European economic area as a consequence of our European Union membership,
and we respect the position of European leaders that the four freedoms underpinning the European Union are inseparable. We are leaving the European Union, but we will seek to form a deep and comprehensive free trade agreement between the UK and the EU.

Mr Speaker: I call Sir Edward Leigh.

Mr Peter Lilley (Hitchin and Harpenden) (Con): My hon. Friend and the Government are right to seek—

Mr Speaker: Order. The right hon. Gentleman is a very fine man, but his name is not Sir Edward Leigh. [Interruption. ] Be patient—we will hear from the fellow shortly. I am sure the right hon. Gentleman, who is a person of immense distinction, knows his own name—he just did not hear me.

Sir Edward Leigh (Gainsborough) (Con): We are of one mind anyway—it does not really matter very much.

In the interests of good government, will the Minister instruct the permanent secretary to ensure that there are worthwhile discussions with a possible future Government on how we square the circle of staying in the single market but controlling immigration and of being inside the customs union, or outside it—I do not know what they are going to do—and trying to make new trade agreements? I am sure that the permanent secretary is a very clever man and that he can do all this work.

Mr Walker: I congratulate my hon. Friend on his demonstration of the single transferable question and on the point he makes. The speech from the shadow Secretary of State has been widely picked up as setting out a confused position and one that is irresolvable, but I have no doubt that our permanent secretary is brilliant enough to be able to work his way through it.

English Regions

8. Kevin Hollinrake (Thirsk and Malton) (Con): What steps he is taking to represent the English regions in the Government’s preparations for the UK leaving the EU.

The Minister of State, Department for Exiting the European Union (Mr David Jones): Mr Speaker, it is nice to be here. The Government are committed to securing a deal that works for the entire United Kingdom, including all parts of England. The Department for Exiting the European Union and the Department for Communities and Local Government are working closely with the Local Government Association and regional partners across the country to understand clearly the issues related to exit and to identify any regional differences. As my hon. Friend will be aware, the Secretary of State has already committed to bringing the newly elected combined authority mayors in England together for a summit in the summer.

Kevin Hollinrake: I thank the Minister for that answer. At departmental questions some weeks ago, the Secretary of State agreed to hold a meeting in York for the mayors of the north to make sure the region’s interests were properly represented. With Yorkshire’s devolution deals proving challenging to agree, will the Secretary of State agree also to invite the leaders of those areas not represented by a mayor?

Mr Jones: The Government are committed to securing a deal that works for the whole United Kingdom, including every part of England. DE&EU Ministers have visited Yorkshire on a number of occasions, and that includes the Secretary of State’s visit in November. I am sure he will be willing to consider another visit after the election.

Chii Onwurah (Newcastle upon Tyne Central) (Lab): The north-east has benefited hugely from investment and funding from the European Union—a counterbalance to the neglect of this and other Tory Governments. What guarantee will the Minister offer that the repatriation of powers from the European Union will not mean further concentration of powers in Whitehall and that powers will be devolved to the north-east and other regions?

Mr Jones: After the United Kingdom leaves the European Union, we will give full consideration to further devolution to bring powers as close as possible to all parts of the country. We are committed to securing a deal that works for the north-east, and Ministers have visited every part of England, and that includes a recent visit to Sunderland and Peterlee to talk to local people about manufacturing issues.

Mr Owen Paterson (North Shropshire) (Con): On his visits around the regions of the UK, will the Minister make it clear that to deliver the Prime Minister’s commitment to take back control of our money, our laws and our borders, we must leave the single market, leave the customs union and establish sovereign control of our borders and all the maritime waters within the exclusive economic zone?

Mr Jones: My right hon. Friend has set out the Government’s position admirably.

Jenny Chapman (Darlington) (Lab): Visiting the north-east is always a good thing to do, and we are very happy to have the Minister, but he does need to listen while he is there. The Engineering Employers Federation has warned that walking away with no deal would condemn north-east manufacturing to “a painful and costly Brexit.” The EEF wants the Government, instead of posturing, to focus on obtaining full World Trade Organisation membership, a clear position on customs and a sensible transition period. Why are the Government not listening to the needs of manufacturers in the north?

Mr Jones: On the contrary, we deal regularly with manufacturing industry. Indeed, I recently had a meeting with the EEF that was very successful. The fact of the matter is that we are intending to seek the best possible free trade agreement with the continuing European Union. Our position will be, however, unlike that of Labour, that no deal is better than a bad deal. I find it extraordinary that the Opposition seem to think it sensible to go to the negotiating chamber expecting to have no deal.
Devolved Matters

9. Natalie McGarry (Glasgow East) (Ind): What discussions he has had with the Attorney General on which provisions in the great repeal Bill may require the Government to legislate on devolved matters before the UK leaves the EU. [909878]

The Minister of State, Department for Exiting the European Union (Mr David Jones): We have regular discussions with ministerial colleagues, including my right hon. and learned Friend the Attorney General. We fully respect the Sewel convention and have been working closely with the devolved Administrations, particularly through the Joint Ministerial Committee on EU Negotiations.

Natalie McGarry: Before asking my last question in this House, may I thank you, Mr Speaker, your staff, and the outstanding House staff across all areas, and wish colleagues right across the House every success in the coming months?

Can the Minister confirm whether the great repeal Bill will require legislative consent from the devolved Assemblies—yes or no?

Mr Speaker: I thank the hon. Lady very much for her warm remarks, which are very much appreciated.

Mr Jones: Similarly, Mr Speaker, may I express my best wishes to the hon. Lady for the future?

The question of whether a legislative consent motion will be required for the great repeal Bill will of course depend on the form and content of the great repeal Bill, which will be published in the next Parliament.

Mr Christopher Chope (Christchurch) (Con): Has my right hon. Friend received a report on the Scottish Affairs Committee’s visit to Brussels on Monday and Tuesday this week? If so, does he share my delight that it was made absolutely clear throughout those discussions that the European Union is interested only in negotiating with the United Kingdom Government and not with the Scottish Government?

Mr Jones: Yes, I did note that. The position is quite clear—it is member states that negotiate with the European Union. Given that this country voted as a single country to leave the European Union, we should be expecting the support of the Scottish National party and not what it is doing at the moment.

12. Paul Flynn (Newport West) (Lab): What steps he is taking to ensure protection of the Welsh sheep meat trade in negotiations on the UK leaving the EU. [909882]

The Minister of State, Department for Exiting the European Union (Mr David Jones): The Government are working hard to get the very best deal for the United Kingdom—a free trade deal with the EU that is more ambitious than any other trade deal yet struck. We are considering and analysing the impact of future trading arrangements on all sectors of our economy, including agriculture, developing policies to support our vision for a global Britain that is producing more, selling more and exporting more.

Paul Flynn: That answer was characteristically vacuous and meaningless: could the Minister try to concentrate? Welsh farmers are saying that the door is open to New Zealand competition that could clear Welsh lamb off the shelves because of the price, and the door is not open to new markets in the United States, although that was promised. The Minister will understand the cultural priority of maintaining life on Welsh farms, where one of the most ancient languages in the whole of Europe prospers at its purest and best. Is it not a major priority for the Government to give a guarantee to Welsh farmers?

Mr Jones: May I say that I represent many more Welsh farmers than the hon. Gentleman does, and that I intend to continue to do so after the general election? The Government are intent on securing the best possible free trade agreement for this country, which will benefit all farmers, including Welsh farmers. Furthermore, we intend to ensure that Welsh exports continue after the general election.

Dr Caroline Johnson (Sleaford and North Hykeham) (Con): rose—

Mr Speaker: If the hon. Member for Sleaford and North Hykeham (Dr Johnson) wishes to contribute on the matter of the Welsh sheep meat trade, she is welcome to do so.
Dr Johnson: I do, Mr Speaker; thank you. Welsh sheep are an important part of the farming sector in Wales, but the farming community as a whole, throughout the UK, is looking for reassurance that it will be supported as we leave the European Union. I have a very large agricultural sector in Sleaford and North Hykeham, and I would be grateful for the Secretary of State's reassurance that the farming sector will be protected as we leave the European Union.

Mr David Jones: My hon. Friend is entirely right. The agricultural sector is of particular importance in the forthcoming negotiations. We have already increased the number of exports from the British farming sector. We are currently in the process, for example, of negotiations to open the market for UK lamb to Saudi Arabia. There are a host of other opportunities out there, which will be available to us once we have left the European Union.

Mr Speaker: I call Tom Pursglove on question 15. [Interruption.] Aah, excellent! I was rather hoping that the hon. Member for Crawley (Henry Smith) would beetle into the Chamber just in time. In fact, I was prolonging the previous exchange in the confident expectation that he would arrive. He has done so, so we will reinstate question 13.

Aerospace Industry

13. Henry Smith (Crawley) (Con): What recent discussions his Department has had with the aerospace industry on the negotiations for the UK leaving the EU.

19. Robert Courts (Witney) (Con): What recent discussions his Department has had with the aerospace industry on the negotiations for the UK leaving the EU.

The Minister of State, Department for Exiting the European Union (Mr David Jones): Engagement with industry is a central element of our plan to build a national consensus around our negotiating position. The Department has been listening and talking to aerospace manufacturers and industry groups across the UK and internationally, including Rolls-Royce, Airbus, ADS and the aerospace growth partnership.

Henry Smith: Thank you, Mr Speaker, for your forbearance, if nothing else. [Interruption.] And for much more. Does my right hon. Friend the Minister welcome Boeing's investment in the new hangar maintenance facility at Gatwick airport as proof of the expanding aviation sector, even post Brexit?

Mr Jones: Yes, indeed. Boeing has announced 100 new jobs at its facility at Gatwick. Aviation and the aerospace industry are vital parts of our economy, and we have no doubt that they will continue to thrive after we have left the European Union.

Robert Courts: I am grateful to the Minister for mentioning Airbus, which has a very large component at RAF Brize Norton in my constituency. Will the Minister please tell me what discussions he has had with such companies to reassure them that in a post-Brexit Britain, not only will their supply chains be secure, but they will be well placed to make the most of a global, outward-facing Britain?

Mr Jones: I have had several discussions with various aerospace companies, including Airbus, which I met in Bristol recently. We do understand that supply chains across Europe are heavily integrated, but there is a clear mutual interest in agreeing trading arrangements. The British aerospace industry is the most important in Europe, and there is a mutual interest in ensuring that the relationships persist beyond Brexit.

Trade and Customs Agreement

14. Alex Cunningham (Stockton North) (Lab): What discussions he has had with the Secretary of State for International Trade on securing a comprehensive trade and customs agreement which provides the exact same benefits which the UK receives as a member of the single market and customs union.

The Minister of State, Department for Exiting the European Union (Mr David Jones): I think it is me again, Sir. This question was due to be linked with Question 10. The ministerial team have frequent discussions with colleagues across Departments, including the Department for International Trade, on our future relationship with the European Union. One of the Government's key objectives in the negotiations is to secure a mutually beneficial customs agreement. We are also committed to pursuing a bold and ambitious free trade agreement of greater scope and ambition than any such agreement before it.

Alex Cunningham: In the circumstances, perhaps I should be glad to get any answer. Does the Minister agree with the International Trade Secretary that it needs to be easier to hire and fire workers in the UK?

Mr Jones: Our commitment to the security of workers' rights has been well stated many times—indeed, we actually held a debate in Government time to ensure that that point was well made—and I am surprised that the hon. Gentleman should raise the issue yet again.

Mark Pritchard (The Wrekin) (Con): The Minister of State, as a near constituency neighbour, will know that car manufacturing is a vital part of the Shropshire economy. Will he give an undertaking to my constituents today that he will ensure that any free trade agreement will protect car manufacturing not only in Shropshire, but throughout the west midlands and the United Kingdom?

Mr Jones: A free trade agreement would clearly be of huge benefit not only to Land Rover in Shropshire, but to many other motor manufacturers around the country. As I have said, we are seeking an ambitious free trade agreement that will provide a host of opportunities right across the world for our manufacturers.

Paul Blomfield (Sheffield Central) (Lab): The Minister will know that paragraph 19 of the European Council's draft guidelines for the negotiations on the future EU-UK relationship makes it clear that there must be “a level playing field in terms of competition”, with the same social and environmental standards. Does the Minister agree with that principle, and is he therefore be happy to see it embedded in the agreement?
Mr Jones: First, these are the draft guidelines; the final guidelines will not be issued until 29 April. They are the guidelines under which the European Union wants us to operate the discussions, but it remains to be seen what our response will be.

Mr Peter Lilley (Hitchin and Harpenden) (Con): Although my hon. Friend the Member for Gainsborough (Sir Edward Leigh) and I are of one mind, we have two questions—and only one knighthood.

The Government are right to seek a continuing free trade agreement with the European Union: it will be in the interests of the European Union as well as in ours, and it will be the first, best outcome. However, Ministers cannot admit what I think is quite likely, which is that politics may trump economics and that there may be no deal. Will they therefore confirm that in those circumstances we will go to a good, second-best outcome, which is trading on most favoured nation terms, as do the European Union’s most successful partners—the USA, China, Japan and Russia? It would mean an average tariff of 4%, which is relatively small beer compared with a 15% improvement in competitiveness because of the exchange rate, while saving £10 billion a year, which is equivalent to a 7% tariff on our exports.

Mr Jones: Let me say quite clearly that the Government’s ambition and intention are to achieve the best possible free trade agreement with our EU partners. However, our position is also that we expect to negotiate toughly, that our position is also that we expect to negotiate toughly, and that will remain the case. However, Ministers cannot admit what I think is quite likely, which is that politics may trump economics and that there may be no deal. Will they therefore confirm that in those circumstances we will go to a good, second-best outcome, which is trading on most favoured nation terms, as do the European Union’s most successful partners—the USA, China, Japan and Russia? It would mean an average tariff of 4%, which is relatively small beer compared with a 15% improvement in competitiveness because of the exchange rate, while saving £10 billion a year, which is equivalent to a 7% tariff on our exports.

Mr Jones: The Department has carried out an in-depth assessment right across 50 sectors of the economy. We have made it clear, however, that it is not in the national interest for us to produce a running commentary on the way in which we are developing our negotiating position, and that will remain the case.

Support for Farmers

Seema Malhotra (Feltham and Heston) (Lab/Co-op): When the Secretary of State gave evidence to the Exiting the European Union Committee, he told me that the Government had not undertaken any economic assessment of the impact of Brexit since he had been in his post. Will the Minister update the House on whether there has been any progress, and when it comes to publishing the Government’s final deal, will he ensure that it includes an economic assessment of the impact of that deal and an economic assessment of the impact of no deal, so that my constituents and the country can make up their minds themselves about whether no deal is indeed better than a bad deal?

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excellent levels of growth. What impact assessment has the Department carried out on the impact of Brexit on such excellent growth, or is there simply a fingers-crossed approach? This morning at 9.21, I received a response from the Scotland Office to a question I posed to the Secretary of State for Scotland, and we now know that the Scotland Office has not made any assessment of the impact of Brexit on Scottish trade.

Mr Jones: I am surprised to hear that. As I said a moment ago, the Scotch Whisky Association itself has identified enormous opportunities from Brexit. When the hon. Lady goes back to her constituency to do a bit of campaigning, perhaps she might go to her nearest distillery and ask people there what they think.

UK Universities

17. Jason McCartney (Colne Valley) (Con): What discussions his Department has had with UK universities on the negotiations for the UK leaving the EU. [909888]

The Parliamentary Under-Secretary of State for Exiting the European Union (Mr Robin Walker): The Government have provided assurances to EU students in the UK. I particularly welcome the announcement on 21 April, which confirmed that EU students applying to study at English universities in 2018-19 will remain eligible for undergraduate, masters, postgraduate and advanced learner financial support, even if the course concludes after the UK’s exit from the EU. The Government want to create an environment in which the UK remains a world leader in research and academia, and continues to be home to the best universities in the world.

Jason McCartney: I echo those sentiments about international students and commend my hon. Friend for all his work on that campaign. I am very proud to have the award-winning Huddersfield University in our town. I visited its institute of railway research a couple of weeks ago. Thanks to the local enterprise partnership business growth fund, it is working on innovative rail and tram projects around the world, including in Australia. Will the Minister and his team make sure that our world-class universities are at the heart of the opportunities that Brexit brings?

Mr Walker: My hon. Friend is absolutely right to champion our world-class universities. Along with my hon. Friend the Member for Maidenhead (Mrs May) will be best placed to secure the best deal for the British taxpayer. Just as our first lady Prime Minister secured the rebate and value for the British taxpayer, I am sure our second will fight Britain’s corner throughout the negotiations.

UK Rebate

21. Mr Philip Hollobone (Kettering) (Con): What the total amount of the UK rebate from the EU has been in real terms since it was introduced. [909892]

The Parliamentary Under-Secretary of State for Exiting the European Union (Mr Robin Walker): I thank my hon. Friend for his recent Westminster Hall debate, when this issue was discussed. As he pointed out, a Conservative Government successfully secured the rebate in 1984, which was then introduced in 1985. Compiling an aggregate figure in real terms is a complex matter. The Government have not published such a figure, but I know that he has and estimated it to be well over £100 billion. Details of the most recent UK rebates are published in the document entitled “European Union Finances”. The latest edition was published in February and reported that the UK received a rebate of £3.9 billion from the EU in 2016.

Mr Hollobone: The massive £117 billion total rebate since Margaret Thatcher negotiated it in 1984 is testament to her resolution and determination in getting the best deal for Britain and refusing to take no for an answer. Will my hon. Friend agree to emulate her negotiating style and swing the metaphorical handbag until we get the deal Britain needs?

Mr Walker: I assure my hon. Friend that, as befits the tough reputation of both our Secretary of State and the Prime Minister, we will be robust in defending the UK’s national interest throughout this negotiating process. As the Prime Minister set out in her Lancaster House speech on 17 January, the days of Britain making vast contributions to the European Union every year will end. A strong, stable Government led by our right hon. Friend the Member for Maidenhead (Mrs May) will be best placed to secure the best deal for the British taxpayer. We ha ve a clear plan for Britain, one that fosters a deep and special new partnership with the European Union, and serves the interests of all parts of the United Kingdom. We want that new partnership to be underpinned by a comprehensive free trade agreement that gives UK companies maximum access to European markets, and European companies the same access to UK markets. Membership of the single market involves maintaining all four freedoms, including free movement of people, which is therefore inconsistent with our desire to take back control of our borders. Britain is leaving the European Union, but we are not leaving Europe. It is in both our interests to see the European Union succeed socially, politically and economically. That will be our policy in the coming years.

Topical Questions

T1. [909894]Stephen Hammond (Wimbledon) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Exiting the European Union (Mr David Davis): Before I answer, may I start by thanking you, Mr Speaker, for your forbearance in these Question Times, and for everything else you have done for this House in the past several years?

We have a clear plan for Britain, one that fosters a deep and special new partnership with the European Union, and serves the interests of all parts of the United Kingdom. We want that new partnership to be underpinned by a comprehensive free trade agreement that gives UK companies maximum access to European markets, and European companies the same access to UK markets. Membership of the single market involves maintaining all four freedoms, including free movement of people, which is therefore inconsistent with our desire to take back control of our borders. Britain is leaving the European Union, but we are not leaving Europe. It is in both our interests to see the European Union succeed socially, politically and economically. That will be our policy in the coming years.

Stephen Hammond: Will my right hon. Friend confirm that as part of that plan the Government are committed to the putting the rights of EU citizens into British law via the great repeal Bill, and that nothing will affect those rights unless it has the consent of this House?
Mr Davis: My hon. Friend is right. One thing that I think people have missed and he has picked up on is that any change in those rights would require primary legislation in this House. In addition, our plan is to put through the great repeal Bill and have subsequent consequential primary legislation that will underpin those rights. I have made those points to many of my opposite numbers, the interlocutors for other member states, and said that this will be taken at the same time as protection of British rights abroad. They have all understood and welcomed that. I am very confident that we can get a deal that will protect all of the, I think, 4 million in very short order.

Keir Starmer (Holborn and St Pancras) (Lab): Let me pick up on that theme. As the Secretary of State knows, about 3 million EU nationals are very anxious about their status when we leave the EU. Labour would unilaterally guarantee their status from day one. Under this Government, all they can do is apply for consideration for permanent residency, but as the Brexit Select Committee warned in March:

“The current process for consideration of permanent residency applications is not fit for purpose”.

The Secretary of State knows how important this is. Have things improved?

Mr Davis: I respect the hon. and learned Gentleman’s concern in this area. Let me be clear about that. However, I would say to him that the system there now is not designed to deal with 3 million. That has been made plain. In fact, if he goes on the Home Office website, he will see that it says not to make an application now—there is no need to. When we move the primary legislation it will be a matter for the Home Office, but I believe it will be very simple when it comes to that point.

Keir Starmer: As the Financial Times reported yesterday, the Home Office is now saying, “Don’t apply”. Is that the Government’s official position for EU nationals—“Don’t apply for permanent residency”? Is that how they will deal with that anxiety?

Mr Davis: What that is about is a reflection of what is on the Home Office website, which essentially points out that EU citizens do not need to apply for their rights to be underpinned. That is the approach we are taking. The hon. and learned Gentleman should bear in mind that for the next two years, irrespective of anything that the Government do, all the existing rights and privileges continue to apply. There will be no change in that respect. Before we come to the point of exit from the European Union, we will have made that very clear in primary legislation.

The Minister of State, Department for Exiting the European Union (Mr David Jones): I am grateful to my hon. Friend for that question; indeed, leaving aside the north Wales coastline, hers is one of the most beautiful in the UK. Coastal communities contribute an important part of our economy. They are part of the study that we have been undertaking, and we intend to make sure that their interests are reflected post-Brexit.

T2. [909895] Mr Chuka Umunna (Streatham) (Lab): The Prime Minister called the general election in the name of building unity to strengthen her EU negotiating position. However, this is the Prime Minister who sent “Go home” vans around parts of urban Britain with high immigrant populations, this is the Prime Minister who aided and abetted the most disgraceful campaign against the first Muslim Mayor of our capital city, and this is the Government who, with their hard Brexit allies, seek to call anyone who calls into question their negotiating strategy a bunch of saboteurs. Is not the truth that, far from uniting this country, this Tory Government and its Ministers have been dividing it since they took office?

Mr David Davis: If the hon. Gentleman wants an answer to that, the first place he should start is on the streets of Britain, where he will find massive support for our Prime Minister, massive respect for our Prime Minister and a belief that she will deliver the best outcome in the Brexit negotiations.

T6. [909902] Chloe Smith (Norwich North) (Con): Last week I met staff from Norwich manufacturing firm Teknomek, a small firm with impressive productivity and export links to Ireland and the continent. Firms such as that need the freest possible trade in services and goods between Britain and the other EU member states. Will my right hon. Friend look for security, stability, certainty and simplicity for small firms up and down the country?

Mr David Jones: We fully understand the importance of these issues to SMEs, including those in my hon. Friend’s constituency. Let me repeat for the umpteenth time in this Question Time that we are pursuing a bold and ambitious free trade agreement, which will benefit firms such as those and others around the country.

Joanna Cherry (Edinburgh South West) (SNP): Thousands of my constituents work in Edinburgh’s financial sector, which is the second largest in the UK. Following the EU 27’s announcement this week that they intend to exclude the financial services sector from any future trade deal with the UK after Brexit, will the Minister tell me what contingency planning he is carrying out to protect my constituents’ jobs?

The Parliamentary Under-Secretary of State for Exiting the European Union (Mr Robin Walker): I would say to the hon. and learned Lady, as I said in answer to an earlier question, that we seek a comprehensive trade deal, which absolutely would include financial services. However, as I said previously, we have engaged with the Edinburgh financial services sector, which has been clear with us that access to European Union markets is enormously important, but even more important is its access to the United Kingdom as a whole and Scotland’s relationship with the rest of the United Kingdom.
Mr David Davis: One of the oddities of the Labour party’s position is that on the one hand it says, “You must represent everybody,” which is entirely proper, but on the other hand it wants to revisit—

Neil Coyle (Bermudsey and Old Southwark) (Lab): Where’s the £350 million?

Mr Davis: I will answer the question when the heckling stops. Clearly, the hon. Gentleman is getting ready for the hustings in his constituency—they may be the last he takes part in. I am not going to revisit the arguments of the past. I am going to work on delivering the best outcome for the future.

Suella Fernandes (Fareham) (Con): Does my right hon. Friend agree that the sector is absolutely vital to the UK economy, and will he assure this House that it will have a strong voice in the negotiations under a Conservative Government?

Mr Robin Walker: My hon. Friend is absolutely right. We will continue to work closely with the regulators to ensure that we have some of the best, and best regulated, financial services in the world.

Alex Salmond (Gordon) (SNP): The Secretary of State is a wise man, and we all read his wise article in The Irish Times on 5 September last year, in which he said that Ireland did not have to choose between Europe and the United Kingdom but could commit itself to expanded trade and commerce with both. Ireland is a big market for England, but it is not the biggest. Given the Secretary of State’s wise words in Ireland, what patience has he with those who suggest that England would want trade barriers with its largest market in Europe, and, with exports worth £50 billion, its second largest export market in the world—Scotland?

Mr Davis: Before I answer the right hon. Gentleman’s question, let me say that he is the one person who has got me a rebuke from Mr Speaker in the past. I look forward to him coming back and continuing that tradition. As my right hon. Friend proceeds with the immense task of delivering a responsible and good Brexit for the country and, most especially at these difficult times, for Mid Sussex, does he agree that we cannot pretend to be a global player without running an open economy, with an orderly, non-bureaucratic immigration policy that allows our businesses and public services to access the people and skills that they need?

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): May I thank you, Mr Speaker, for putting up with me so tolerantly for a long time? I warn you, however, that I will make every effort to come back and be troublesome in future. May I also surprise you by asking a topical question? People such as me were remainers. We accept the will of the British people, but we are darn sure that we want a great deal for this country and we are very worried that this election will get in the way. Has the Secretary of State seen this morning’s reports that the pharmaceutical industry is going to move out of Britain for two reasons? The first is Brexit and the second is the fact that we have not put sufficient resources into our national health service.

Mr Davis: Before I answer the hon. Gentleman’s question, may I say that he is the one person who has got me a rebuke from Mr Speaker in the past? I look forward to him coming back and continuing that tradition. Pharmaceutical industries have relocated here and companies such as GlaxoSmithKline have increased their expenditure here. As for the other aspect of that attempt by the Association of the British Pharmaceutical Industry, it seemed to me to be putting pressure on the spending of the national health service. That is an issue for the Health Secretary, who will make sensible decisions in the national interest, and not in that of an individual industry.

Mr David Jones: May I say that Pendle has a strong voice going into the general election? Aerospace is a key industry for this country, which is why, as I said earlier, we have paid so much close attention to it. We will make sure that we continue to have the most important aerospace industry in Europe.

Andrew Stephenson (Pendle) (Con): Pendle is home to a cluster of outstanding aerospace businesses, including Euravia, Senior Aerospace Weston, Merc Aerospace, T&R Precision Engineering and, of course, the crown jewel, Rolls-Royce in Barnoldswick. Does my right hon. Friend agree that the sector is absolutely vital to the UK economy, and will he assure this House that it will have a strong voice in the negotiations under a Conservative Government?

Mr Davis: Before I answer the hon. Gentleman’s question, let me say that he is the one person who has got me a rebuke from Mr Speaker in the past. I look forward to him coming back and continuing that tradition. As my right hon. Friend proceeds with the immense task of delivering a responsible and good Brexit for the country and, most especially at these difficult times, for Mid Sussex, does he agree that we cannot pretend to be a global player without running an open economy, with an orderly, non-bureaucratic immigration policy that allows our businesses and public services to access the people and skills that they need?

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Alistair Burt (North East Bedfordshire) (Con): While all of us in this place want a good negotiated settlement, it is vital to some, not least those in the agricultural sector, which stands to lose significantly if there is no deal. Will my right hon. Friend continue to reassure us that despite the necessary shorthand of our approach to the negotiations, the need for the agricultural sector to be secure is uppermost in his mind, and that the sector will not be disadvantaged either by no deal or by the terms of trade in new arrangements with other countries?

Mr Davis: My right hon. Friend is right to suggest that the agricultural sector is the most sensitive to the issue of tariffs, and indeed to the issue of customs, because of the nature of the product, which, for instance, is often biodegradable. However, that is also true the other way round. We are an enormous market for France, Bavaria and many other agricultural areas in Europe. We have at dead centre the aim of securing frictionless trade in that sector in the future, and we are confident that it is in the interests of the whole European Union, not just us.

Paul Flynn (Newport West) (Lab): Will the Secretary of State tell us why we are going into this premature election? Those of us who voted to remain in the EU have fully accepted the decision that was made, and voted for the triggering of article 50, as did those in the other House; so that is not the reason. Will the Secretary of State confess today that the real reason we are having this election is the Government’s wish to escape from the referendum, and then, at every turn, trying to thwart it. Labour Members say, “You have a mandate to leave, but not on those terms.” Well, when the election is over, we will have a mandate on those terms.

Mr Davis: I note the attention paid to your call for short questions, Mr Speaker, but I will give the hon. Gentleman’s question a short answer. Throughout this process the Labour party has maintained its interesting schizophrenia, first saying, “We respect the outcome of the referendum”, and then, at every turn, trying to thwart it. Labour Members say, “You have a mandate to leave, but not on those terms.” Well, when the election is over, we will have a mandate on those terms.

Mike Wood (Dudley South) (Con): Will the Secretary of State consider holding a west midlands Brexit summit with the new mayor of the west midlands—who we hope will be Andy Street—and with key regional businesses, so that we can ensure that the interests of the west midlands are considered in the Brexit negotiations and that Brexit delivers for the west midlands as well as for the rest of the country?

Mr Davis: One of the best things that could happen to the west midlands would be the election of Andy Street, and I will make time to see him as soon as he is elected.

Bob Blackman (Harrow East) (Con): London is the pre-eminent economic force in the country. What assistance and co-operation has my right hon. Friend received from the Mayor of London and, indeed, local authorities in London, to ensure that we have a smooth, clean Brexit that benefits the capital and the country as a whole?

Mr Davis: My hon. Friend is dead right. The financial sector in London is, of course, the largest, but it is not the only one that is important. We should not forget that Scotland has a major financial sector. All the Ministers in my Department, the relevant Ministers in the Treasury, and, when appropriate, the relevant Ministers in the Department for Business, Energy and Industrial Strategy have been in constant communication with the whole sector, with all the representative groups in the sector and, indeed, with a large number of companies in the sector.

To give him his due, I have also received representations from Sadiq Khan, the Mayor of London, and have had very useful conversations with him. He has had the grace to recognise that we in the Government also have the best interests of London at heart.

Hannah Bardell (Livingston) (SNP): What kind of deal does the Secretary of State think he is likely to get if he and the Government refuse to pay their dues in Europe? Surely negotiations are about give and take.

Mr Davis: It is interesting that the Scottish National party wants to give £60 billion; I had not realised that up until now.

Robert Neill (Bromley and Chislehurst) (Con): My constituents in Bromley and Chislehurst welcome the emphasis given to financial services, our largest employer. Does the Secretary of State also recognise that financial services are important to the Crown dependencies, which require protocol 3 access, which will be lost upon our leaving the EU, and also to the British overseas territory of Gibraltar? Will he make sure that those two key areas also get the full benefit of our ambitious free trade deal?

Mr Davis: My hon. Friend is just about old enough to remember that I had to defend Gibraltar before. We succeeded then; we will succeed now.

Nick Smith (Blaenau Gwent) (Lab): Blaenau Gwent was a net beneficiary from the EU. To boost our economy, we need continuous investment for jobs, so will the Minister commit to the same high levels of infrastructure investment for the future?

Mr David Jones: The hon. Gentleman will know that the Government have guaranteed structural fund payments to 2020. He must also understand that responsibility for delivering infrastructure in Wales lies with the Welsh Assembly Government, so no doubt he will be speaking to his colleagues as soon as Parliament has risen.

Several hon. Members rose—

Mr Speaker: I thought we were about to hear the mellifluous tones of the hon. Member for South Norfolk (Mr Bacon), who has periodically bobbed and then ceased to do so, but we are gratified if we are going to hear the hon. Gentleman.

Mr Richard Bacon (South Norfolk) (Con): I am grateful to you, Mr Speaker. I had earlier wished to ask about the pig industry, a very important industry across East Anglia. Can the Minister tell us what prospects he sees for the industry? It is an industry that does not have
subsidy from the public purse, but which has made huge gains, particularly in China where the pigs' ear deal added £5 per carcass? What prospects does he see for this important sector?

Mr Jones: Given my hon. Friend’s surname, I am sure that he will be declaring his interest. I assure him that the Government fully understand the importance of pigmeat to the economy of this country. I have had a meeting with the National Pig Association, and I am glad to say that it is very positive about the future.

Patrick Grady (Glasgow North) (SNP): Can the Secretary of State name one power or policy area that he can definitely guarantee will be devolved to the Scottish Parliament in the event of Brexit?

Mr Davis: All the ones it currently has, for a start, and some more.

Martin Vickers (Cleethorpes) (Con): In an earlier question reference was made to the English regions, which are of course an EU construction. They divide great counties such as Lincolnshire between the east midlands and Yorkshire and the Humber. Is it too much to expect a future Government to scrap these regions when we regain our independence, or at the very least ensure that Lincolnshire is in one of them?

Mr Davis: All I can say is that my hon. Friend tempts me too much.

Jim Shannon (Strangford) (DUP): Taking into account the state of devolution, how will Northern Ireland be represented in the preparations for the United Kingdom to leave the EU, and, specifically, how will the Minister be able to meet the intricate needs of Northern Ireland at this time?

Mr Robin Walker: We continue to urge all parties to come together so that the devolved Assembly can be restored and we can engage with all parties and communities in Northern Ireland to ensure that their views are represented throughout this period. Earlier this week I attended the British Irish Chamber of Commerce, where there was huge interest in maintaining strong and positive relations between Northern Ireland and the Republic of Ireland and the UK.

Dr Julian Lewis (New Forest East) (Con): How can any negotiator achieve any concession from any other negotiator if it is known in advance that he will not walk away if no concessions are given?

Mr Davis: My right hon. Friend is absolutely right. He crystallises the point on “no deal is better than a bad deal”, and he clearly demonstrates why the Labour proposal, apart from being completely impractical, would never be deliverable.

Mr Jim Cunningham (Coventry South) (Lab): Can the Secretary of State guarantee regional aid for the west midlands after Britain leaves the EU? More importantly, we have a very fine candidate for the mayor’s job in the west midlands: Siôn Simon.

Mr Jones: The west midlands is certainly one of the powerhouses of this country that will be important for powering the economy after we have left the European Union. These are matters that will be discussed in the fullness of time with the new mayor, Andy Street.

Robert Jenrick (Newark) (Con): Three years ago, David Cameron and I launched my first election campaign, at British Sugar in Newark. Three years—and approaching three elections—later, the sugar industry continues to employ hundreds of my constituents in Nottinghamshire, keeping the fields of the county full of rich beet crop. Furthermore, the sugar industry is intensely optimistic about the prospects for Brexit. I know that my right hon. Friend the Secretary of State has acquired a reputation as something of a bruiser over the years, but with his 13 years of experience at Tate & Lyle, will he retain his sweet tooth as he approaches the negotiations?

Mr Davis: I must admit that I am standing here wondering whether I should declare an interest, on behalf of my pension fund if nothing else. Of course we will fight for the interests of the sugar industry as much as we do for everything else, and we will be successful.

David Morris (Morecambe and Lunesdale) (Con): Energy is the largest sector in my constituency. We have wind farms, nuclear power and gas. We even have a tunnel under the bay to carry electrical cables from one end of Cumbria down into Lancashire. EDF Energy is the largest employer in the constituency, and it is continually reinvesting and has plans to expand. Do my right hon. and hon. Friends agree that this is a sign of things to come?

Mr Walker: We have had a number of meetings with the energy industry, including EDF Energy. I would be delighted to meet my hon. Friend to discuss this further, because ensuring that we continue to have the energy to power the British economy in the years ahead will be a vital part of our considerations.

Dr Matthew Offord (Hendon) (Con): Can the Minister confirm that Britain’s withdrawal from the EU will not affect the border and immigration controls that people from the EU are currently subjected to as they enter the United Kingdom?

Mr Davis: Clearly it is part of our negotiating aims to have free and frictionless travel as well as trade. Obviously there will be more control of our borders in the future, but it will not be designed to inconvenience people. It will be control designed to deliver the national interest and to keep this a free and open country that welcomes people from all over the world in the way we have done for centuries and will do for centuries to come. Was that the last question, Mr Speaker?

Mr Speaker: It was indeed.

Mr Davis: In that case, I should like to wish everyone in the House a happy six weeks, and I look forward to seeing some of them here again.

Mr Speaker: I thank the right hon. Gentleman for what he has said, and also for his kind remarks about me earlier.
**Points of Order**

10.52 am

Alex Salmond (Gordon) (SNP): On a point of order, Mr Speaker: Have you had any notification of a statement from the Minister at the Cabinet Office—or, indeed, the Prime Minister herself—on the Channel 4 report of last evening, which suggested that the Crown Prosecution Service has to report on 30 individuals for possible prosecution between 20 May and the early part of June? Given that many of them are Members of this House, we must consider the implications that that could have for the reporting and coverage of any such decision and the position of the candidates during an election campaign. It would be a scandal of enormous proportions if any attempt had been made to influence the timing of any such reports. Has any provision been made for coping with such an eventuality if it occurs during an election campaign? The Prime Minister has decided to reappoint all of the campaign team responsible for this boorach, who have already been fined by the Electoral Commission, but that campaign team—up to and including Lynton Crosby—having successfully bought one election, must not be allowed to buy another.

**Mr Speaker:** I thank the right hon. Gentleman for his point of order. My response is as follows: the rules governing the conduct of elections are not a matter for the Chair. I hope that the House will understand that, although I have given the right hon. Gentleman a full opportunity to register his concerns, I have no intention of being drawn into this matter. That would be quite improper. What the police and the Crown Prosecution Service do, and when, is a matter for them. Members with views on these matters can, and doubtless will, express them. I will express no view on the matter.

**Mr Dennis Skinner (Bolsover) (Lab):** Further to that point of order, Mr Speaker—

**Mr Speaker:** Well, I am not sure it is, but I will give the hon. Gentleman the benefit of the doubt.

**Mr Skinner:** I raised this matter with the Prime Minister a week ago yesterday—this is a matter for you really, Mr Speaker—and did not get an answer from her. I was then fortunate enough to be called by you to raise the matter again with the Secretary of State for Justice and, once more, I did not receive a reply from the Government. What has now emerged is that you, in the Chair, are saying, “It is not a matter for me.” The Prime Minister did not respond to my accusation that the Crown Prosecution Service has to report on 30 individuals for possible prosecution between 20 May and the early part of June.

**Mr Speaker:** The short answer is that I can advise the hon. Gentleman that he should continue his casework. Casework continues to be conducted during election campaigns, and in the friendliest and politest possible way I say to the hon. Gentleman, who I am sure is well capable of this, that he must balance whatever activities he is undertaking in the attempted pursuit of his re-election—by knocking on doors, delivering leaflets or engaging in public meetings—with his continued diligent attention to his casework on behalf of constituents. That is what he must do. He is going to be a busy bee, but he will not be alone in that regard.

Hannah Bardell (Livingston) (SNP) rose—

Mr Barry Sheerman (Huddersfield) (Lab/Co-op) rose—

**Mr Speaker:** A specialist delicacy must be kept until a bit later.

Hannah Bardell: On a point of order, Mr Speaker. You will be aware that a number of reports are going to be coming out from various Committees, including the Public Accounts Committee. What can he do to support

Mr Andrew Turner (Isle of Wight) (Con): On a point of order, Mr Speaker. There are long-standing problems with academy sponsor AET—the Academies Enterprise Trust. Yesterday, it unceremoniously sacked the board of governors of Sandown Bay Academy on the Isle of Wight. There is a great deal of concern about local accountability being dispensed with immediately before this House is dissolved. What steps can be taken before 8 June to make AET accountable for its actions?

**Mr Speaker:** I think that there are two answers to the hon. Gentleman’s question. First, his concerns can and doubtless will be expressed during the election campaign. Conversations do not cease, and he must avail himself of the opportunities that will be forthcoming, that will present themselves or that he will create.

Secondly, I make the constitutional point that the government of this country continues. If the hon. Gentleman wishes to raise his concerns with relevant Ministers, it is absolutely open to him to do that, but there is no further opportunity for the matters to be aired in this Chamber.

The hon. Gentleman, to use a word deployed by the right hon. Member for Chelmsford (Sir Simon Burns) yesterday, has demonstrated again his perspicacity, upon which I congratulate him.

Paul Blomfield (Sheffield Central) (Lab): On a point of order, Mr Speaker. The threat of deportation hangs over the head of my constituent Mr Pride Mbi, who originates from the Anglophone minority in Cameroon. I have been in correspondence with the Home Office about the lack of published guidance for Cameroon given that Pride has been a long-standing champion of the rights of English-speaking Cameroonians, who face a very specific threat in that country. I am concerned that, as Parliament is to be dissolved and as the civil service is already in purdah, my options for raising this case are extremely limited. With the threat of deportation remaining, can you advise me on how I will be able to ensure that Pride’s position is properly considered?

**Mr Speaker:** On a point of order, Mr Speaker. The threat of deportation hangs over the head of my constituent Mr Pride Mbi, who originates from the Anglophone minority in Cameroon. I have been in correspondence with the Home Office about the lack of published guidance for Cameroon given that Pride has been a long-standing champion of the rights of English-speaking Cameroonians, who face a very specific threat in that country. I am concerned that, as Parliament is to be dissolved and as the civil service is already in purdah, my options for raising this case are extremely limited. With the threat of deportation remaining, can you advise me on how I will be able to ensure that Pride’s position is properly considered?

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me in my efforts to make sure that this House gets the opportunity to scrutinise the report properly—I do not wish to foresee its results—on Her Majesty’s Revenue and Customs closures, which will affect my constituents? I take on board the point he makes about government continuing, but the Government must not put out their trash and be allowed not to be properly scrutinised. What can he do to support me in my efforts to make sure that those reports are properly scrutinised and no decisions are made about jobs in my constituency until we return after the election?

Mr Speaker: I am grateful to the hon. Lady for her point of order. If when she says, “What can he do,” she means me, I must be honest with her and say that I can do absolutely nothing to assist her in the course of the election campaign, for the simple reason—this is an inescapable fact and always has been—that when the House has been dissolved, the House does not meet. When the House does not meet, there is no Speaker in the Chair and there are no exchanges on these green Benches. However, the documents to which she refers are, or when they are published will be, public documents, so she will be able to study them carefully, marshal her arguments and write to Ministers. If she wishes to expatriate on these important matters in her constituency, it is perfectly open to her to do so—and I have a feeling she probably will.

Mr Sheerman rose—

Seema Malhotra ([Fulham and Heston]) (Lab/Co-op) rose—

Mr Speaker: I think that I must take the hon. Gentleman now, as he is looking pained.

Mr Sheerman: I am actually very happy. On a point of order, Mr Speaker. In all my years in this House, I have never heard of a case of bullying in this House of one Member by another, but I have just heard of such a case. The House will not be sitting for some time now, but you will be here, and I am sure that you would not approve of one Member acting in a bullying way toward another in the environs of this House. This case is shameful. I am not going to name names, but it involves a male Government Member and an Opposition female Member. I do not want an inquiry on it, but I do want a set of rules that state that verbal or any other sort of bullying of one Member by another is not allowed in this House or anywhere in its environs.

Mr Speaker: There is a code of conduct, which binds all Members. I manifestly cannot comment on a particular case, not least because the hon. Gentleman has not given and would not give me—and I would not ask him to give me—the details. But the principle that the code of conduct must be observed is sacrosanct, and if he does know—I am sure he does, by definition—of the personalities involved, it may be that, as he is extremely experienced, he can remind Members of that code of conduct.

Mr Sheerman: Further to that point of order, Mr Speaker. This was so serious that Whips on both sides of the House were involved, so I am sure you could make the inquiries to find out the facts of the matter.

Mr Speaker: I am very happy to inquire of the respective Whips Offices, as the hon. Gentleman has given me an indication that his concern relates to a Member from each of the two sides of the House. I am happy to make that inquiry, but I do not want to raise his expectations, because it is not for me to act as arbiter in the matter, unless the alleged conduct relates to proceedings in the Chamber, in which case I would take a very definite and distinct interest. The holding response I will give him, which I think reasonable, is that I am happy to make limited but necessary inquiries of a kind that I think are proper for me to make.

Seema Malhotra: On a point of order, Mr Speaker. On Tuesday, my hon. Friend the Member for Brentford and Isleworth (Ruth Cadbury) raised the devastating case of baby Charlie Gard, whose family live in her and my constituency. Her question was met with short shrift by the Government. This continues to be an incredibly tough time for the family, and our hearts go out to Connie and Chris, the parents, as they continue their campaign, which is supported by the huge well of support from those known now as “Charlie’s army”. I wish to raise a matter that strikes me particularly as a Member of Parliament. It is that Parliament is being cut short by this election, but is it not right that the family continue to get the support they need and that there is clarity on entitlement to legal aid in such cases? I call on the Justice Secretary also to do all that she can, and I would like to put on the record my support today for the family and my view that, particularly in this complex case, it should be the parents who have the final say on the treatment of their son.

Mr Speaker: I hope that the hon. Lady will understand if I feel that almost everything that could properly be said on that matter today has just been said by the hon. Lady. In so far as she requires any indication from me on what might usefully be done in the days or weeks ahead, my counsel to her would be similar to that which I proffered to the hon. Member for Sheffield Central (Paul Blomfield)—namely, that casework continues. The hon. Lady should feel free and emboldened to make representations in pursuit of justice and closure for the family concerned. I thank her for raising this matter and putting it on the record, and I am sure she will want to share it with those on whose behalf she has spoken.

Paul Flynn (Newport West) (Lab): On a point of order, Mr Speaker. I wish to raise a matter that strikes right at the heart of the integrity of our democratic system. It is based on the final report of the Public Administration and Constitutional Affairs Committee, as well as two articles in The House magazine, one by a Conservative Member and one by a Labour Member, all of which sound notes of alarm that our electoral system is the most vulnerable it has been since 1880. There is powerful evidence of foreign Governments interfering in the elections in America and possibly here. There is also overwhelming evidence of money being paid in huge amounts, entirely invisible to the system, by the use of methods including algorithms, botnets and artificial intelligence in a manner understood by nobody except those who participate in it. We should be vigilant in this election, because the Electoral Commission does not have the tools to deal with interference of this kind, and we are trying to run a modern election with the tools of the 19th century.
Mr Speaker: I am grateful to the hon. Gentleman for his point of order. He has registered a strong and deeply felt concern, and it is now on the record. It is not, however, a matter for me, and I do not say that flippantly. Algorithms are certainly not a matter for the Chair, and I am sure that colleagues will be greatly reassured to hear me say that. The wider issues are ones for us all.

The hon. Gentleman, who has now served in this House without interruption for three decades, the overwhelming majority of which, by his choice, has been as a Back-Bench Member, has demonstrated once again, not least for the benefit of Members completing their first Parliament, that he has written the textbook on how to be a Back Bencher. He has written the textbook in that he has published such a book, which is a well-thumbed tome of which I am proud to possess and to have read a copy, and he has written the textbook in the sense that he exploits—I use that word non-pejoratively—every last opportunity to give voice to his concerns. Unless someone is about to surprise me gratuitously, his has been the last point of order. I thank him, and I hope that we can leave it there.

The sitting is suspended. Shortly before the sitting resumes, I shall cause the Division bells to be sounded.

11.8 am
Sitting suspended.

MESSAGE TO ATTEND THE LORDS COMMISSIONERS

5.20 pm
Message to attend the Lords Commissioners delivered by the Gentleman Usher of the Black Rod.

The Speaker, with the House, went up to hear Her Majesty’s Commission; on their return, the Speaker sat in the Clerk’s place at the Table.

ROYAL ASSENT

Mr Speaker: I have to acquaint the House that the House has been to the House of Peers where a Commission under the Great Seal was read, authorising the Royal Assent to the following Acts:

- Finance Act 2017
- Parking Places (Variation of Charges) Act 2017
- Broadcasting (Radio Multiplex Services) Act 2017
- Homelessness Reduction Act 2017
- Intellectual Property (Unjustified Threats) Act 2017
- National Citizen Service Act 2017
- Children and Social Work Act 2017
- Pension Schemes Act 2017
- Preventing and Combating Violence Against Women and Domestic Violence (Ratification of Convention) Act 2017
- Technical and Further Education Act 2017
- Neighbourhood Planning Act 2017
- Bus Services Act 2017
- Criminal Finances Act 2017
- Health Service Medical Supplies (Costs) Act 2017
- Northern Ireland (Ministerial Appointments and Regional Rates) Act 2017
- Local Audit (Public Access to Documents) Act 2017
- Merchant Shipping (Homosexual Conduct) Act 2017
- Guardianship (Missing Persons) Act 2017
- Farriers (Registration) Act 2017
- Higher Education and Research Act 2017
- Digital Economy Act 2017
- Faversham Oyster Fishery Company Act 2017
Legislation has been passed to improve children's social care in England and to put the National Citizen Service on a permanent footing. My Government also supported legislation to tackle the scourge of homelessness and domestic violence.

Provision has been made to help the lowest-income families save for the future with a new Help to Save scheme, to help young people save for the long-term with a Lifetime ISA, and to protect pension schemes. In recognition of the important role charities play, legislation has been enacted to help charities and community amateur sports clubs by simplifying the Gift Aid Small Donations Scheme.

A new Act will enable the National Health Service, and the taxpayer, to secure better value for money from the growing cost of medicines.

To build a more united nation, my Government has made it a priority to strengthen the union between all parts of the United Kingdom. Legislation was passed to establish a long-term devolution settlement in Wales and, in England, significant new powers have been devolved to directly elected mayors. My Government has taken steps to enable the resumption of devolved government in Northern Ireland when an agreement is reached between political parties to form an executive.

To deliver the result of the 2016 referendum, Parliament approved legislation allowing the United Kingdom formally to signal its intent to withdraw from the European Union.

My Government has worked to ensure that a global Britain plays a leading role in world affairs and provided assistance to British citizens overseas.

In order to bolster the United Kingdom's role in developing countries, new legislation will allow further investment to create more jobs and boost economic growth in the poorest countries in Africa and South Asia. Legislation was also enacted to protect cultural property in times of war.

The Duke of Edinburgh and I were pleased to welcome His Excellency the President of the Republic of Colombia in November, strengthening the United Kingdom's friendship with an important partner in Latin America.

My Ministers have established a close relationship with the new administration in the United States of America.

My Government has continued to play a leading role in the global coalition against Daesh and deployed British forces in Estonia and Poland as part of NATO's Enhanced Forward Presence, while maintaining the European Union consensus in favour of sanctions against Russia.

My Ministers have pursued a campaign against modern slavery and helped to secure pledges of four point six billion pounds for the humanitarian crisis in Syria during a conference in Brussels in April.

Members of the House of Commons

I thank you for the provisions which you have made for the work and dignity of the Crown and for the public services.

My Lords and Members of the House of Commons

I pray that the blessing of Almighty God may rest upon your counsels.

PROROGATION

Mr Speaker: The Commission was also for proroguing this present Parliament, and the Leader of the House of Lords said:
"My Lords and Members of the House of Commons:

By virtue of Her Majesty’s Commission which has now been read, we do, in Her Majesty’s name, and in obedience to Her Majesty’s Commands, prorogue this Parliament to Tuesday the second day of this May to be then here holden, and this Parliament is accordingly prorogued to Tuesday the second day of May."

Westminster Hall

Monday 27 March 2017

[Mr Gary Streeter in the Chair]

Badger Culling

4.30 pm

Paul Flynn (Newport West) (Lab): I beg to move,

That this House has considered e-petition 165672 relating to badger culling.

It is a pleasure to serve under your chairmanship, Mr Streeter. The petition reads:

"Since 2013, thousands of badgers have been killed in a Government cull attempting to control bovine TB. Against scientific advice & before a 4 year trial has completed, the government is now expanding the cull to new counties—tens of thousands of healthy badgers could be killed.

Experts in disease control and animal welfare agree that pilot badger culls have proven both ineffective and inhumane. Shooting badgers is also expensive, costing tax-payers some £5,000 per animal. Bovine TB is a serious problem but killing badgers is not the solution, and could actually make the situation worse. It is a costly distraction from an effective solution incorporating vaccination, increased cattle movement control measures and improved testing."

I have no special expertise in this area, but I am grateful to the Petitions Committee for asking me to move the motion. However, I have one claim to authenticity, which I share with my hon. Friend. Roy Hughes, who represented the areas we now represent, sponsored a private Member's Bill in 1991 that was intended to control the abuse of badgers taking place at that time by protecting their setts and making activity against them illegal. We therefore have a good tradition in Newport.

I share with most people a great affection for these beautiful creatures. As the superior species, we have a responsibility towards them; as the intelligent and thinking species, we have a duty to ensure that all sentient, living creatures are protected from gratuitous violence or cruelty. I believe that the Government's policy on badger culling is evidence-free and prejudice-rich. The present Government have a long record of appeasing farmers—everything is evidence-free and prejudice-rich. Furthermore, I believe that the Government's policy on badger culling is leading to a substantial reduction in the prevalence of TB in badgers and that any temporary halt while the global stocks of BCG vaccine recover, will not lead to an increase in the spread of the disease in badgers."

He was also disappointed to see criticism such as that from the Farmers Union of Wales, which talked about the £700 cost to vaccinate a badger even though the cost of the cull is a great deal more.

Richard Drax (South Dorset) (Con): I am listening carefully to the hon. Gentleman—I do not agree, clearly, but I am listening carefully, as we should on both sides of the argument. I accept that vaccination is one element, but does he agree that experiences in Australia, Ireland and New Zealand show that culling is also an important element in the control of bovine TB?

Paul Flynn: We could go through every country in the world—I will mention a few others—but I am talking about a recent experience that is nearer home, in Wales. I also want to talk about the Krebs trial, which is the most ambitious trial carried out, and one that was entirely science-based and prejudice-free. Furthermore, the cost of killing one badger in the culling process in England is not £700, but nearer £7,000.

Angela Smith (Penistone and Stocksbridge) (Lab): Does my hon. Friend agree that the problem with relating badger culling in England to killing possums in New Zealand is that they are two very different animals, with different ecologies, and in completely different landscapes and environments?

Paul Flynn: Indeed, yes. It is deer in Australia, and there are various problems throughout the world, but in Wales, the neighbouring country to England, we have a very satisfactory situation. Peter Martin was critical of the Farmers Union of Wales for not appreciating what had been done in Wales. He suggested that it should be celebrating the success of the Welsh Government and “calling on DEFRA and the NFU in England to follow the Welsh example of reducing bovine TB by focusing on improved cattle testing and movement controls. New incidents of bovine TB in
cattle are now down by 28% in Wales with a 45% cut in the number of cattle being slaughtered. This now leaves 94% of the Welsh herd TB free, without killing any badgers.”

Ireland has had a fascinating experience. In the 1980s the Irish decided to slaughter all the badgers in the country, which were estimated at 70,000. They exceeded their own expectations, however, because they have culled 96,000 badgers since 1985. The national operation consisted of teams of 100 contractors setting up 6,000 snares a night, working for eight months of every year. In 2012 a whopping £3.4 million was spent culling 6,939 badgers, yet after all that slaughter an examination found that the reduction on the previous year in the number of cattle diagnosed with TB was 55—after that huge expense. That is £61,818 for every cow below the previous year’s figure. It is staggering that that huge amount was spent and so many animals were killed for so little benefit.

Rachael Maskell (York Central) (Lab/Co-op): Is that not even more perverse, given that the badger population is responsible for only about 5.7% of the spread of TB in any form whatever? Investing that money in other biosecurity measures would surely be far better value, let alone more moral.

Paul Flynn: As we know, there is a great deal of confused and unscientific thinking about this issue. TB can be spread from badger to badger, from badger to cow, from cow to cow and from cow to foxhound, among which there was recently a significant new outbreak. The Government’s approach has been crude and crowd-pleasing, not science-based. Strangely, in their reply to the petition, the Government actually had the cheek to mention the Krebs report, which was done under another Government, as a matter of some credit to them.

Rachael Maskell: TB is also spread by the spreading of slurry on fields. That is not tested, so other measures could be taken. Badgers and cows do not share the same space at the same time. Further research is really needed in that area to prove whether even 5.7% of the disease is spread via badgers.

Paul Flynn: That is a really serious problem. We have been permissive in allowing the spreading of slurry. As we know, there is a new case involving the Kimblewick hunt, which hunts in five counties and spreads the infection where it goes. There is permissiveness in not recognising the importance of infection from slurry. It is much easier to blame the badger—to find one culprit and blame it. The Government have their policy. They mentioned the Krebs report, which I believe is the biggest and most scientific analysis that has been conducted anywhere in the world.

Danny Kinahan (South Antrim) (UUP): I am sorry that I was not here at the beginning of the hon. Gentleman’s speech—there are certain things happening in Northern Ireland—but is he aware that we have a pilot scheme in Northern Ireland that is looking at capturing badgers, testing them, vaccinating them and then releasing or, if they have TB, euthanising them? We are looking at different methods. We are not just saying, “Cull all badgers,” but finding a new way forward. We need to learn from that rather than blaming all badgers.

Paul Flynn: That is an entirely intellectually respectable and humane approach to this issue. Krebs looked at the problem and three approaches were trialled: a reactive approach in which, following TB outbreaks, badgers were culled on and around farms but not elsewhere; a proactive approach in which as many badgers as possible were culled in the whole area and badger numbers were kept as low as possible; and a survey approach, where no badgers were culled but the land was surveyed for details of badger activity. The cull went on for nine years, some £40 million was spent and 10,000 badgers were slaughtered. Reactive culling was suspended in the early days of the trial due to an increase in bovine TB outbreaks in reactive culling areas compared with areas in which no culling had taken place. That was a surprising result, but the independent scientific group advised that reactive culling should not be used to control bovine TB.

After that long period, Mr Krebs announced his decision. He said that the trial evidence should be interpreted as an argument against culling. This is not some prejudice-based release put out by a political party seeking favours; this is scientific proof of the highest order. He said:

“You cull intensively for at least four years, you will have a net benefit of reducing TB in cattle of 12% to 16%. So you leave 85% of the problem still there, having gone to a huge amount of trouble to kill a huge number of badgers… It doesn’t seem to be an effective way of controlling the disease.”

He said that he had recommended randomised badger culling trials in 1997 because it was not known then whether a cull would be effective or cost-effective. His view on the issue was formulated after he saw the results—it was based on evidence. No party should have returned to the idea of culling after that impressive evidence and all the scientific reports that supported it had come out.

Imperial College London researchers reported that “reductions in cattle TB incidence achieved by repeated badger culling were not sustained in the long term after” culling took place. Within three or four years, badger numbers were up to their previous level. The researchers added:

“These results, combined with evaluation of alternative culling methods, suggest that badger culling is unlikely to contribute effectively to the control of cattle TB.”

Rachael Maskell: My hon. Friend is being incredibly generous with his time. Is it not really perverse that, throughout the culling process in 2016, badgers were not tested to see whether they were carriers of TB and we therefore really do not know what impact the cull is having?

Paul Flynn: That demonstrates the Government’s amateurish approach. They wish to get the animals out of the way, but they have not made a serious attempt to find out how bovine TB is spread.

We now have another worry: the Kimblewick hunt. That must be taken into account, but there does not seem to be a great deal of enthusiasm from the Government to take it up. The Kimblewick hunt is an amalgamation of three hunts. It hunts in Bedfordshire, Berkshire, Buckinghamshire, Hampshire, Hertfordshire and Oxfordshire. Campaigners discovered that the hunt’s hounds are infected with bovine TB. There have long
I applaud the sentiments of all those people who have taken up this cause with great skill and a mountain of scientific evidence. Now is the time for the walls of Government prejudice to come down. We should adopt a scientific and humane approach.

4.51 pm

Geoffrey Clifton-Brown (The Cotswolds) (Con): It is a great pleasure to serve under your chairmanship, Mr Streeter, and to see my hon. Friend the Minister on the Front Bench. I start by drawing attention to my entry in the Register of Members’ Financial Interests. I am a farmer, but I do not have any livestock. However, I represent one of the country’s greatest agricultural constituencies and, unfortunately, one of those that has been most affected by bovine tuberculosis. Sadly, I speak with some experience on this subject.

My constituency is home to one of England’s largest cull zones, spanning the whole of the north Cotswolds. I take this opportunity to pay tribute to the hard work and effort displayed by my farmers, who have committed a great deal of time and money to maintaining and protecting their badger cull zone in the face of numerous attempts at sabotage. To all those who say that farmers are not in favour of the culls, I simply say: why did they go to such considerable effort and expense if they did not believe that culling works?

The only real way to control TB in badgers is for scientists to invent an oral vaccine that could be incorporated into a bait to be fed to badgers. That method was successful in eradicating rabies in foxes on the continent. An oral vaccine for badgers has been “just around the corner” ever since I became a Member of Parliament in 1992. I urge the Minister today to redouble the Government’s efforts to find such a vaccine, because that would be the ultimate solution to this unpleasant problem.

This is an unpleasant problem. TB is a nasty disease, whether in cattle or badgers. Badgers who contract it will either go to the bottom of the sett and die a long, slow, painful death from the disease, or lie semi-comatose at the top of the sett, with up to a third of their body covered by lesions. In that state, the animal is highly infectious to other badgers, so no wonder TB spreads from badger to badger.

It is important that we eliminate TB in badgers to prevent that cruel death among badgers. TB is also in cattle; not only does the disease cause them a great deal of pain, but they become less productive. When the disease is detected, they have to be slaughtered, so there is considerable economic loss to both the taxpayer and the farmers. In the past 10 years, a total of 314,000 cattle were slaughtered, costing the taxpayer and farmers more than £500 million; that will be £1 billion by the end of the decade. One need only see the emotional effect on farmers in my constituency of seeing the cattle that they have bred and cared for prematurely slaughtered. I think Opposition Members often forget the effect that this dreadful disease has on farmers.

Richard Drax: I am listening carefully to my hon. Friend’s excellent speech. Does he agree that those who oppose the cull look at the badger as a friendly, lovable animal, which in effect it is not? Factually, the badger is responsible for destroying bee hives, hedgehogs and ground-nesting birds such as skylarks, grey partridges...
and meadow pipits. That is true. It is also responsible for the loss of wood warblers, nightingales and stone curlews. Those are facts. The badger is a danger, and like all wild animals that have no natural predator—just like deer and foxes—it should be culled, so that numbers are maintained.

Mr Gary Streeter (in the Chair): Order. A reminder that interventions should be brief.

Geoffrey Clifton-Brown: I commend my hon. Friend for putting some of the facts about wildlife on the record. He is right about the reduction in some of our bird and mammal species, such as the hedgehog.

Dr Paul Monaghan (Caithness, Sutherland and Easter Ross) (SNP): Will the hon. Gentleman be kind enough to cite the source of the evidence he just supported?

Geoffrey Clifton-Brown: Well, the source is evident to any countryman out there. There has been a rapid decline in hedgehogs, and we know perfectly well that badgers eat hedgehogs’ young, wild birds and birds’ nests. That, however, is not the subject of the debate, and I do not want to get drawn on that red herring.

Stephen Doughty: Will the hon. Gentleman give way?

Geoffrey Clifton-Brown: Provided it is not on that subject.

Stephen Doughty: It is on facts and evidence. The hon. Gentleman is generous in giving way. Clearly TB is a terrible disease, whether it is in badgers or cattle, and everyone wants to see it reduced. Looking at the evidence of the measures taken in Wales and the much less effective methods taken in England, how can he explain the disparity between the two?

Geoffrey Clifton-Brown: I am so glad that the hon. Gentleman mentioned Wales. In Wales, although BTB has decreased, the current vaccination programme operates in only 1% of the country and is only in its second year, so it is difficult to see how vaccinating has led to the reduction in BTB.

Stephen Doughty rose—

Geoffrey Clifton-Brown: I suggest to the hon. Gentleman, before he asks me to give way, that other factors are involved. Having said that, I would like to comment on the costs, which were mentioned by the hon. Member for Newport West (Paul Flynn), who introduced the debate. He has read all the literature, and he is an intelligent chap of a scientific mind, so he knows perfectly well that for a vaccination programme to be successful, the badgers have to be vaccinated for five years. As he said, each year costs £662; that is well over £3,000 for every badger vaccinated. He also knows perfectly well that vaccinating has no effect on the poor, diseased badgers he described—the ones who are really suffering—that go on to spread the disease to healthy badgers. I therefore cannot see how a vaccination programme can be successful.

Stephen Doughty rose—

Geoffrey Clifton-Brown: Will the hon. Gentleman please be patient? I will give way in a minute. He is jumping up and down like a yo-yo. The hon. Member for Newport West and anyone who knows anything about this subject will also know how difficult it is to trap a badger. As my hon. Friend the Member for South Dorset (Richard Drax) implied, badgers do not just sit there in a trap and lie dormant; they bite and try every way of getting out of the trap, so the people who do the vaccinations have to be skilled and well trained. It is not easy to get all badgers into vaccination traps. I therefore suggest to the hon. Member for Cardiff South and Penarth (Stephen Doughty)—I will give way to him once more—that vaccination is not very effective in itself. Where it is effective and has a role is in targeted areas around trial cull areas to stop perturbations spreading the disease further.

The hon. Member for Newport West, who mentioned the shortage of BCG vaccine, made a point that was in my speech: the BCG vaccine has been around for decades. It would be useful if my hon. Friend the Minister could say something about that, so that where we do want to carry out vaccination on the edges of trial cull areas, that option is available. We need to ensure that happens. I will give way to the hon. Member for Cardiff South and Penarth one more time. This is the last time I will give way, because a lot of people want to speak in the debate.

Stephen Doughty: The hon. Gentleman is generous. I never suggested that vaccination alone was a solution. The chief veterinary officer for Wales has been clear, and has spoken of a combination of increased testing frequency, improved biosecurity and other cattle control measures, as well as vaccination. There is a huge disparity between the 16% reduction in England and the 47% reduction in Wales. Clearly, there is a difference in the way the approaches work.

Geoffrey Clifton-Brown: I was coming on to the issue of biosecurity, which obviously has something to do with it, as do more accurate tests. There are a number of things that could help. In a spirit of constructive debate, which I hope is what this afternoon is about, I want to suggest to my hon. Friend the Minister methods by which we can all help to eliminate the disease, and support the 25-year elimination programme. It is important, in the trial areas, that we eliminate TB in badgers, to prevent this cruel death. Farm biosecurity has rightly been improved, and that has been extended across the country. The Minister has, in this Government and the coalition Government, taken a number of steps to improve testing and biosecurity on farms. Examples include post-movement testing and more accurate skin tests in certain areas. All those things have a role to play; I hope we all agree on that.

Rachael Maskell: Will the hon. Gentleman give way?

Geoffrey Clifton-Brown: No. I did say that I was not going to give way again. Other people want to speak. By the time I finish, I will have spoken long enough and will be reprimanded by the Chair.

In other countries, such as Australia, New Zealand and, I am afraid, Ireland, controlling the TB reservoir in wildlife has had a significant effect, eliminating or
severely reducing the incidence of TB in cattle. Fifty per cent. of England is set to be TB-free by next year, with all 10 badger control operations achieving a successful outcome, according to the targets that have been set.

5.2 pm
Sitting suspended for Divisions in the House.

5.25 pm
On resuming—

Geoffrey Clifton-Brown: As I was saying, we need to use all the methods at our disposal to get on top of this dreadful disease; I have already described the suffering in badgers and cattle that contract it. It is important that we find a variety of mechanisms in our locker to combat it.

I am sure that my hon. Friend the Minister will say more about this, but the opposition to the culls always harps on about biosecurity. However much the biosecurity is improved—some simple things can be done, and have been done over the years, such as putting the water trough and feed trough in places where badgers cannot get at them—the plain fact of the matter is that where badgers roam on pasture, and cattle feed on pasture, there is inevitably intermingling.

Dr Paul Monaghan: Will the hon. Gentleman give way?

Geoffrey Clifton-Brown: I said I would not, but since we have had a break, I will give way one more time and no more.

Dr Monaghan: I am grateful to the hon. Gentleman for giving way. He is highlighting some alleged facts in relation to the engagement that badgers have with cattle. I would like to suggest that there is absolutely no evidence to substantiate that view whatever.

Geoffrey Clifton-Brown: I simply say to the hon. Gentleman, who is an intelligent chap, that every bit of logic points to the fact that there must be a link. If badgers have TB and cattle have TB—I do not think this island is alone; this takes place in the rest of the world—any scientific hypothesis would assume there is a link. It is not credible for him to suggest otherwise.

We have to take every opportunity to improve biosecurity in the ways I have mentioned. We also need to improve the testing. We know that the traditional swelling test leaves an element of cattle undetected. We need to work on better tests, whether they be skin tests or others. We need my hon. Friend the Minister to ensure that we have adequate supplies available to do that, because there is no doubt that that is part of the armoury.

The final part of our armoury is the trial culls. The opposition to the culls tries to maintain that the culls are not improving the situation. Any initial assessment of my constituency would show that where trials have taken place—for example, on the hard edge of the Severn—the incidence of TB has reduced. It is early days, but even the evidence from Krebs and pre-Krebs of the gassing of badgers showed that where badgers are eliminated, the incidence of TB declines.

One thing that my farmers want to know from the Minister today is what regime will succeed the original three cull areas. It seems that everybody has gone to a huge amount of trouble to eliminate badgers in those areas. If the whole thing were stopped dead now, it would be rather a waste of time. They want to know what sort of regime will succeed that. They hope that it will be a light-touch regime and not too onerous. I can tell my hon. Friend that getting the big trial area up and running in the north Cotswolds was very onerous indeed for the farmers involved. I think that he needs to look at ways in which the regime can be made lighter-touch.

In conclusion, my local farmers suffer emotionally and economically. The taxpayer suffers economically. The badgers suffer a painful death. The cattle become unproductive and have to be slaughtered prematurely. It is essential that the Minister reassures the House today that resources are being put into trying to find a satisfactory oral vaccine for badgers; that would be the ultimate solution to the problem. We need to find more effective skin testing, so that all the animals that have this dreadful disease are detected and eliminated from the national herd. We also need to look carefully at the spread of the disease to other species. There is increasing evidence that this terrible disease is spreading into the deer population. Perhaps my hon. Friend can say something about that this afternoon, and about the total situation in relation to TB. Is it stabilising in the main areas affected, or is it still increasing? We need to find that out.

We need to use all the tools in our box. I urge the Minister to keep on with the trial areas; that is what my farming constituents want. They believe that that method works; the proof will come when all the results are evaluated, but anecdotally, so far, they believe that it works.

5.31 pm
Angela Smith (Penistone and Stocksbridge) (Lab): It is a pleasure to serve under your chairmanship, Mr Streeter. I am pleased to follow the hon. Member for The Cotswolds (Geoffrey Clifton-Brown)—I was going to say “my hon. Friend”, but of course formally we are not friends. The hon. Gentleman has made a passionate defence of Government policy. I hope he understands that other people feel equally passionately on the other side of the debate. It is testimony to the nature of this place that we will continue to have robust debates, in the best democratic tradition, whatever happens.

Richard Drax: Will the hon. Lady give way?

Angela Smith: I will of course, although I have not said anything yet!

Richard Drax: May I first refer to my entry in the Register of Members’ Financial Interests, which I forgot to do earlier? The hon. Lady rightly says that views are passionately held on both sides. Certainly on one side, there is sometimes, by a minority, mindless violence and intimidation. Will she condemn that?
Angela Smith: I am always happy to condemn violence and intimidation of any kind.

I congratulate the lead petitioner, Simon King, who has not been mentioned so far and who managed to amass the 100,000 signatures needed to secure the debate. That we managed to get over the 100,000 threshold demonstrates the degree of interest in this topic outside the House. At this point, it is important that I declare an interest. I am a member of the Yorkshire Wildlife Trust, in which the lead petitioner plays a very active part, so I think I ought to put that on the record.

The debate was opened by my hon. Friend the Member for Newport West (Paul Flynn), who made a very thoughtful contribution. However, I take slight issue with one of his points. For me, this is not about whether farmers get whatever they want from the current Government. I understand that farmers struggle very hard to secure a decent living. Their way of life is often very hard. Currently, many aspects of our agricultural sector are struggling to make ends meet. I want to put that on the record.

I also think that if we are to find a way forward on this issue, it is important in the long term to find consensus and common ground. I applaud those charities, including the Wildlife Trusts and the Save Me Trust, that have tried very hard—and are in many instances succeeding—to establish working relationships with farmers, so that we can start to find a way forward that brings all parties to the table, and so that we have constructive attitudes and dialogue instead of the rather divisive debate that has characterised all the discussions on badger culling so far.

I will not rehearse the whole history of badger culling over the past four to six years. Suffice it to say that at the heart of all the debates, all the questions tabled in the House on badger culling and all the disquiet relating to badger culling is a very deep sense of unease about the Government’s rather cavalier attitude towards the science on this issue.

I will start with the randomised badger culling trial. That 10-year project drew the conclusion, at the end of the period, that no meaningful contribution to cattle TB control in England could be made through the use of badger culling. That was clear, and the Labour Government in 2009-10 determined that culling was not the way forward and invested in vaccination programmes. The incoming Government, as was their right, decided to act otherwise.

In April 2011, a panel of independent experts was convened to set clear parameters for pilot culls. What was really important about that period was that the Government had parameters that reflected the discipline established by the RBCT. I am referring, of course, to the land boundaries for culling, the time period allowed for culling, the percentage of animals to be culled and the need for repeated culling over a period of years. Those were the principal parameters put in place by that panel of experts in April 2011, and it was according to those parameters that the pilots were given the go-ahead. Despite significant opposition from parliamentarians such as myself and from huge numbers of people in the country, the pilots were given the go-ahead, and they were of course located in west Somerset and west Gloucestershire.

For me, the first breach of the science was the decision to go against the conclusions drawn by the experts at the heart of the RBCT. The second breach came when the first round of culling in the two pilot areas took place in 2013, because the number of badgers killed in the allotted six-week period was nowhere near the target required to make the cull very effective and so the time period was extended—I think it was nine weeks in one of the culls and 11 weeks in the other. The second breach, therefore, was of one of the key parameters for the pilot culling. The extended time period was the second breach of the science by Government policy.

The science was further breached when the independent experts panel reported on humaneness after the first round of culling. It stated that at least 7% of the badgers killed were killed inhumanely. However, rather than responding constructively to the panel’s findings, Ministers disbanded the panel—got rid of it.

That was followed in 2014 by new culling areas being announced. Let us remember that it was decided, when the parameters for the pilot culls were established, that a four-year culling period would be needed to demonstrate whether the approach would be effective. Despite all that, just two years into the pilot project, the practice of culling was extended. That was despite the data on the numbers at that point not demonstrating success in terms of meeting the criteria set in 2011. That was particularly the case in relation to the numbers that they managed to kill in those first two years in the two pilot areas.

Then, in 2015, the Government formally relaxed the criteria for culling in relation to the land area. The required land area was at least 150 square metres in extent, but that was suddenly reduced to 100 square metres, despite the majority of those responding to the consultation saying that such a change would be wrong. There was relaxation of the criteria in relation to the period of time allowed for any one cull and the minimum land area used for culling; the recommendation was that a minimum of 70% of the land area in the zone would need to be used for the culling, but that criteria was relaxed.

In summary, as time has gone on we have witnessed a blatant refusal by Government to follow the science. They have not only pursued this policy in opposition to the outcomes of the RBCT; they have gradually but significantly moved further and further away from the original scientific parameters established in April 2011. They have moved so far, in fact, that at this stage it is probably now impossible, in relation to the extended culling areas, to determine whether the approach is effective at all. They have moved so far away from the original parameters that culling, as practised in the last four years, has therefore been discredited. It has no basis in science, because the science has been distorted, twisted and, in the end, utterly abandoned.

The very least the Government can do is furnish Parliament with a full evaluation of the impact of culling in the two pilot areas—west Gloucestershire and west Somerset—where four years of culling are now complete. Back in the debate in September 2016, the Minister failed to answer my question about whether an evaluation would be commissioned. It is hard to imagine that this policy can do anything—other than lose the last desperate shreds of its credibility—unless such an evaluation is not only completed but made available to Parliament. The Government have an opportunity to rescue at least some credibility in relation to this issue, if they would only ensure that that is done. Having a pilot...
suggests that an evaluation will be made of whether it has worked. The Government need to do that work and present it to Parliament. If, on the basis of that evaluation, it is then concluded that the approach has not been effective, at that point the Government would have to explain why they further relaxed the criteria in 2014 and '15 and why, in particular, they allowed the culling to be extended to other areas of the country.

In conclusion, we need to see a thorough, independent assessment of the pilot culls. We also need the Government to make international comparisons, and not only with other culling practices. Somebody has said to me already this afternoon, “You didn’t make your usual statement.” I will make it now: badgers are not possums. They really are not; they are completely different creatures. The Government should be making international comparisons with countries that have focused on vaccination as an alternative, where vaccination is used, as it is with other species, to establish a critical mass of immunity. That is the key point about vaccination. It is not about individuals necessarily; it is also about critical mass and ensuring immunity at a level that gives a country a sense of moving forward and eradicating diseases such as TB. The countries that have been focused on vaccination are an alternative. We have heard a lot about Wales this afternoon, where the approach appears to be working, and we know that Ireland is considering a shift to a different approach that would involve vaccination. Finally, and above everything, we need the Government to commit to abandoning culling if an independent evaluation of the pilot areas demonstrates a failure to deliver a meaningful, long-term reduction in the incidence of bovine TB.

5.44 pm

Sir Roger Gale (North Thanet) (Con): I, too, congratulate the hon. Member for Newport West (Paul Flynn) on leading the debate. I want to touch on two issues: animal welfare and science. Anybody who has been brought up in the countryside and who understands rural England—I was brought up in rural Dorset, surrounded by farm land and livestock—knows and understands the devastating effect of epemics and pandemics of bovine TB, foot and mouth disease, swine fever and bird flu. It is hard to describe how bad they can be—bad for humans, certainly, but infinitely worse for the wildlife and livestock affected.

My eldest son, who is now a vet in practice, began his career before he had even joined a practice by seconding himself to the Ministry of Agriculture and going out and ordering the destruction of thousands of cattle. He watched grown men, maybe twice or three times his age, burst into tears as he gave them the verdict. You and I know, Mr Streeter—you are sitting in the Chair—but I suspect that you and I both understand that.

Apart from the hon. Member for Newport West, I am probably the only person in this Chamber who is old enough and ugly enough to bear the scars of Krebs. I have been through those debates and discussions and know very well that the outcome was what can only be described as conclusively inconclusive. People on both sides of the cull debate took from it what they wanted to prove their own cases. Post Krebs one could argue—I would not, but one could—that it was worth a try. Well, it has been tried, and it failed. With 15,000 badgers at a cost of £7,000 each—let us be generous and say £6,000 a badger—hundreds of thousands of pounds have been spent for virtually no proven effect whatsoever. That is the bottom line.

My hon. Friend the Minister knows full well that I am a member of the Conservative Animal Welfare Foundation, which has been widely misrepresented by some people in this House but is actually an organisation committed to farm animal welfare. We support many of the aims that the Government set out in their manifesto and we want to help see them through, but on this issue I believe that successive Ministers and Administrations have got it wrong. One of the things we have always tried to do is base our arguments on the science. The British Veterinary Association—I am merely an honorary member, but I do not think that I am misrepresenting its view—does not regard this as a satisfactory way forward. Why? Because it is wrong in science. That brings me to the second of the few remarks I wish to make.

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): I share a similar position to that of my hon. Friend in the BVA, which believes:

"Badger culling in a targeted, effective and humane manner is necessary in carefully selected areas where badgers are regarded as a significant contributor to the presence of bTB— I thought it would be helpful just to set out the BVA’s position.

Sir Roger Gale: I am afraid that the BVA is a faith of many churches. To some extent, it probably depends on which veterinary surgeons people listen to.

Angela Smith: I, too, am an honorary life member of the BVA. The BVA has made it clear that it does not support the free shooting of badgers, because it is inhumane, as was proved by the independent expert panel. As things stand, the BVA is not particularly happy with how the culling is being conducted.

Sir Roger Gale: There is an attitude that we have to use every shot—unfortunately literally in this case—in the locker, and I believe that we are going down the wrong path. I say that with no pleasure whatsoever. If culling worked and eliminated TB in badgers and cattle, I could probably live with the fact that it was necessary, because in the long run it would be the kindest thing to do. But we do not know how many of the 15,000 slaughtered badgers have even had TB, because they have not been tested. Where is the science in that? We do not know whether cattle are giving TB to badgers or badgers are giving it to cattle, or both, because that has not been proven.
I accept that vaccination is costly and difficult, but it is nothing like as costly and difficult as shooting badgers. We know that in Wales, where vaccination has been used much more widely—again, let us discount the wilder claims of success and say that that has probably had a 20% to 25% success rate—culling, at best, has had a 4% success rate. If the Minister has other figures and can demonstrate conclusively that the facts are otherwise, I would be very interested to hear them. So far, we seem to be a little short on statistics giving any indication that the policy that we are currently pursuing works. I want a policy that works. Whichever side of this argument we are on, I guess we are all on the side of wildlife and farmers, and everybody in the Chamber wants a policy that works.

The Republic of Ireland has developed what it believes will be an efficacious vaccine. The bottom line is that we are all looking for that, and I want to see us go down that road. Instead of wasting more time, money and effort going down a blind alley—pursuing a policy that does not work, has not worked and will not work—if we put all those resources and all our effort into finding a vaccination that works for cattle and badgers, we can solve the problem. I urge the Minister to take that away and think about it again. I am not saying that he has not thought about this issue—patently he has; he probably goes to sleep at night dreaming about it—but we need a solution that works.

Two things have not been pursued: one is vaccination, which I have mentioned; and the other, which others have mentioned, is proper ecological bio-control of the movement of cattle and of livestock generally. We know that works because we tried it during the last pandemic, so instead of messing around at the margins, let us get this right.

5.54 pm

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): I did not expect there to be time for me to speak—I am a late entry—so I am extremely grateful to you, Mr Streeter. I thank the hon. Member for Newport West (Paul Flynn) and other Members who have spoken so far. I could have approached the problem, I suspect that they would have, so I am not sure that I would have used that expression.

Geoffrey Clifton-Brown: The farmers would not want a cull if there was another way of doing it, because it is very expensive, time-consuming and everything else; it is just that there is no other way of doing it. Even if it means that there is a slight reduction, they are prepared to go to the expense and take the time to do it.

Simon Hart: My hon. Friend makes a good point. I am unlucky enough to represent a constituency in one of the areas in the UK with the most herd breakdowns, where TB is most prevalent, and farmers in my area would absolutely endorse my hon. Friend’s comments.

Rather conveniently, I was about to come to the Wales comparison. As the hon. Member for Newport West will recall, not many years ago the Labour-Plaid Cymru coalition in Cardiff first addressed the problem in policy terms. At that stage the advice that they—and the UK Government—had from the chief veterinary officer was that culling could form an important part of the overall control measures. It is being portrayed here, as it has been before, that somehow the advice to the Welsh Government has changed over the years; that somehow the Welsh Government are working to a different set of proposals. The truth is that the advice they have today is exactly the same as the advice they had then. For those who wish to go into the archives, that advice still maintains a reference to culling as potentially part of the programme for eradicating bovine TB in Wales.

It is fair to say, as my hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown) did, that the vaccination area in Wales, just north of where I live, covers a small, limited area. That vaccination programme has had to be suspended due to a reduced number of vaccines, as the hon. Member for Newport West commented. The reality is that the very encouraging statistics that have been quoted from Wales for the reduction in herd breakdowns from bovine TB are universal across the whole country. They do not simply reflect the activity in north Pembrokeshire and south Ceredigion. The implication that the vaccination programme has resulted in the 47% reduction in herd breakdowns completely misrepresents the truth. Those figures relate to a tiny land area just north of where I live, whereas the statistics that are being bandied about in the same paragraph relate to the whole of Wales. We keep talking about the importance of relying on science, but we also need to rely on proper, validated statistics. Making comparisons about a few hundred square kilometres of north Pembrokeshire and pretending that that is a reflection of the rest of Wales is a bit misleading.

Sir Roger Gale: Does my hon. Friend quarrel with the fact that in the vaccination areas there has been, at worst, a reduction of 20%, whereas in the cull areas the equivalent figure is miniscule—about 4%?

Simon Hart: My hon. Friend made my next point for me. I absolutely recognise that there is a discrepancy between those two numbers, but the problem is that we
are trying to compare a non-identical set of figures and a non-identical timeline of events leading up to the particular measurement of the figures—I do not think I put that very clearly.

It is misleading to compare the numbers acquired over four years in north Pembrokeshire and south Ceredigion, during a five-year programme that had to be suspended, with a much longer process involving a different set of calculations in England. I myself find it frustrating, but we are not comparing apples with apples when looking at the two systems and processes in those two different areas. Saying, “Here is a solution that works; why don’t the stupid Government use it?” is massively over-simplifying the problem. Again, I do not want to put words in the Minister’s mouth, but we have known each other a long time, and if there was a solution or a magic pill that he could administer to make this all go away, I suspect that he would have done so by now.

Angela Smith: The hon. Gentleman’s speech gives rise to two suggestions. One is that he might argue, along with me, that we ought to have a proper evaluation of the pilots in England. The second is that if we want to compare apples with apples, perhaps we need a proper, Government-sponsored vaccination pilot project in England.

Simon Hart: I think that you, Mr Paisley, would come after us if we went down the road of discussing the merits of devolution and having a different set of policies in Wales, which I suspect might be the only way to achieve those aims. However, I have no problem with proper evaluation, and I suspect that the Government have none, particularly given the importance of science, of which we are rightly frequently reminded. As the hon. Lady said herself, it is a pilot scheme, and we are fairly early in the lifetime of the project. To come up with figures now that present an absolute position on where we are and where we should go is a little premature—not necessarily that premature, but the moment is not quite with us.

I have two further points. Reference has been made to the Irish comparison. I made some brief inquiries when we went to vote in the Divisions just now. To suggest that the culling in Ireland was a success, but that it has given way to a different regime that is a resounding failure, is again not an absolutely accurate reflection of the position. When herd breakdowns occur in Ireland, as they still do, an epidemiological investigation is held in the area, followed by an absolutely thorough cull. The idea that culling forms no part of the Irish Government’s approach to eradicating bovine TB is a misrepresentation of what is happening.

We have talked about the cost of vaccination. My hon. Friend the Member for The Cotswolds mentioned a figure of about £672 annually for a vaccine that is irrelevant in dealing with badgers already carrying the disease, making the injection a completely pointless and expensive approach. There is some doubt about the exact number—I have not been able to ascertain it for 2016-17—of infected badgers that have been unnecessarily vaccinated recently.

Paul Flynn: It seems extraordinary that the hon. Gentleman brushes aside the fact that Ireland has slaughtered 96,000 badgers without any beneficial effect. If he wants to know about the number of infections, he should ask his Government to test the slaughtered badgers. Tests have been carried out on roadkill badgers, and the percentage contaminated with TB is very small indeed—about 5%.

Simon Hart: I suspect that the Minister will deal with the second part of that intervention. As for the first part, I will say only that the Irish Government would not deem their approach to the eradication of bovine TB quite the failure that the hon. Gentleman portrays it to be.

On the cost of culls and/or vaccination, I agree that both figures are eye-wateringly significant, but very little attention seems to have been given in this debate to the cost of the disease to taxpayers, farmers, contractors and the great supply chain that survives on agriculture. If the Minister was to mention the damage done to the economy of rural Britain as a direct consequence of this as-yet-unsolved problem—he probably has the figures at the tip of his tongue—the figures that the hon. Gentleman has quite reasonably mentioned would pale into insignificance.

The British Veterinary Association has been mentioned. Like many colleagues, I am not a scientist, but I hope that I am reasonably practical about these issues. However, I have not spent a career in this area of science, and neither have most of my colleagues, so often what we are treated to is a debate among high-powered, articulate people representing entirely opposite views. As juries who must listen to expert witnesses occasionally find, it is sometimes difficult to separate fact from opinion, and genuine, current science from bogus science. It is sometimes difficult to get a proper measure. That is why—I should have declared my interest; I apologise for forgetting to do so at the beginning of my speech—I refer to and rely on organisations such as the BVA.

To my mind, of all the organisations from which we take evidence and to which we listen, one stands out from the crowd as scientifically focused, objective, sensible, measured and, above all, more experienced on this issue than any of us ever will be. The BVA has done all that for us: listened to the science, filtered out the nonsense from the good sense, and listened to farmers and—I hope—politicians. It has done all that, and has come to this conclusion, which I mentioned just now but will mention again:

“BVA believes badger culling in a targeted, effective and humane manner is necessary in carefully selected areas where badgers are regarded as a significant contributor to the presence of bTB in cattle.”

That is not just the pro-cull members of the BVA versus the anti-cull members; it is a policy position from one of the country’s most respected veterinary resources. Frankly, as much as I would love to know more, my view is that if it is good enough for the BVA, it is good enough for me.

6.7 pm

Dr Paul Monaghan (Caithness, Sutherland and Easter Ross) (SNP): I congratulate the hon. Member for Newport West (Paul Flynn) on opening this debate with an excellent speech. We last debated badger culling on 29 September 2016, in a debate that I led in this Chamber. Today, we are debating e-petition 165672, which calls for an end to badger culling, rather than an extension of culls to new areas.
Ending the badger culls is an eminently sensible and empirically sound proposition supported by almost 110,000 members of the public. I welcome the public support for the issue, and Mr King's leading role in initiating the petition. The e-petition notes that experts in both disease control and animal welfare agree that badger culls have proven to be ineffective and inhumane. I add that the culls are also ruinously expensive, wasting taxpayer money at the rate of more than £6,000 per badger inhumanely slaughtered.

In September, I noted that bovine tuberculosis, or BTB, affects beef and dairy cattle herds in England, and that although Scotland has been officially free of the disease since 2009 and Wales is increasingly demonstrating how to bring it under control, the incidence of infection in England is rising, particularly among cattle, of the UK’s withdrawal from the EU?

Dr Monaghan: I absolutely agree, particularly in relation to the evident risks of the spread of infection if appropriate cattle movement control and biosecurity measures are not implemented. That is why the Scottish National party is participating in this debate, even though it relates primarily to England and to the impact of bovine TB on England’s farmers.

We should be in no doubt that bovine TB is a very serious problem, and that killing badgers on an industrial scale is probably making the situation worse. Badger culling is nothing less than a costly distraction from the implementation of an effective solution, which requires a focus on sound animal husbandry and biosecurity, including vaccination, increased cattle movement control measures, and improved infection testing.

We know that bovine tuberculosis is caused by mycobacterium bovis, which is excreted by infected cattle on to the land they graze, where it survives in the soil and is then passed to other cattle and other species. Nevertheless, the predominant mode of transmission in cattle is nose-to-nose, and such transmission is encouraged by trading and moving cattle between herds. Indeed, evidence suggests that the number of new herd breakdowns appears to double approximately every nine years.

In the last decade alone, the UK Government have slaughtered 314,000 otherwise healthy cattle in an attempt to control infection. In 2013, more than 6 million bovine TB tests were performed in England in an ineffective attempt to identify the disease, leading to the slaughter of more than 26,000 cattle. Such skin tests are only 20% to 50% effective. The Minister will be interested to know that a new study, published just last week, shows that, as I argued in September, the tuberculin skin test fails to identify up to 50% of reactive cases. The skin test has always been a herd test, not an individual test. Its efficacy is hindered by the ability of the disease to hide in animals whose immune response is suppressed.

In cattle, this could be due to a range of factors, including age, history of exposure, pregnancy and fluke parasite burden.

The ineffectiveness of the test means that in the last decade, the rising incidence of the disease has cost the UK taxpayer more than £500 million. Today, 20% of all newly herd breakdowns are detected only in the slaughterhouse, such is the ineffectiveness of the overall testing programme. The inability to bring the disease under control resulted in a cost to the UK taxpayer of almost £100 million in 2014 alone, and the additional cost to farmers is estimated to run into tens of millions of pounds annually. The financial costs are staggering. The rise in the incidence of the disease in England is giving rise not only to an increase in the number of beef and dairy herds affected, but to increased geographical spread and consequently a spiralling cost to the UK taxpayer—more than £1 billion in the next decade alone, by the estimate of the Department for Environment, Food and Rural Affairs.

The crisis that England’s cattle farmers, and their families and communities, face cannot be overstated. If the disease continues to increase unchecked in England, it will also begin to threaten herds in other nations that are currently free of the disease, such as Scotland, and that are successfully combating it, such as Wales. I am certain that we all want to avoid that. In that context, it is frankly inexplicable that the rising incidence of bovine tuberculosis in England is being attributed to badgers, because research shows that, even in remote areas of England where bovine TB is rampant, 86% of badgers are clear of it.

The Government must stop allowing farmers to believe that the level of infectious TB in badgers is much higher than it is, and that culling might make a difference when we know that it will not. Despite the huge amounts being spent, no substantial or respectable body of scientific work has ever been produced that contradicts the conclusions of the study by the independent scientific group on cattle TB, which initiated the randomised badger culling trial in 1998. That study, as we have heard, found that reactive badger culling resulted in significant increases in cattle TB incidence, to the extent that culling was abandoned early in the trial. The study concluded, first, that "badger culling cannot meaningfully contribute to the future control of cattle TB";

secondly, that "weaknesses in cattle testing regimes mean that cattle themselves contribute significantly to the persistence and spread of disease in all areas where TB occurs"—

that is, cattle themselves are the disease reservoir; thirdly, that "cattle-to-cattle transmission...is the main cause of disease spread to new areas";

fourthly, that "substantial reductions in cattle TB incidence could be achieved by improving cattle-based control measures";

and, finally, that "agricultural and veterinary leaders continue to believe, in spite of overwhelming scientific evidence to the contrary, that the main approach to cattle TB control must involve some form of badger population control."

In short, the scientific evidence does not identify a causal relationship between the presence of badgers and a rising incidence of bovine tuberculosis in cattle.
The current approach means that the people of England can have as much bovine tuberculosis as the UK Government are prepared to pay for.

History shows us that bovine tuberculosis is an ugly opponent, and that dealing with it requires scientific precision in testing, movement controls and selective removal. In the 1960s, bovine tuberculosis infection was reduced by around 80% in under four years. That reduction involved short-term actions in return for long-term benefit. The intelligent and evidence-led approach is to deploy interferon gamma and apply the emerging late-stage tests for hidden bovine tuberculosis, such as RPA 7, alongside biosecurity measures and cattle movement restrictions. Resources must be directed towards testing and control, and plans for expensive and divisive badger-culling pilots in England must be put on hold. There is already more than enough evidence to show that the controversial free-shooting method does not work. The strategy must now be to seek to deploy gamma testing in the pilot areas, and plans should be initiated to invest heavily in supporting livestock controls, with unequivocal backing from the UK Government.

Further attempts to disguise the failure of the badger cull programme are futile. Compelling recent evidence from Wales and Ireland shows that there is no value in addressing the hypothetical contribution from badger culling, especially while the overwhelmingly critical cattle-to-cattle transfer remains uncontrolled. No other country is seriously considering such a pitifully crude, wasteful and ineffective solution to bovine tuberculosis as badger culling.

In September's debate, the Minister noted the policies that he is overseeing:

“We have annual testing in the high-risk area and four-yearly testing in the low-risk area. We have annual testing in the edge area and six-monthly testing in hotspots in the edge area, and we continue to consider rolling that out. We have contiguous testing in the high-risk area where there is a breakdown, and we have radial testing in the low-risk area, going out to 3 km, where we have a breakdown. We are now consulting on greater use of the gamma interferon test so that we can pick up the disease faster. We are also looking at what more can be done in other species. We are constantly trying to refine and improve our cattle movement controls.” —[Official Report, 7 September 2016; Vol. 614, c. 219WH]

There is scope for further work on those points. What progress has the Minister made on controlling slurry spreading, on managing deer populations, on limiting hunting with hounds, on restricting cattle movements and, above all, on challenging weak biosecurity measures, including feeding infected cattle to hounds? I say “weak”, because it has recently been brought to my attention that Natural England has rolled back on farmers’ risk assessments; indeed, I understand that in five of the seven new cull areas, only 5% of participants’ farms had received biosecurity visits from Natural England by mid-September 2016. It is unsurprising, then, that Natural England failed to release information from its biosecurity monitoring forms for all the new cull areas and has abandoned the assessment ratings of good, fair and poor that were used up to 2014. Why is that, Minister?

By 2015, the percentage of participants’ farms with cattle that had not—I emphasise not—been visited by Natural England monitoring staff was 55% in west Gloucestershire, 63% in west Somerset, and 68% in Dorset. I repeat that those are the percentages of participants’ farms that were not visited. That is not science-led or evidence-led practice, Minister. Why was a small team of between just seven and 10 people monitoring biosecurity visits from 2012 to 2015? Has the team been expanded to an appropriate level? I also note that the UK Government no longer collect data on the humaneness of culling badgers. Again, why, Minister?

There is also further evidence of a failure to assess the wider ecological impacts of culling. A report by the Food and Environment Research Agency in 2011 identified a range of outcomes from the culling of badgers that could result in disruption to ecosystems. The report identified the potential impact of the resulting change in the abundance of other species on a wide range of habitats, and it indicated that screening exercises and appropriate assessments should be carried out where badger culling was proposed. However, with a total of 10 licences having been issued to date, the UK Government have failed to conduct appropriate assessments to determine whether badger culling is creating wider ecological impacts that affect species and habitats protected under the Bern convention. That is yet another reason why badger culling should be suspended.

The historical and contemporary evidence increasingly demonstrates that the true engine driving the ongoing spread of bovine TB is, and always has been, the so-called problem herds with recurrent and/or persistent chronic TB. The proposition that the inhumane persecution of badgers will miraculously control TB infections is ridiculous, which is exactly why the Welsh Government have abandoned badger culling and why the European Union has never agreed with the UK’s policy in this area. This is a disease more likely to be carried on the boots of human beings than by badgers.

The UK Government should abandon the tuberculosis skin test as the primary means of identifying infection and new herd outbreaks, and should instead adopt modern methods and technologies to address this disease. Specifically, they should adopt gamma interferon tests and robust systems of biosecurity. Combined with a co-ordinated badger vaccination policy in high-risk areas for bovine TB in England, and restricted movement of cattle, this course of action would represent a more progressive and intelligent approach, and it would realise results within months. It would also be more humane and better support England’s farmers.

Just as I did in September, I again ask the Minister to please look to Northern Ireland, Scotland and Wales; to recognise the important contribution of rigorous blood testing regimes and effective movement controls to reduce the risks of cattle-to-cattle transmission; to introduce a centrally co-ordinated and comprehensive badger vaccination policy in high-risk areas for bovine TB in England, and focusing on reducing the incidence of this dreadful disease in cattle; and to please stop the regressive and medieval practice of badger culling, which the public abhor, and which diminishes our collective humanity.

6.23 pm

Sue Hayman (Workington) (Lab): It is a pleasure to serve under your chairmanship, Mr Paisley, and to have the opportunity to respond to this debate today for the Opposition.

I start by thanking my hon. Friend the Member for Newport West (Paul Flynn) for opening the debate and demonstrating, with his usual eloquence, his passion for the subject. My hon. Friend the Member for Penistone...
[Sue Hayman]

and Stocksbridge (Angela Smith) made some important and knowledgeable contributions to the debate. I stress the fact that she talked about the importance of consensus. If we are going to solve this problem and eradicate this disease, we need to work together. The hon. Member for North Thanet (Sir Roger Gale) clearly set out the importance of using science and evidence, so that we can develop a policy that works. He also stressed the importance of developing a vaccination, as did the hon. Member for The Cotswolds (Geoffrey Clifton-Brown).

As we have heard today, bovine TB has a significant impact on farmers by causing loss of livestock, particularly for small dairy farmers, who are already under significant financial pressure on a daily basis. The compensation they receive for slaughtered cattle is not good—up to a maximum of £1,225 for non-pedigree dairy cows and less for beef cows. Quite simply, bovine TB must be urgently controlled and eradicated. However, I want to be absolutely clear: the Labour party opposes badger culling, because we do not believe that it is the most effective way of managing the disease or that is it the most humane.

My hon. Friend the Member for Penistone and Stocksbridge also mentioned the fact that during the last Parliament the independent expert panel, which was appointed to monitor the effectiveness, humaneness and safety of the first year of the badger culls, concluded that the 2013 culls had failed on both effectiveness and humaneness. A number of other hon. Members also mentioned that during the debate.

Last August, the Government agreed that seven new culling areas would be permitted in England, in addition to the existing areas. Culling in these areas will be carried out over four years. In 2016, culls took place in each area between 29 August and 18 October. Although the Chief Veterinary Officer has advised that the culls were humane and effective, and show that culling can help to achieve disease control benefits, environmental experts have questioned the validity of the evidence base and argue that there is no basis for drawing conclusions about the effectiveness of culling in reducing bovine TB.

We welcome the Government’s commitment to pursuing other measures, including tighter cattle controls, biosecurity, and the design of the new badger edge vaccination scheme. However, it is disappointing that the Government propose licensing a supplementary form of badger control only after a cull has been completed over at least four years.

Clearly, it is time for long-term solutions to combat bovine TB. We would like to see an alternative, science-led approach, combining a number of methods, to prioritise the development of a vaccine, together with improved cattle testing and cattle management, with tighter biosecurity measures and improved animal husbandry. Evidence-based and science-led policy must be at the heart of everything we do.

We have heard extensively about the different approach taken by the Welsh Government. Since 2012, they have vaccinated more than 5,600 badgers in Wales and the number of cattle herds under restrictions from bovine TB is now at its lowest level there since 2006, with 95% of Welsh herds TB-free. We have heard how there has been a 47% reduction in new instances of the disease in Wales, as a result of increased testing frequency, improved biosecurity and other cattle control methods alone. That compares, as we have heard, with the net reduction of just 16% of new incidents of bovine TB over nine years of randomised badger cull trials in England. We have heard about the cost—the cull cost of £6,700 per badger. I cannot believe that any hon. Member would consider that to be anything other than an extraordinary amount of money, considering—as the RSPCA notes and as we have heard—an estimated cost of £662 per badger vaccinated in Wales. The substantial amount of money that would be saved by vaccination would be better invested in supporting the farming industry.

Simon Hart: I am sorry to bore Members with this, but that is an annual figure. The hon. Lady needs to look at it over the lifetime, rather than as a single figure.

Sue Hayman: It may well be an annual figure, but there is still an extraordinarily significant difference between the two figures.

Simon Hart: It is 10 years.

Sue Hayman: Well, I consider it to be extraordinary, and I think that many colleagues do, as well.

Geoffrey Clifton-Brown: The policing costs for the cull areas would be zero if it were not for the effects of the protesters; therefore we cannot compare one figure with another. As my hon. Friend the Member for Carmarthen West and South Pembrokeshire (Simon Hart) just said, and as I said in my speech, when the annual cost of vaccination is extended over five years the actual cost is not £660 per badger but £3,000.

Sue Hayman: I thank the hon. Gentleman for his intervention. It only goes to show that we really need proper evidence. However we look at it, it is much more expensive, per badger, to cull.

Paul Flynn: Does my hon. Friend agree that vaccination has the effect of giving immunity on a continuing basis, by removing the disease, whereas culling has proved to be effective for only short periods, with instances of the disease then returning in great numbers? Last year there was a large number of new cases and 35 areas that were previously bovine TB-free were declared infected. The culling is therefore failing.

Sue Hayman: I thank my hon. Friend for his intervention. The important thing is that we have effective long-term solutions, and vaccination has been shown to play an important part in that.

The example of Wales has shown what we need to emulate here in England. The randomised badger culling trial—RBCT—which has been mentioned, is the largest ever study conducted to examine whether culling badgers would reduce TB in cattle. It concluded that "badger culling can make no meaningful contribution to cattle TB control in Britain”, and went on to state: “It is unfortunate that agricultural and veterinary leaders continue to believe, in spite of overwhelming scientific evidence to the contrary, that the main approach to cattle TB control must involve some form of badger population control.”
In 2012, Lord Krebs, President of the British Science Association and a key scientist involved in the RBCT study, called the Government’s cull policy “mindless”, adding:

“The scientific case is as clear as it can be: this cull is not the answer to TB in cattle. The government is cherry-picking bits of data to support its case.”

An October 2012 letter to The Observer, signed by 31 eminent scientists, described the cull as a “costly distraction” and stated:

“As scientists with expertise in managing wildlife and wildlife diseases, we believe the complexities of TB transmission mean that licensed culling risks increasing cattle TB rather than reducing it.”

In 2015, a group of scientists and wildlife experts wrote another letter, this time calling on the Government to “reconsider, immediately, the decision to continue and extend the culling of badgers.”

We have been falsely presented with the impression that without large-scale badger culling, bovine TB cannot be effectively controlled. It is all very well to say that culling a certain percentage of badgers in an area will halt the spread of the disease, but who is to say that culled badgers are not disease-free and the surviving badgers are carrying the disease? We must be careful not to do more harm than good by dispersing infected badgers into previously unaffected areas and spreading the problem. That is something no one wants to see.

It is clear that we need urgent investment in a widespread vaccination programme and a proper biosecurity strategy. That means reducing the chances of cattle and badgers coming into contact, directly or indirectly, to minimise the risk of the disease entering a farm. We have heard that in 2015 the British Veterinary Association withdrew its support for the shooting of free-running badgers, stating:

“it has not been demonstrated conclusively that controlled shooting can be carried out effectively and humanely”.

In a letter to the Prime Minister last summer, Professors John Bourne, Rosie Woodroffe and Ranald Munro wrote:

“We urge you to review the considerable evidence that culling badgers is a risky, costly, and inhumane tool in the fight against bovine TB. We submit to you that expanding this unpromising programme would fly in the face of scientific evidence. We publicly call on you at this time to halt—not expand—the failed badger cull.”

They concluded that

“the roll out into many more areas will immediately increase the risk of a considerable number of badgers being injured and suffering”

for a cull that “doesn’t actually work.”

Bovine TB has been a problem for a long time, and badger culling has been attempted as a solution for many years, yet the disease has not gone away, so it is clear that efforts are not working. Although it is very welcome that the Government are pursuing other measures, such as tighter cattle controls, biosecurity and the designing of the new badger edge vaccination scheme, subject to a global shortage of the vaccine, it is disappointing that they continue to pursue culling.

Now is the time to change our approach. Vaccination and biosecurity must be the priority, and I urge the Government to prioritise them, along with improved cattle testing and management. We must urgently find long-term solutions to stop the spread of bovine TB, but we must do so in a humane way, following scientific advice.
[Angela Smith]
gave the green light to the 10-year study, which attempted to establish a sound scientific base for how to intervene effectively, especially in relation to culling and how to respond to demands for it? Will he not also accept that the lifting of controls with foot and mouth disease in 2001 necessarily had a major impact?

George Eustice: Obviously the 2001 foot and mouth outbreak had an impact, but my point is that there was a loss of 10 years when the science had been clear about what was required since the '70s. It would have been possible to act earlier, although I will return to the science, as a number of Members mentioned it.

Many Members talked about the importance of cattle movement controls, and I completely agree with that. In fact, it is not in doubt; we have a consensus on that. Cattle movement controls are absolutely at the heart of the Government's strategy, and have been for many years. I simply ask Members to look at the controls we have now. We have annual testing in the high-risk area. We have four-yearly testing staggered in the low-risk area. We have annual testing in the edge area. In hotspots in the edge area, such as Cheshire, we have six-monthly testing, and we are exploring opportunities to expand that methodology. We have contiguous testing in the high-risk area when we have a breakdown and radial testing in the low-risk area when we have a breakdown. We have pre-movement testing before animals can be moved off a holding, and we now have post-movement testing once animals are moved to a holding in the low-risk area.

Last year we consulted on, and have now implemented, a new approach to using the interferon gamma test much more often than before. When the skin test and the surveillance test detect a problem, we are deploying the interferon gamma test much more often, as the hon. Member for Caithness, Sutherland and Easter Ross (Dr Monaghan) highlighted. We have also just implemented an approach of taking a much harsher interpretation of some of the inconclusive tests, as some of the evidence is that an inconclusive test often means a delayed response. We are constantly looking at whether we can improve things. Members should bear in mind that when we do these tests and detect a problem, all those holdings are placed under restriction. I agree that cattle movement controls are a crucial part of the fight against the disease, but I put it to Members that we are doing everything possible that there is to do at the moment. We are already doing what Members are asking us to do, and we have been for some time.

A number of Members raised the issue of vaccination. As I said earlier, we believe that vaccination of badgers could give us an exit strategy from the culled once we have reduced numbers. That is why we continue to spend millions of pounds trying to develop an oral vaccine for badgers, and that work is ongoing. In 2015, we had an edge area vaccination pilot, where six voluntary groups came together to support us in rolling out the trapping and vaccination of badgers in the edge area. As a result of the shortage of vaccine and a request from the World Health Organisation that the vaccine we had be reserved for medical use in humans only, we had to suspend that programme, in common with Wales. We hope to secure new supplies of vaccine and to resume that edge area vaccination project in 2018.

Dr Monaghan: The Minister has accurately noted some of the initiatives he mentioned at the conclusion of his speech in September 2016. Can he tell us what impact those measures have had? What action has he taken to address other issues, such as slurry spreading on fields and feeding infected cattle to hounds and perhaps other animals?

George Eustice: We publish the disease surveillance data annually in August. To pick up on the point that the hon. Member for Penistone and Stockbridge made, that includes data specific to the culled areas that we have under way. Having just implemented the new use and the adoption of the interferon gamma test, it is too early to tell how much impact that will have. What we do know is that the basic surveillance testing measures, pre-movement testing and restrictions have been in place for a number of years. As in Wales, they have undoubtedly contributed to holding the disease in check, but we know that, on their own, the measures will not be enough to roll the disease back.

We continue to do work on developing a cattle vaccine. The BCG vaccine can be used in cattle, but we know it is not 100% effective. It probably gives between 65% and 70% protection to herds, but that would nevertheless be beneficial if we could secure the right kind of test that could differentiate the vaccine from TB. Some years ago, we did manage to get in place an interferon gamma blood test that could do that, but it unfortunately threw up a lot of false positives, which is a common problem. We are now doing work to consider the skin test. We believe that we are close to getting a skin test that can distinguish between the disease and the vaccine. When we are able to get that in place, we will work towards starting trials of that.

A number of Members have raised the issue of Wales. As my hon. Friend the Member for Carmarthen West and South Pembrokeshire (Simon Hart) and for The Cotswolds (Geoffrey Clifton-Brown) pointed out, the area in Wales under the vaccination pilot represented just 1.5% of the country. Wales's cattle movement restrictions almost mirror ours; there is very little difference. The differences tend to be in the types of restrictions on cattle markets, but they are minor differences. All the other approaches, on surveillance testing and restrictions, are remarkably similar. If we look at the figures, the latest statistics show that 95% of Welsh herds and 94.2% of English herds are TB-free, so the difference is not enormous.

The large drop in TB in Wales that has been quoted by a number of Members seems to be based on a reference point of 2012-13, which was a year with a very high prevalence of disease. In the past year, Wales has seen a 23% increase in the number of cattle slaughtered due to TB, while England has seen just a 4% increase, so we can trade statistics, but I simply point out that the approach in Wales to cattle movement controls is remarkably similar to what we are doing in England. The area covered by Wales' vaccination pilot is nowhere near large enough to draw the conclusions and inferences that some Members are drawing.

To turn to the badger cull and the science, the hon. Member for Newport West (Paul Flynn)—he opened the debate, and he has a long track record of campaigning on wildlife issues and animal welfare issues—rightly pointed out that badgers are sentient creatures and that we would not do the cull unless we needed to. As I have
made clear many times before, I would not sanction the cull unless I believed it was necessary to combat this terrible disease. The advice we have from our chief veterinary officer is clear that we cannot eradicate the disease unless we also tackle the reservoir of the disease in the wildlife population. While the policy is contentious, it is the right policy. Sometimes Governments have to pursue the right policy, even if it is not popular.

Sir Roger Gale: I have been listening very carefully to what the Minister has been saying. I do not understand how he and the chief veterinary officer can assert that the reservoir is there when none of the animals that have been eliminated have been tested.

George Eustice: The issue was looked at extensively during the randomised badger culling trials, and we know that in the high-risk area, where there is a strong prevalence of the disease, around a third of badgers have bovine TB. That has been demonstrated previously.

On the science, there is no example anywhere in the world of a country that has eradicated TB without also addressing the reservoir of the disease in the wildlife population. TB was first isolated in badgers as long ago as 1971. In 1974, a trial was conducted to remove badgers from a severely infected farm, with the result that there was no breakdown on that farm for five years. Between 1975 and 1978, the Ministry of Agriculture, Fisheries and Food funded extensive work and demonstrated conclusively that there is transmission and a link between badgers and cattle. Subsequent work in Ireland reaffirmed that finding.

The Krebs review observed that, between 1975 and 1979, TB incidence in the south-west fell from 1.65% to 0.4% after the cull—a 75% reduction. Subsequently, in the late ’70s and early ’80s, more extensive work was done in three exercises. One was in Thornbury, where the TB incidence fell from 5.6% in the 10 years before culling to 0.45% in the 15 years after, which was a reduction of 90%. In Steeple Leaze, there were no breakdowns for seven years after the badgers were cleared. In Hartland, the incidence dropped from 15% in 1984 to just 4% in 1985—a reduction of more than two thirds. I have pointed out the historical data, as I did in the previous debate, because it is often tempting for this House to present themselves in the years after the report was concluded, as is now widely accepted. The average reduction in incidence, even if we take account of the theory of perturbation, was 16% during the trial, as everybody accepts, but in the 18 months after culling ended in the RBCT, there was a very sharp, 54% reduction in the incidence of the disease. The average across the period was 28.3%, so the evidence was pretty clear that removing and reducing the badger population in a proactive way could contribute meaningfully to this issue.

The issue was looked at again in 2013 by Professor Charles Godfray, who conducted an independent review of all of the science, which brought together leading UK experts. It concluded that TB spreads within and between populations of badgers and cattle, and that the spread from badgers to cattle is an important cause of herd breakdowns in high incidence areas. Policy is based on evidence that has been clear since the 1970s. The latest review conducted by Professor Charles Godfray with leading experts supported that conclusion.

There are issues that we continue to look at. I have an open mind to additional approaches that can help us bear down on the disease. My hon. Friend the Member for North Thanet (Sir Roger Gale) mentioned the importance of biosecurity. I agree with him. In fact, a couple of months ago I launched the cattle herd certification standards scheme, an accreditation scheme where we try to incentivise farmers to sign up to high levels of biosecurity. We are now looking at new ways in which we might incentivise them to do that and to put more emphasis on that.

Some hon. Members mentioned the handling of farmyard manure. We know that the disease bacterium can spread through farmyard manure and through latrines via badgers. That is recognised and not disputed. We already have many restrictions in place on when farmyard manure from infected herds can be spread and where it can be spread. I constantly keep such issues under review, and in recent months I have asked our policy team to look again at whether there is anything further we can do. We are continually looking at whether we can strengthen and improve genetic resistance to the disease.

The Holstein UK society is doing very important work to try to breed resistance to TB into the dairy herd. We support that and stand ready to assist if required. There is also some novel research going on, very much in the early stages, into whether we could develop a self-disseminating vaccine for badgers. That would mean using something like a herpes virus. The vaccine would be inserted and would spread naturally through a badger population. If we could perfect something like that, it would be a major breakthrough, although we are some way off.

Angela Smith: What we are hearing is all very welcome news indeed. I am pleased to have it on the record, but it would be good to have an answer to the key question: when will we get publication of an independent evaluation of the pilot culls?
George Eustice: I was moving on to that. Data on bovine TB incidence in the cull areas are published annually. Because of the low prevalence rate, we need aggregate data over a year. We have already published the first two years. The third one will be published in August, so we are already publishing the data on disease incidence in the two cull areas.

I want to move on and cover some of the other points that were raised. The hon. Member for Newport West raised the issue of the Kimblewick hunt and dogs. Our veterinary advice is clear that dogs are not a major contributor to the spread of the disease. The incidence of TB in dogs is very rare. We occasionally get incidents, as we do with cats. Three years ago we had an outbreak of TB in cats in a particular area, but the veterinary advice is clear: it is not a key contributor. In the case of the Kimblewick hunt, an epidemiological investigation is under way. Until it is completed, it would be wrong to speculate on what the origin or route of the disease was.

On the hon. Gentleman’s suggestion of stopping hunting, although I understand that he has a wider objective to do that, it would not be a proportionate step, based on the risk that we have.

The hon. Member for Penistone and Stocksbridge raised the issue of the independent expert panel. It was only ever intended that that would be for the first year to review data. It was never intended that it would report each and every year. She asked about evaluation. I have been clear that the evaluation is ongoing. We have already published the first two years and the third will be published in August. She mentioned the need to reduce the population by at least 70% within six weeks. I will simply point out that the RBCT never estimated its badger population at the start. It retrospectively guessed how many it thought it had reduced, so there is a danger of having false precision around some of the figures.

Angela Smith: Will the Minister give way?

George Eustice: I am afraid I have given way generously. I will press on because I believe we may have a Division shortly.

My hon. Friend the Member for The Cotswolds asked what happens after the current culls have ended their four years. As was pointed out by the shadow Minister, in the two cull areas that have concluded four years, we will—

6.58 pm

Sitting suspended for a Division in the House.

7.12 pm

On resuming—

George Eustice: I extend my gratitude to everyone who has returned to the debate, as some hon. Members will have detected that I was getting towards the end of my contribution. I have gone through my notes to check whether I overlooked anything earlier.

To pick up on the point made by my hon. Friend the Member for The Cotswolds on the culls that have completed their four years, as I explained just before we suspended the debate, at the end of last year we consulted on having low-level maintenance culling to keep the population in check. That would very much be a small operation with much-reduced numbers—not like the culls we had for the first four years. My hon. Friend also mentioned deer and other species, and he is right that wild deer can carry TB, but our veterinary advice is that their role in transmitting TB is significantly lower than that of badgers, because of their nature and how they move about. TB spreads less freely among deer, because badgers live underground in close proximity to one another. Nevertheless, deer are a potential concern, but we believe badgers to be far more prevalent in spreading the disease, and do so in far greater numbers, in particular in the south-west, the high-risk area, so that is where we are focusing our attention at the moment.

The hon. Member for Caithness, Sutherland and Easter Ross asked us to learn lessons from other parts of the UK. As I pointed out in his debate on badger culling and bovine TB, Scotland is officially TB-free, but Scotland has an incredibly low badger population. It is the only part of the UK not to have a large badger population.

In Northern Ireland, which was mentioned, the approach is to trap, test, and vaccinate or remove. We follow the evidence from that approach closely, but the difficulty is that there are no good diagnostics for picking up the disease, as I said earlier. The people in Northern Ireland might therefore release up to 40% of badgers that have the disease, although they would not have detected it. In addition, they could be vaccinating and re-releasing badgers that had already had the disease. That approach is by no means perfect, even though superficially it sounds logical.

The shadow Minister, the hon. Member for Workington (Sue Hayman), mentioned costs. All I can say is that in year 1, the costs were higher—a huge amount of surveillance and post-mortem testing was going on, we had the independent expert panel and policing costs were higher—but the costs have been reducing as we have rolled out the cull. We also have to put that in context: every year, the disease is costing us £100 million, so doing nothing is not an option.

Geoffrey Clifton-Brown: There has been universal agreement across the House on one point in the debate: if we can find an oral vaccine, that is a possible solution. Will the Minister say something about the Government’s research into oral vaccines? I am thinking in particular about meningitis B and a vaccine for babies, on which I have campaigned. That new vaccine is manufactured in a totally different way. Will he look at the science behind such vaccines to see what lessons can be learned?

George Eustice: One of the challenges of TB is that it is a bacterial disease, and it is notoriously hard to get vaccines to work in that context, whereas with a virus, if the vaccine is cracked, the virus is cracked—as with, for example, the Schmallenberg vaccine. We have to recognise that despite decades of medical research, the best TB vaccine available is still the BCG. As I have said, however, we are spending millions of pounds on research to develop an oral bait that badgers would take and that would immunise them. As the hon. Member for Newport West pointed out correctly, if we can get the vaccination right, a herd effect in badgers could pass on the immunity. We are also in the very early stages of looking at the notion of self-disseminating vaccination with a positive, contagious vaccine that could spread through the badger population. My hon. Friend the Member for The Cotswolds is right that that is an important area of research, but...
I go back to what I said at the beginning: vaccination is only one of our tools for bearing down on the disease. I am afraid, however, that a badger cull is an essential part of any coherent strategy to eradicate TB. That is why we are continuing with the policy.

A number of hon. Members mentioned the BVA and its comments on the free shooting of badgers. As I said before, I live quite near Bushy Park, across the bridge from Kingston, and every autumn a sign is put on the gate stating, “The park is closed today because a deer cull is going on.” No one bats an eyelid. People do not say, “This is terrible”, and we do not get protesters running around dressed up as deer or in the middle of the night, trying to disrupt things. People seem to accept that.

I put it to hon. Members that we have to keep some sense of perspective. We are trying to fight a difficult disease and the veterinary advice is clear: a badger cull has to be part of any approach to eradicating that disease. Is it really that different from the approach that we take to controlling other wildlife, such as foxes, or deer in royal parks?

7.18 pm

Paul Flynn: The reply that we have had from the Minister is very disappointing. He has said that he will not take any action on hounds, because it is very rare for bovine TB in dogs or hounds to be transferred to other species. The Government cannot have it both ways, if that is their policy, because the chief veterinary officer, Mr Nigel Gibbens, took to the airwaves in 2013 to proclaim that it was not safe to take one’s pet Labrador, or let one’s pet cat, out into the woods, as it might catch bovine TB from badgers and subsequently infect its owner. I think that that was taken as a rather extreme view at the time, but if the veterinary view is that bovine TB is infectious to other species from hounds, we must take very seriously what is happening in a hunt that has been trampling over six of our counties. We should look, too, at other methods and ensure that, if there is a new source of infection, such as hounds, we carry out inspections. The reason we do not know whether TB is in hounds is that we have not looked, and it is about time that that was done.

An interesting claim was made about possums in New Zealand. In 2009, the New Zealand Government reported that the incidence of bovine TB in possums was 0.004%, which is vanishingly small, and pointed out that the virtual elimination of the disease from the possum population was to do with cattle control—reducing movements of cattle around the country—and nothing to do with culling. It is entirely false to pretend that it was. Some Government Members put forward a sort of Enid Blyton view of wildlife—that wild animals should abide by the ten commandments and not go out and eat other animals, or follow their natural life. That view is put forward sentimentally by some to defend what are barbaric acts against these dumb animals.

Some other points made in this debate were entirely false. The figures about Wales that one Government Member gave were just untrue. We know that the system in Wales is working, but the system in England is not. Between November 2015 and 2016, there were 36 new herd incidents in which official TB-free status was withdrawn—we are going backwards with those—and the number of cattle destroyed was up 8% in some areas. We know, too, that the number of herds that are identified as infected with bovine TB at slaughterhouses is in the hundreds. The crude, unscientific system that we have for detecting TB is not working. The Minister gave some pie in the sky hope for the future about things that are unlikely to come to fruition for many years, but the Government have shown a lack of conviction in this policy by setting a 25-year target for its delivery. I do not think many of us will be around to see that, and the Government will constantly use the excuse, “You must give us time to deal with this.”

I accused the Government of being crowd-pleasing. I was talking about the farming crowd, not the general crowd. The Government have outraged the majority of the public. It is not reasonable to mock those who sacrifice their time and safety to protest vigorously against unnecessary acts of cruelty that have no basis in science or what happens throughout the rest of the world. The worst mistake that politicians make is to say, “Something must be done. We can't think of anything intelligent to do, we can't think of any practical to do that will work, but we must do something.” I am afraid it is one of the great sins of this House and the way that we legislate that the worst mistakes we make are often in the pursuit of “something must be done”. Badger culling is a very bad idea. It is cruel, and the country will rightly show its contempt for a Government who continue with it.

Question put and agreed to.

Resolved,

That this House has considered e-petition 165672 relating to badger culling.

7.23 pm

Sitting adjourned.
Preventing Avoidable Sight Loss

9.30 am

Nusrat Ghani (Wealden) (Con): I beg to move,

That this House has considered preventing avoidable sight loss.

I thank the Backbench Business Committee for allocating me this debate, the Chairman of Ways and Means for approving it and you, Mrs Gillan, for being in the Chair. I am also grateful to all the MPs who supported my application and to Lord Low of Dalston, my co-chair on the all-party parliamentary group on eye health and visual impairment, who, with his passion and experience of these issues, is a fantastic source of knowledge and support for the group. I believe that he is with us today in the Gallery.

The latest information from local authorities, which is from 2014, shows that almost 300,000 people in England and many thousands in Northern Ireland, Wales and Scotland are formally registered as blind or partially sighted. Many thousands more suffer from sight difficulties without being registered with their local authority. I thank the Royal National Institute of Blind People for its support as the secretariat of the all-party group, which I have the honour of chairing. The RNIB estimates that almost 2 million people in the UK live with sight loss. It is predicted that that will double to around 4 million by 2050 due to our ageing population and the fact that more people will live with conditions, such as diabetes, that can lead to visual impairment.

Maggie Throup (Erewash) (Con): My hon. Friend talks about sight loss increasing in the future. Does she agree that obesity, which has the knock-on effect of causing type 2 diabetes, is one of the causes of sight loss? Children in their teens are being diagnosed with type 2 diabetes, so we really need to think about how we tackle and prevent that in the long term.

Nusrat Ghani: I definitely agree that we need to think about the long term and look at childhood obesity and diabetes, which are on the rise. I would like to put on the record that my application for this debate—I applied for a debate in the main Chamber—was supported by the right hon. Member for Leicester East (Keith Vaz), who chairs the all-party parliamentary group on diabetes.

It is estimated that half of sight loss is potentially avoidable. Glaucoma is the single biggest cause of preventable sight loss. Some 1,600,000 people in the UK have glaucoma, but half are undiagnosed. If it is detected and treated early, around 90% of people with glaucoma retain useful eyesight for life.

Mr Jim Cunningham (Coventry South) (Lab): Does the hon. Lady agree that one of the most important features of this situation is that at least half a million schoolchildren are affected, one way or another, by sight problems, if I may use that expression? Some 100,000 people in the west midlands, of which my constituency is a part, are probably also affected.

Nusrat Ghani: Of course. I will go on to mention children and the fact that it is necessary for them to be tested earlier than we previously believed they should be.

Nusrat Ghani: Does she agree that policy makers and commissioners must seek to prioritise addressing sight loss for all vulnerable people, including older people, who might also have mental health illnesses.
[Nusrat Ghani]

There are eye health strategies in place in Scotland, Wales and Northern Ireland; England is an anomaly. I therefore ask the Government to consider developing and implementing a national strategy for eye health in England. That would not require additional funding, but would be a commitment to improving the efficiency of eye care services and ensuring consistency across the country. It would enable the development of improved clinical leadership at clinical commissioning group level to prevent eye health from slipping down local commissioning agendas, enable closer partnerships between CCGs and local eye health networks, and aid commissioners to identify eye health priorities that respond to the needs of local populations.

The Department of Health and NHS England already do great work to support the voluntary sector-led England Vision strategy, but that is, by definition, limited in its ability to bring together all the relevant organisations in a joined-up way. In response to a written question that I tabled last week, the Department rightly explained that England’s size “and the diversity of the health needs of different communities” mean that commissioning is best “owned and managed locally”. I completely agree, but that should not be incompatible with strategic thinking from above by people who see the bigger picture, or establishing principles that local areas can fit to their circumstances.

Local commissioning must be coupled with national leadership. Leaving things to local commissioners is not working as well as it should. There is significant variation in the quality and quantity of services. For example, someone in Luton will wait for 15 days between their first attendance at a hospital out-patient clinic and their cataract surgery, but if they were in Swindon, they would wait not 15, 50 or even 150 days, but 180 days. That is a shocking difference. No doubt the Minister agrees that, again, that is just not good enough.

Small changes to guidelines and legislation would streamline the process for many patients. For example—my hon. Friend the Member for Twickenham (Dr Mathias) may have to help me out with my pronunciation—allowing orthoptists to sign hospital eye service spectacle prescriptions, rather than requiring ophthalmologists to sign them, would allow the delivery of effective patient care and reduce the number of appointments required to access spectacles.

Mr Jim Cunningham rose—

Nusrat Ghani: I thank the hon. Gentleman for his intervention. I hope that the Minister will respond to that and that we can tackle the postcode lottery in treatment and care across the country.

More generally, sustainability and transformation plans are an exciting opportunity to bring different parts of the NHS together, with greater efficiency and greater outcomes. They are designed to ensure that health and social care services in England are built around the needs of local populations. However, of the 44 STPs, only 22 mention ophthalmology. There is a gap in local plans, which could be narrowed by a national strategy. No doubt the Minister will share my disappointment that half of all STPs do not mention ophthalmology.

It is also worth noting that there are national strategies for other health conditions, in which local commissioners play a role alongside national leadership. The cancer strategy for England, for example, was developed by an independent cancer taskforce, including a number of charities. As a result, NHS England’s national cancer transformation board subsequently published an implementation plan. If there was a need for national leadership on cancer, dementia and strokes among other things, why does the same not apply to eye health? If the Minister needs to look elsewhere for places where there are national eye health strategies, he could even look to Zimbabwe, which has one.

Professor Tim Briggs’s review of ophthalmology services in his capacity as national director for clinical quality and efficiency is warmly welcomed, but his review focused predominantly on secondary care. A national eye care strategy would cover all stages of the patient pathway, from prevention and early diagnosis to effective treatment and management, and high-quality rehabilitation and social care.

Early diagnosis is an important part of prevention, and it hinges on awareness. Eye health must be seen as a public health priority rather than in isolation from wider health and wellbeing issues. For example, too many people see eye tests simply as a way of identifying refractive error, but their purpose is wider: to identify eye conditions that could lead to loss or deterioration of sight at a later date and prevent that before it happens. Anyone entitled to a free eye test must know that they are entitled to it.

Vision defects in children include amblyopia, which can be mild but becomes more serious if left untreated or if the sight in the other eye is lost or damaged. In December 2013, the UK national screening committee recommended that screening should be offered to all children aged 4 to 5 years. However, children’s vision screening in schools has yet to be implemented across all local authorities. Some, where it does not exist, are not commissioning it, and some are decommissioning existing programmes. The national guidelines provide a population-based examination of all children, ensuring that at-risk and vulnerable children in the population are reached. How does the Minister see the future of eye treatment and screening for children, and how does that fit into wider healthcare plans? I know that NHS England is working with CCGs, general practitioners, patients and the public to improve patient choice in all secondary care services by 2020, not least to increase awareness and achieve improvements in patient outcomes.
and experience. That is extremely welcome, but will the Minister outline how that applies to ophthalmic services in particular?

When early diagnosis is achieved, referral processes must be equally efficient: straight to hospitals, rather than via GPs as happens in some areas, which is inefficient for patients, GPs and hospitals alike. I would be grateful if the Minister provided information on how optometrists and other service providers are encouraged to follow referral guidelines issued by the National Institute for Health and Care Excellence and professional bodies.

Preventing avoidable sight loss relies on timely access to treatment for eye conditions. The latest hospital episode statistics for ophthalmology show a picture of missed and delayed appointments across England. In the High Weald Lewes Havens CCG, which covers my constituency, 6.47% of ophthalmology appointments were cancelled by hospitals in 2015-16. In Sutton, that figure leapt to 26.17%. CANCELLED appointments put people at risk of losing their sight unnecessarily, so I would welcome the Minister setting out how his Department works with hospitals and CCGs to ensure that such cancellations are as rare as possible.

As I draw to a close, I will briefly mention the UK’s work on global eye health. In May, the World Health Organisation will discuss how countries are delivering on the avoidable blindness plan. The UK is a signatory to that and also one of the largest supporters of aid to combat the neglected tropical diseases that often cause blindness. Some 90% of blindness is in the developing world, and 80% of cases can be cured or prevented. I pay tribute to the Sussex-based non-governmental organisation Sightsavers, which the Department for International Development supports to deliver British goals for the reduction of blindness abroad. I thank the Government for their international leadership on this important issue.

Back home, I pay tribute to all the work done by Lord Low, the co-chair of the all-party parliamentary group. I asked him what sight loss is like and what obstacles have to be overcome. He said that we cannot underestimate or understand the hurdles, time and energy it takes just to try to live independently and have access to services that the rest of us do to enable us to live a full life. There is also the importance of technology in this area, and how it must be harnessed to support people with sight loss.

Will the Minister explain how much work is being done to harness technology to help people with sight loss and how much work, commitment and finances are put into research? The eye research charity Fight for Sight has done so much commendable work in research. We cannot deal with some sight conditions, but the right amount of investment may help us tackle and stem the rise in sight loss in our ageing population.

Blindness and partial sight in the adult population costs the UK about £28 billion a year—not the £28 million mentioned in the House of Commons Library research paper. However, it costs so much more than that: opportunities are missed and careers stall. While disability employment in general is increasing, the one exception is eye disabilities. Family and relationships are challenged. I know the Government and the Minister are committed to reducing avoidable sight loss, improving the quality of life for people with sight loss and addressing persisting health inequalities. I finish by thanking the Minister for the work he does in this area and encouraging him to keep going.

9.47 am

Melanie Onn (Great Grimsby) (Lab): It is a pleasure to serve under your chairmanship, Mrs Gillan. I congratulate the hon. Member for Wealden (Nusrat Ghani) on securing the debate. To lose one’s sight partially or wholly, gradually or rapidly, is a life-changing experience. Ordinary, everyday activities that were once straightforward become increasingly complicated, with simple tasks taking longer, and people create their own adaptations in order to cope. The number of people who live with sight loss in the UK is predicted to double to about 4 million by 2050. Due to our ageing population, more people are living with conditions that can lead to visual impairment, such as diabetes.

Loss of sight is more prevalent in my constituency, which is having a dramatic impact on quality of life, particularly among older people, yet we are failing to provide sufficient access to preventative treatment. In October last year, Northern Lincolnshire and Goole NHS Foundation Trust was found to have nearly 22,500 appointments overdue at its three hospitals. More than 12,500 of those were at the Diana, Princess of Wales hospital in Great Grimsby, with hundreds of people at least eight months overdue for appointments. Across all three hospitals, the department most affected was ophthalmology, with 2,200 appointments overdue in Grimsby alone.

By 2030, there are expected to be 7,050 people in north-east Lincolnshire living with sight loss, an increase of 32.5%, and 980 living with severe sight loss, an increase of 38%. That increase is largely because we have an ageing population and, generally, the older someone is, the more likely they are to suffer from loss of sight. That is important, because visual impairment has a considerable impact on our psychological wellbeing, which means that older people are three times more likely to experience depression caused by sight loss, not to mention isolation and loneliness.

Yet as the RNIB and the hon. Member for Wealden have pointed out, nearly half of sight loss is avoidable. Timely access to treatment, including follow-up appointments and the effective monitoring and management of eye conditions, is vital to preventing unnecessary loss of or deterioration in sight. It is important because successful treatment of many conditions is time-dependent. That is why it was so shocking to learn in late October last year that up to 800 patients in the eye department of Northern Lincolnshire and Goole NHS Trust who are potentially at risk of harm were left waiting—many of them for months on end—to be told what treatment they needed. Additional clinics were arranged to deal with the backlog, but patients should never have been left for such an extensive period of time without any check-ups or assessment of their condition.

In that area of the world there is a shortage of clinicians across the board, but particularly in ophthalmology, which adds to the strain on the system. When asked about the backlog of patients, the leadership at Northern Lincolnshire and Goole Trust said that they knew about it and saw it grow, yet they failed to draw up a coherent plan to address it, despite it being a year on from the tragic 2015 case of Brian Critten, a
patient at Scunthorpe general hospital, which is run by the trust. In an investigation that was launched after Mr Critten alleged a failure in duty of care, the hospital acknowledged that there might have been an opportunity to identify his cancer earlier if a cataract operation had not been cancelled and subsequent appointments not repeatedly postponed.

We cannot continue with a situation where preventive treatment is missed. The NHS must work with stakeholders, including the RNIB and other charities, to develop and implement a strategy that ensures adequate eye care services across England. I was contacted by Scartho Eyecare, an optician in my constituency, and informed that we are one of the few areas with no optical enhanced services—services that can ease the burden on GPs and on hospital ophthalmology services. There is apparently capacity to help at a lower cost to the NHS, but it has not been taken up. Perhaps the Minister will reflect on that in his speech.

It seems irresponsible that eye care strategies exist in Scotland, Wales and Northern Ireland, but that England does not have a strategy to meet the future needs that have been highlighted. Surely now is the time to get that right.

9.52 am

Dr Tania Mathias (Twickenham) (Con): It is a pleasure to serve under your chairmanship, Mrs Gillan. I commend the hon. Member for Wealden (Nusrat Ghani) for securing this important debate; there have already been useful contributions. I want to make a short speech. I declare an interest: before I was a Member of Parliament, I worked in the NHS as an ophthalmologist.

I hope that the Government can achieve their own 20/20 vision for eye care in England. I hope that the Minister will go away with knowledge of what that should mean for the Government. We have heard about delays in the NHS. The figure from the Royal College of Ophthalmologists is that 20 people a month in England experience sight loss because of delays with appointments. I do not know about anyone else, but I have found that the hairdresser and dentist are better at telling me about appointment times than the NHS. It is the 21st century, and I believe that that is negligence—I do not know if lawyers would call it wilful negligence. It is one thing for a doctor in a clinic to have to tell a patient, “I am sorry, there is nothing I can do for you,”—it is the worst part of the job—but it is even worse to have to say, “If you had come to me a month ago, I might have been able to help you.” That is England today. The NHS and Government need to be transparent about where they are letting patients down.

The other 20 in my 20/20 plea to the Government—I have mentioned it to the Minister—concerns the £20 million cap that NHS England is talking about for the annual cost of new NHS drugs. The Minister is aware that for dry macular degeneration—the commonest form of macular degeneration, accounting for 90% of cases—there is currently no treatment. Those are among the sad cases in clinics when people are told, “There may be nothing we can do.” However, a phase 3 trial is being undertaken of a drug that may help with dry macular degeneration. If everyone present were to have an examination, I am sure that there would be people here now with signs of dry macular degeneration—perhaps even the Minister himself. The drug will be an exciting change in medicine. It is not about just preventing sight loss; it is about maintaining independence. I do not believe that the £20 million cap takes into account the cost when someone loses their central vision, through losing independence and depending more on social care or family members who may take time off work to help.

The Government need 20/20 vision. We need to be transparent with patients. We heard about the case of Jean Rugg, who was losing her sight because of delays with appointments. A lady who came to my constituency surgery told me she was getting private treatment for her husband, because she realised that the delay in the monthly appointment for an injection for wet macular degeneration would cost him his sight. She was not angry; she just wanted me to be informed. If there is a £20 million cap, every MP will have people in their surgery saying, “I am trying to sell what I have to save my family member’s sight.” The £20 million cap must not apply to sight-saving treatments. I hope that there will be other speeches—it is a wide field—but that is my plea for the Government to have 20/20 vision.
My understanding is that, by 2021, 40% of the Scottish population will be over 50—I actually have to include myself in that figure. A significant proportion of sight loss is related to age: one in over-75s and one in three over-90s will suffer significant sight loss. We have an ageing population and we are going to have to look at this issue extremely seriously, in terms of services right across the UK.

The Scottish Government are committed to keeping NHS services free at the point of delivery, and prescriptions and eye tests are currently free of charge, which has resulted in a 29% increase in the number of tests undertaken.

That is important, because my understanding is that one of the barriers to preventing avoidable sight loss is that people are not accessing care, which is particularly linked to areas of deprivation. If the UK Government looked at making eye tests free, people in areas of deprivation in particular might not have to choose between a sight test and a meal on the table at the end of the day. In these times of austerity, those are some of the choices that some families unfortunately have to make.

I understand that the Christie Commission report looked at the future of public spending and estimated that 40% of public service spending could be avoided by using a preventive approach. Once again, I emphasise that it is not only morally right and our absolute responsibility to our constituents to ensure that avoidable and preventable sight loss is avoided and prevented, but that doing so is also cost-effective. International research indicates a fourfold return on investment in early eye care intervention, so this absolutely makes sense. Early diagnosis is key.

Let me end by saying that long-term planning is needed. We have made significant steps in policy in Scotland, but I do not want to see a postcode lottery for the rest of the UK. The Minister should look at making sure the policy is commensurate and gives the very best in evidence-based practice for constituents right across the UK.

10.3 am

Jim Shannon (Strangford) (DUP): I have 27 minutes to speak. I jest, by the way; I am not going to speak for 27 minutes.

Mrs Cheryl Gillan (in the Chair): Mr Shannon, you have plenty of time to speak. I feel I should declare an interest as I am wearing glasses to read my papers.

Jim Shannon: It is always a pleasure to serve under your chairmanship, Mrs Gillan. I give special thanks to the hon. Member for Wealden referred to England in her introduction, but Scotland, Wales and Northern Ireland have taken some steps in that direction. At the end of the day, we can certainly do this much better.

Sight loss affects people of all ages, but older people are more likely to experience a sight-threatening condition. That is clearly understandable. Having celebrated another birthday on Saturday past—I have stopped counting birthdays, which I think is probably the best idea; I try to forget about it, but the family keep reminding me that I am of a certain age—I certainly feel a deterioration process in action. That old saying that the spirit is willing but the flesh is weak becomes more and more a reality as I mow the lawn at home and carry out maintenance on the farm.

My glasses prescription has changed greatly over the years, and not for the better. That, again, is part of the ageing process. I am also a type 2 diabetic, so I have to be particularly careful with my eyesight. The former health Minister, now the Financial Secretary to the Treasury, replied to a question I asked about diabetes, and I think the hon. Member for Wealden referred to diabetes in her speech. The hon. Member for Erewash (Maggie Throup) also mentioned it in an intervention. We need to be aware of the complications of diabetes. Early diagnosis is very important.

It is critical to have regular appointments with an optician. I am not sure if everybody has one as regularly as they should. In Northern Ireland, I see my optician twice a year—probably because I am a diabetic. Others probably do it at least on a 12-month cycle. It is important to do so, because an optician can spot things in someone’s eyesight and signs affecting other parts of the body. It is important that the role of the optician is encouraged.
One of the lesser-known reasons for sight loss is leber hereditary optic neuropathy. It is an ultra rare and very disabling disease that leads to blindness in approximately 80% of those affected within one year of the onset of symptoms. It affects just one in 50,000 people and is caused by a disorder of the mitochondria; it usually strikes young men aged between 15 and 35. Again, it can be prevented by early diagnosis, but there are no treatment options routinely available to patients with it in the UK. I often look with envy towards Scotland, because Raxone is currently undergoing a review there, whereas in England it was not selected by the National Institute for Health and Care Excellence. That is a bit of a disappointment. If the Minister does not mind me asking, perhaps he could respond to me on that as well when he gets a wee chance. It is most important.

I will give a Northern Ireland perspective, but I will not be taking the time that we talked about at the beginning. In Northern Ireland, the 2011 census reported that, out of a population of 1.8 million, a total of almost 31,000 people self-reported a long-term condition related to blindness or partial sight loss, representing some 1.7% of the population. However, the figure is set to increase dramatically in the future, as the population ages.

I am not sure if anyone has mentioned this yet, but we have an ageing population. We are getting older, and people are living longer, so this issue will become a bigger factor than ever before. Recent population statistics from 2016 reveal how the age structure in Northern Ireland is projected to change. I will give an example. The population aged 65 and over is projected to increase by 74.5% to almost 500,000 people from mid-2014 to mid-2039, with the result that one in four people—24.7%—will be in that age category. The population aged 85 and over is projected to increase by 157.3% to 88,600 people over the same period, which will see that share of the population increase from 1.9% to 4.4%.

The reason for giving those stats is simple: there will be greater demand on the NHS. The increasing prevalence of sight loss over the next decades requires additional planning, a long-term strategy and policy development now in order that the Government best respond to people’s needs and concerns. That is what we are asking of the Minister, for whom we have the utmost respect, and I know he will reply with conviction and a desire to answer our questions.

I wonder whether this could be done better together, through a UK strategy. I am a great believer in the Union of Great Britain and Northern Ireland. I have been told of this morning for saying that once or twice too often, but I continue to say it because it is important, as it is for my colleagues close to me in the Chamber.

In Northern Ireland we face a particular challenge in relation to timely and responsive ophthalmology treatment. In recent years, many new treatments have been developed, saving the sight of thousands of people who previously would have gone blind. One of our universities in Northern Ireland has been involved in perfecting new drugs and systems to prevent sight loss. An enormous amount of work is going on behind the scenes. Those new treatments are an enormous and welcome step forward.

Some conditions, such as dry age-related macular degeneration, can cause permanent sight loss in a matter of weeks or months. That is why early diagnosis and treatment is vital if a person’s sight is to be saved. It is no surprise that delays to treatment can have a severe impact on patient outcomes. Everybody who has spoken so far has said that, as will those who speak after me.

Many new treatments for sight-threatening conditions require frequent follow-up appointments for monitoring and re-treatment. That has caused a rapid increase in demand for services. Northern Ireland faces a waiting list crisis across a number of specialties, including ophthalmology. I know this is a devolved matter, but I want to give some stats. As of 31 December 2016, some 23,000 people were waiting for a first out-patient appointment in ophthalmology, while 14,221 patients—approximately 62%—were waiting longer than 18 weeks. Statistics also show that patient numbers within ophthalmology are increasing year by year. On 31 March 2013, there were more than 8,000 patients waiting for first consultant-led outpatient appointments, compared with 23,000 in December 2016. That is an increase of 184%.

Severe financial constraints on the health service mean that increased demand for eye care services has not been met with increased resources. That has led to some patients losing sight unnecessarily because they are not seen within clinically safe timeframes. That is the core point we are all trying to make. In March 2016, the Royal College of Ophthalmologists released preliminary findings from a national study indicating that at least 20 patients per month suffer severe and unnecessary sight loss due to appointment delays. That is avoidable—if it is avoidable, for goodness’ sake let us try to address that issue.

The situation in Northern Ireland is similar to that in other parts of the United Kingdom; urgent action is needed so that preventable sight loss is avoided and people do not come to harm while waiting to be seen. With more than 14,000 Northern Ireland patients waiting 18 weeks for an initial appointment with a consultant, and more than 30,000 planned appointments missed due to hospital cancellations or the patient’s failure to attend, now is the time to address the provision of eye care services. This is putting an enormous strain on busy hospital eye departments and overworked NHS staff.

To conclude, while the lessons learned in Northern Ireland must be shared and there must be central learning for all the United Kingdom’s devolved Assemblies and the Government’s Developing Eyecare Partnerships strategy, it is important to resource and implement that strategy if effective change is to happen. We are looking for effective change, because without it, this debate will have failed. We are here to be positive, but we need Government assistance to make this happen.

While additional resources are needed, the reconfiguration or development of services does not necessarily need resources; it just needs a more effective way of approaching services. We cannot wait any longer, as each month of waiting for proper funding and implementation is a month in which people are losing their sight unnecessarily. I have heard before that I have the greatest respect for the Minister. I look to him for UK-wide action now, and for the Government to work in conjunction with the devolved Administrations.
Mrs Cheryl Gillan (in the Chair): Unless anybody else wishes to speak, we will move on to the Front-Bench contributions. I am pleased to call Marion Fellows.

10.15 am

Marion Fellows (Motherwell and Wishaw) (SNP): Thank you, Mrs Gillan; it is a great pleasure to serve under your chairmanship. I commend the hon. Member for Wealden (Nusrat Ghani) for working so hard to secure this Backbench Business debate.

I must start by declaring a personal interest in this debate: I have been diagnosed with cataracts and also have an issue with the macula in my left eye. I would like to thank the Doorkeepers, who are always present, for writing down the names of all Members for me so that I can refer to them properly in my speech. I simply could not do it without them.

Like a lot of people, no matter how hard I listen at hospital appointments, I cannot always absorb everything that is said to me, so I do not know exactly what is wrong, but I am due another appointment soon. I am fortunate that as a result of visiting my local optician for my regular eye test, the optometrist saw what was wrong and referred me to a local hospital for further investigation, and then on to a hospital in Glasgow. My husband has also benefited from free eye tests and is receiving treatment. We are really grateful to the Scottish Government that we have free eye tests.

The Cabinet Secretary for Health committed last year to a review, to consider an even more joined-up strategy and ensure that practices already taking place in parts of Scotland are spread across the country. The chair of Optometry Scotland has said that the review, which will look at existing models of good practice, could really change what is happening.

As the hon. Member for Wealden said, almost 3 million people are living in the UK with sight loss, and the number is expected to double to 4 million by 2050 because of the ageing population, which many speakers have referred to. I am one of those older people, so I have a dog in this fight. I do not want people across the UK to wait any longer than necessary for proper treatment.

The hon. Lady also referred to glaucoma, which is the most prevalent cause of preventable sight loss. As she pointed out, there is no overarching eye strategy for England, but there are strategies in place for Scotland, Wales and Northern Ireland.

Almost 300,000 people are registered with sight loss in England, and that figure will double. The voluntary sector in England is supported on this, but the Department of Health recognises that local solutions are better. Indeed, the hon. Lady made an impassioned plea for that. She referred to small changes to guidelines. A national strategy is vital to plug local gaps. She called for the screening of all children between four and five, which has been recommended but not yet implemented: I had not recognised that previously, but I do not think anyone in this Chamber would not support that.

The hon. Lady said that early diagnosis is really important and must be followed by speedy treatment, and that missed and cancelled appointments should be minimised. Finally, she looked at the international landscape and the good work done by DFID. She also mentioned that the cost of vision loss in the UK is £28 billion per annum, which could be mitigated by changing the type and speed of treatment that people receive. That was echoed by other speakers.

The hon. Member for Great Grimsby (Melanie Onn)—what a wonderful name for a constituency—talked about quality of life, especially for older people. That was echoed by my hon. Friend the Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron), who said that the difficulties experienced by older people lead to things such as falls, which impacts on the national health service across the UK, but especially in England. It also leads to isolation and loneliness, of which my hon. Friend has great professional experience and also family experience with her own grandmother. As the hon. Member for Great Grimsby said, patients should not be left waiting. She referred to problems with Northern Lincolnshire and Goole NHS Foundation Trust, which has been sued as a result of delay in treatment.

The hon. Member for Twickenham (Dr Mathias) referred to her career as an ophthalmologist. I must say that ophthalmologists do great work, because it was my local ophthalmologist that started my long referral for treatment. The hon. Lady hopes that the Government will achieve their own 20/20 vision for England; indeed, I think we all hope that. Delays are affecting 20 people a month. It gets to the stage where people turn up for appointments but nothing can then be done. No one should be happy with that situation, and no one is. I make a plea to the Minister to ensure that he looks at it.

The hon. Member for Wealden referred to the case of Jean Rugg and the fact that people are now going private across the UK to try to prevent sight loss. I am sorry, Mrs Gillan: I get a bit emotional about this issue because of my own fear. I have not been wearing glasses from such a young age as the hon. Member for Strangford (Jim Shannon)—I was 11 when I started—but I think I can safely say that I can give him a good few years, so I have been wearing them for a long time. For someone who already has sight problems, the thought of losing their sight is something that they live with daily, and when it is flagged up that there might be something wrong, that causes great personal distress.

A really important point is that free eye tests, which we have in Scotland, encourage people to attend regularly to have their eyesight checked, which, as I said, leads to better treatment earlier. We really do not want a postcode lottery anywhere in the UK but, as hon. Members said, there is a postcode lottery in England: people need to live in the best place to get the best treatment.

The hon. Member for Strangford talked about the role of the optician. He said that 30,000 people in Northern Ireland—1.7% of the population—are affected at present. However, as is the case for the whole United Kingdom, this will be an ongoing and serious issue as populations age. My hon. Friend the Member for East Kilbride, Strathaven and Lesmahagow painted a vivid picture of how people can be affected psychologically by sight loss—loss of vision. It is awful.

I want to ask the Minister about the cost of drugs and the £20 million cap that NICE has implemented in England. Does he consider the new cap an appropriate measure, given the Conservatives’ manifesto promise to speed up the introduction of new medicines into the NHS? It seems counterintuitive, when we can save the NHS money through early treatment, that we stop treatment that will help to prevent people from suffering
falls and psychological illnesses and costing the NHS even more in the long run. Prevention is always better than cure. We really should be looking at that. In Scotland we do our best to do that. There is a different ideological focus. I have talked many times in this Chamber about how we do things better in Scotland. Hon. Members across the Chamber do not always agree with me, so it has been comforting, and indeed pride making, to hear them agree with me on this issue. A national strategy is needed in England as well as in the rest of the UK—in the devolved Assemblies and in the Scottish Parliament. Can the Minister give some comfort this morning to my colleagues who represent English constituencies?

It is a privilege to be able to talk here about the good work that we are doing in Scotland and that has been done in other parts of the UK. I again ask the Minister to look at the £20 million cap and at providing for the NHS in England a strategy that can help prevent avoidable sight loss.

10.25 am

Julie Cooper (Burnley) (Lab): It is a pleasure to serve under your chairmanship, Mrs Gillan. I thank the hon. Member for Wealden (Nusrat Ghani) for securing this important debate, which is long overdue. I also pay tribute to the excellent work that she does on the APPG to reduce sight loss; I was privileged to attend a recent meeting, and she is doing sterling work, for which I applaud her.

We are fortunate also to have the expertise of the hon. Member for Twickenham (Dr Mathias); I am sure that we were all interested to hear her expert opinion. We also heard very human stories from hon. Members representing constituents all over the country. They made very powerful cases. As I said, a debate on this subject was long overdue. Given the scale of the problem, to which many hon. Members alluded, the fact that it barely gets a mention in Parliament from one month to the next is quite shocking.

It has been said already, but is worth stressing, that more than 2 million people in the UK are living with sight loss. This is not a problem that affects a small number of people; it is a major problem. One in five people over 75 and one in two people over 90 are living with sight loss. With regard to the impact on the wider NHS, every year there are 2.6 million GP appointments for eye-related conditions and 270,000 accident and emergency visits for acute eye problems. And the problem is not going to go away. We have heard that the number of over-85s will double over the next two decades and that problems with sight loss are also set to double. Research by the Royal College of Ophthalmologists shows that there has been a 37% increase in eye clinic attendances in the UK over the past 10 years, and demand is growing year on year, making it the specialization with the second highest out-patient attendance. New treatments as yet unimagined will inevitably add to that demand.

For me and, I am sure, most Members in the Chamber, the most alarming statistic is that more than 20 people go blind unnecessarily every month in England. That is 20 people who did not need to lose their sight. It is a really shocking statistic. Many Members, including the hon. Member for Motherwell and Wishaw (Marion Fellows) and my hon. Friend the Member for Great Grimsby (Melanie Onn)—I only represent great Burnley—have alluded to the horrors of blindness. Particularly affected are the elderly, people with dementia and people suffering from diabetes.

Jim Shannon: I have a very good friend back home in my constituency who has diabetes. He decided to go for laser treatment to correct his short-sightedness and, as a result, he lost sight in both eyes. There can be complications for diabetics who try to improve their sight. For my friend, that became a horror story rather than a good story. People who are diabetic need to take special cognisance of the possibility of complications before they do anything. I apologise, Mrs Gillan, for intervening for a wee bit longer than usual.

Julie Cooper: I am grateful to the hon. Gentleman for that important intervention. Diabetes brings its own special problems, which we need to be widely aware of and build into any future strategy.

Some 20 people every month in this country—one of the richest countries in the world—go blind unnecessarily; it is not because we lack the ophthalmic expertise to save sight. On the contrary, we have many leading centres of excellence. Indeed, the Manchester Royal eye hospital that serves my constituency is one of the finest centres in the whole of Europe. People are going blind because capacity in the service is failing to keep pace with demand. For many eye conditions, including glaucoma and macular degeneration, early diagnosis and regular treatment are vital if sight is to be retained. For example, if glaucoma is diagnosed early, good sight can be retained, but in the overstretched and under-resourced system that we have now, 17% of those diagnosed lose their sight.

Currently, fewer than half the patients requiring multiple appointments are seen within the optimum timeframe, and the statistics given by my hon. Friend the Member for Great Grimsby about the effect on her constituents are truly shocking. Research shows that more than half a million appointments in England were cancelled by eye departments in 2015-16. It is therefore not really surprising that the Royal National Institute of Blind People reports that 50% of the incidences of blindness could have been avoided. It is undoubtedly a source of misery for the individuals affected, causing untold suffering, restrictions on lifestyle and a host of missed opportunities. In addition, as has been referred to, it places massive additional pressures on social care services and the wider NHS. I think that we all agree, on both sides of the House, that services need to improve.

There are already many examples of pockets of good practice—deploying mobile units and the multi-skilling of staff—where experts are desperately trying to compensate for a lack of resources to deal with increased demand. Clearly, the knowledge that demand will continue to grow means that there cannot continue to be business as usual. The clinical professionals have identified four areas that need to improve. They have said clearly that there is a need for an overall strategy—a direction from above and from Government. It is significant, as the hon. Member for Wealden pointed out, that in Zimbabwe there is a national strategy to prevent sight loss and retain sight, but in England we do not have such a
strategy—I am shocked. The professionals also call for improved access to data to make their job easier and more efficient; to avoid duplication and ensure that they have access to the best possible information about their patients in a timely fashion.

In addition, the professionals call for services to be provided locally. That is particularly important because many of the patients are elderly. The current system of geographically distanced centres seems to be in direct contradiction to the aims of the five year forward view, which asks for treatments to be delivered locally. Current financial constraints must also be reduced to increase capacity. That makes sound economic sense, as we heard from the hon. Member for Twickenham (Dr Mathias) started with. Some 20 people a month are losing their sight, whether due to lack of prevention or lack of early treatment, in ways that are preventable. That is not acceptable, and we need to work collectively to address it—I will try to set out the Government response to it now.

I start by acknowledging what a number of Members have said—that 50% of sight loss is preventable. I think my hon. Friend said that 85% of people regard sight as the most precious of all our senses. Frankly, I am surprised that the figure was not higher than that. This is clearly massively important. We can debate numbers—the hon. Member for Burnley (Julie Cooper) just talked about £28 billion—but the key figure is the statistic that my hon. Friend the Member for Twickenham started with. Some 20 people a month are losing their sight, whether due to lack of prevention or lack of early treatment, in ways that are preventable. That is not acceptable, and we need to work collectively to address it—I will try to set out the Government response to it now.

I will talk first about prevention and the need for early detection and improved treatment. We heard about waiting lists in Great Grimsby, which I will come to. I will also talk about the social exclusion that can occur, and the mental health issues that can come from that. As I go through, I will try to address the points raised during the debate by Members on both sides of the House. If I do not, I am sure Members will remind me that I have not; in any event, we will write on any points that are not directly addressed.

The UK vision strategy was produced jointly with the RNIB, which does a lot of extremely good work in this space, for which the Government are grateful. Both the Department of Health and NHS England fully support that strategy, and need to continue to drive it forward. We also support global issues; Members have talked about the WHO global plan, which intends to eliminate preventable sight loss by 2020, and my hon. Friend the Member for Wealden talked about some of the work we do globally. She talked about patient choice and the referral process—whether it is via GPs or direct—which is an interesting point that I will come to. She talked about STPs, as did the hon. Member for Burnley, cancelled appointments and the need for a national strategy in England. I will come back on those points, if I do not get to them during my remarks.

To frame the issue, 2 million people in the UK have sight loss—because sight loss is so related to age, 4 million people will almost certainly be affected by 2050—and 80% of those are over 60 years old. Several Members cited statistics illustrating the demographic changes, including the hon. Member for Strangford (Jim Shannon), who spoke about Northern Ireland. As we debate these things across health and social care, we have to recognise the incredibly significant changes to our demography.

When the national health service was set up in 1948, one person in four lived to be over 65. We have totally fixed that, in the sense of increasing longevity. In the last 10 years, our population has increased by 10% and our population of over-85s has increased by nearly 28%. That trend will continue and accelerate, which gives us all challenges, including resourcing and all that that means. I heard a very apposite phrase recently: “We have done a good job of increasing quantity of life, but we haven’t yet increased quality of life to the same extent.” That is true of sight loss. As we heard, 148,000 people are certified blind in this country, and they are an exciting opportunity to address some of the issues these points. STPs have been mentioned, and they are resources, in one of the richest countries in the world, it is potentially being developed but that, for reasons of expert look a patient in the eye knowing that a treatment...
In responding to those changes, we have to look at prevention and understand the risk factors. I have just covered the first risk factor, which is age. We cannot do a great deal about that, other than note that we are all getting older. Like the hon. Member for Strangford, I am over 50—considerably so—and the fact is that the sight loss numbers are driven by age. Smoking and obesity also play a big part in eye health, as they do in other aspects of health. Our tobacco control strategy will be produced imminently. We have done a good job in this country of reducing smoking, but we need to go further and faster, and I hope that the strategy will be a big part of that. There will be specific targets by age group for what we need to achieve. Obesity is equally a big part of that. There will be specific targets by age group for what we need to achieve. Obesity is equally and possibly more important; it is a risk factor for all sorts of things. I perhaps did not fully understand that and possibly more important; it is a risk factor for all groups for what we need to achieve.

Hon. Members, including the hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron), mentioned cataracts. Obesity doubles the probability of getting a cataract. That is an extraordinary statistic given that it is not intuitive that those are linked, even though they clearly are. I do not want this debate to be about money—what we are talking about is more important than money—but the cost to the country of obesity and diabetes put together means that we now spend more in the NHS on treating them than we do on the police service, the judiciary and the Prison Service combined. That puts into perspective the magnitude of the cost and what we need to achieve.

On prevention, we have not talked about the screening programme that we have introduced for diabetic eye disease, which was the principal cause of blindness in working-age people until recently. As a result of the programme, which involved offering a digital photograph to all people with diabetes over the age of 12, something like 2 million people were screened last year. For a screening programme, there was a very high uptake—over 80%—and some evidence shows that it has resulted in significant progress in preventing that type of blindness. This is the first year for which we have those figures, and diabetic eye disease is no longer the principal cause of blindness in working-age adults. That has largely been achieved through that very effective screening programme.

Let me talk briefly about the four most common causes of blindness, which are cataracts, age-related macular degeneration, glaucoma—that is the most prevalent, as we have heard—and diabetic eye disease. All of those can be treated most effectively through early diagnosis—frankly, that applies in most areas of health, but it is particularly true of eye health—and the first part of that is timely sight tests. Sight tests are free for children at school, although parents have to arrange them. They are also free for the over-60s, for anybody who is in a high-risk group, including those with diabetes or glaucoma, and for people on various income-supported benefits. There were 13 million eye tests last year, which was an increase of 2%. There is always a case for doing more, and I say to anyone who is listening to this debate, even if they are not of such an advanced age as me or the hon. Member for Strangford, that these things are worthwhile.

Treatment is CCG-led in this country. The principal reason relates to some of the issues that we heard about from the hon. Member for Great Grimsby (Melanie Onn), who spoke well about the large numbers of people on the waiting list at the Northern Lincolnshire and Goole NHS Foundation Trust and the extra clinics that had to be put on. That is a CCG responsibility. With national strategies, there is a choice about whether something should be locally focused, with local commissioners having the resources and money—although resources are a different issue—or whether there should be an overarching national plan.

I was struck by what the hon. Lady said about the actions that were taken. Those were local actions, which were completely appropriate. In England, we produce a public health outcomes framework—I do not think that is the case in Scotland, notwithstanding the excellent speeches by the Scottish National party Members about what is done in Scotland. The framework sets out for every local authority area in the country the extent to which there is glaucoma, diabetic eye disease and age-related macular degeneration, and the total number of people who are certified blind. Those data are tracked over the years and ought to inform local commissioners, and indeed, local health and wellbeing boards in the priority areas. There are striking differences and clusters of different types of blindness and different issues in different areas.

To cite a few of those differences, Barnsley has three times the national average of age-related macular degeneration and twice the national average of people who are certified blind. To me, that suggests that the commissioners in Barnsley should, in particular, be putting effort and resources into treating AMD. London has something like 20% more diabetic eye disease than other parts of the country. That may be to do with the large south Asian population in parts of London and the diabetes that that implies. Those sensible decisions should be taken by local commissioning groups in the knowledge of the facts. I commend the public health outcomes framework to hon. Members, who may not have looked at it for their own constituencies and patches. That should be considered and understood, because for this and other issues, it tells us where the priorities ought to be.

Melanie Onn: If CCGs are to focus on providing more support for a particular service, it prompts the question, “What will support be taken away from?” The trust in my constituency has now gone into financial special measures. There is only so much give in the system. What does the Minister think is the solution?

David Mowat: I did say, when I was making the point, that I was not talking about priorities in terms of total resource there. We must make choices. I will come to the point about the £20 million budget.

The hon. Member for East Kilbride, Strathaven and Lesmahagow mentioned concerns that cataract operations were being rationed. In response, the Secretary of State requested that NICE issue guidelines this year rather than next year, and we will pursue that. However, I make the point that 17% more cataract operations are...
being done in England now than five years ago. That does not imply rationing to me, but we need to be careful. Operations should not be rationed, and we want NICE guidelines in place to ensure that they are not.

I will address some of the points made by hon. Members. My hon. Friend the Member for Wealden mentioned referral pathways. She is right to say that different CCGs do things differently. Some CCGs will require an optician to refer a patient to a GP, who then refers onward to the hospital or ophthalmologist; around 11% of CCGs do not do so, which is quite odd. I will ask officials to investigate why. The principle is that CCGs are responsible for setting their own pathways. It is not for the Government to tell them what to do, but it is possible—indeed, likely—that some might not have wholly addressed the issue.

There is a general drive right across the health service to do more things in the community and fewer things in hospitals. Part of that involves using opticians in the best way possible, and not just on this issue. Although it has not been mentioned in this debate, I would like to see opticians used much more for glaucoma monitoring and other such things that, at the moment, tend to happen in hospitals, because as we have heard, there is a great deal of strain on a number of hospitals. We will try to make progress on that issue. I am happy to sit down with my hon. Friend and the Royal National Institute of Blind People, as she asked, to talk about it in more detail.

My hon. Friend mentioned shared delivery plans. She said that only 50% of STPs include a coherent eye strategy, and the hon. Member for Burnley said that some of those looked like tick-box exercises. I accept that, and I have two points to make. One is that an STP is not an organisation but a planning document, which must be put in place to begin to establish planning areas across the country where we can marry up prevention, primary care and secondary care. Not all STPs have yet addressed all the issues that they should; they are a process, not an event. I say to the people concerned about that that they should keep lobbying their local STP leadership, who are responsible for addressing it. Frankly, many STPs have a long way to go to become coherent plans, and eye health is just one area on which we need to make more progress.

We heard about the issue of cancelled appointments. They are a particular problem with eye appointments, which can be time-critical; the figure of 20 avoidable sight losses a month was quoted. The principles governing missed appointments across the NHS apply in exactly the same way to eyes as they do to all other things. The NHS constitution sets out an 18-week limit. I have heard speakers in this debate mention clinics where 50% of appointments are not attended. Such numbers are completely unacceptable. What is hard to understand in that context is that in the last five years we have increased the number of consultant ophthalmologists across the patch by around 27%. That does not imply that the problem is staffing, but I will take the issue away and consider it. I reiterate that the same provisions that apply to all aspects of our NHS apply to eyes and to national waiting lists. People who fail to get appointments for which they are clinically ready should be on a national waiting list. We should performance manage it in that way.

My hon. Friend the Member for Wealden mentioned choice, rightly saying that people are entitled to choice in their secondary care. The same principle applies to eye care as to all other types of care, but there is more that we can and must do to build awareness.

I will touch briefly on the issue of an eye strategy. I have asked why NHS England feels that it is better for it to be owned and controlled locally; I made the point previously about the degree of local variation. We heard some instances from Northern Ireland, where there is an eye strategy, that show that it is not a panacea. As a Minister, I have a general view. There are a lot of strategies, but many fewer clear action plans with deliverables and accountabilities. It is rather like what we heard about in Great Grimsby. My preference is to work with NHS England and with Health Education England, if it is a question of getting more people into roles and all that goes with that. Having said that, I am happy, as I said, to talk to my hon. Friend the Member for Wealden and the RNIB more generally, but overall, across the health system, I do not see a lack of strategies. I sometimes see a lack of action plans with accountabilities and clear deliverables. My bias is towards the latter, not the former.

On the point about rationing, the NICE process is an attempt to create, across the whole health system, coherent guidelines and structured ways to evaluate different medicines. Broadly speaking, a cost of £20,000 per quality-adjusted life year is used by NICE to decide whether a drug should be offered or not. However, the point about the £20 million cap is slightly different. The cap is being introduced, potentially, for new drugs; it would not apply to any existing treatment. We are accelerating new drugs coming into the system. The cap would act as a trigger point: after £20 million has been spent, a renegotiation with the manufacturer would take place. On that point, I will sit down and allow my hon. Friend to sum up.

10.58 am

Nusrat Ghani: I have only a few minutes for my winding-up speech. It has taken a long time to discuss sight loss here in Parliament, but I am pleased that the Minister has responded so positively. Of course the all-party parliamentary group, the RNIB and I look forward to holding a meeting with him. We agree that the lack of local action, accountability and deliverables must be addressed. We are still convinced that it requires a national strategy, but we are more than happy to discuss that with him.

Fundamentally, the population is growing older, and more and more health problems are coming our way. The number of those with sight loss will increase from 2 million to 4 million. We need to do more on screening, research into treatments, prevention and ensuring that, regardless of where in England people live, they are treated equally and with dignity, within a period of time that ensures that preventable sight loss does not happen. Some 50% of current sight loss could have been prevented. That is not a statistic that we want to repeat.

Question put and agreed to.

Resolved,

That this House has considered preventing avoidable sight loss.
Children’s Health: Access to Milk

11 am

Mary Glindon (North Tyneside) (Lab): I beg to move, That this House has considered children’s health and access to milk in educational settings.

It is a great honour to speak under your chairmanship, Mrs Gillan. School milk is an issue that cuts across three Departments—the Department of Health, the Department for Environment, Food and Rural Affairs, and the Department for Education—but I am glad that the Minister for Vulnerable Children and Families is here today to respond to the debate.

I want to highlight the importance of school milk because it is fundamental to children’s health and is a nutritious source of energy during the school day. I thank the School and Nursery Milk Alliance for all its good work and for the information it has supplied for the debate. I am also grateful to Tetra Pak for sharing with me a copy of its forthcoming report, “Making More of Milk”, which will be formally launched on 5 April and which contains information particularly pertinent to the debate.

Milk has been an important part of our diet for hundreds of years. It is a natural healthy option for children that contains vitamins and minerals vital for good dental health and bone development. It also plays a key role in a healthy diet, helping efforts against childhood obesity and dental decay.

The Health Secretary has identified childhood obesity as a public health priority. It is estimated that 29.2% of children between the ages of two and 10 in England are either overweight or obese. Excess weight during childhood often precedes the development of cardiovascular disease, hypertension, insulin resistance and other diseases. Overweight and obese children are more prone to become obese adults.

The latest data from the Health and Social Care Information Centre show that 34% of 12-year-olds and 46% of 15-year-olds exhibit tooth decay. As well as being unpleasant for children, treating tooth decay is a significant cost to the NHS. Cow’s milk contains micronutrients, such as calcium and vitamins B3, B12 and B2, that reduce the risk of tooth decay, bleeding gums and mouth sores.

Statistics released only last week by the faculty of dental surgery at the Royal College of Surgeons showed that more than 9,000 tooth extractions were performed on young children last year, including 47 extractions performed on babies under one year old. The dean of the faculty, Professor Hunt, described the figures as “shocking” and as attributable to the amount of sugar that children consume. Sadly, although the figures were widely reported in the media and although the new soft drinks levy will exclude milk products that contain at least 75% milk, there was no mention of the fact that drinking milk as a healthy alternative to sugary drinks can help children to develop strong teeth.

In 2016, Northumbria University published a review of the available research on the impact of milk on children’s development. The evidence reviewed by the researchers suggested that milk consumption greatly improves children’s nutritional status. The review, which was drawn primarily from cross-sectional studies, reported that children who regularly drink milk have lower body mass indices, lower body fat percentages and lower waist circumferences than children who rarely drink it. That is probably due to the unique combination of essential nutrients that it contains. In particular, the evidence suggests that milk contributes to body mass control and body composition in children—possibly because of the high satiety effect, which makes it an ideal mid-morning snack—and contains multiple nutritional properties that protect against dental decay and promote good dental health.

The nursery milk scheme was subject to a lengthy consultation during the last Parliament about whether it could be made more cost-effective, possibly by giving a single large company the contract to provide milk to all settings across the country. The scheme was left in place untouched, but the problem with it is that children are no longer entitled to milk once they turn five, whenever in their reception year that happens. This confusing system not only creates extra work for teachers but seems very unfair on little children. Tetra Pak’s “Making More of Milk” report has found that 89% of parents and 93% of teachers think that school milk should be made available to all reception children, regardless of when they turn five. Will the Minister commit to changing the scheme and making free school milk available for all reception children?

The Government have given assurances that until we leave the EU we will continue to participate in the European school milk scheme, through which over-fives can receive a subsidised portion of milk, but schools and parents need to know the Government’s plans for the future. Can the Minister offer us any further information or assurances about the future of subsidised school milk for children over five?

Another worrying factor is that Public Health England’s “Eatwell Guide”, which was published in March 2016, reduced the content of milk and dairy products in the recommended daily diet from 15% to 8%. Although the guidance includes recommendations of healthier drinks for the first time, the reduced role of milk and dairy products could limit alternatives for children and young people who are unwilling to drink water or unsweetened beverages.

James Heappey (Wells) (Con): I congratulate the hon. Lady on securing this debate and on highlighting the many health benefits of drinking milk. I represent a constituency that produces a great deal of milk. It is fantastic to see her advocating those health benefits; I hope that the Government will listen and, more generally, that people around the country will realise that the more milk they drink, the healthier they will be.

Mary Glindon: I thank the hon. Gentleman for his intervention. He expresses a sentiment that will be shared by many people around the country.

Milk can play a role in keeping children hydrated. The British Nutrition Foundation’s healthy hydration advice for children puts milk second only to water as a drink that they should consume. Although greens are important in everyone’s diet, it is worth knowing that a 200 ml glass of milk provides the same calcium as 63 Brussels sprouts or 11 servings of broccoli—quite a thought.
The “Eatwell Guide” caused great concern among stakeholders in the dairy industry, who did not feel that they had been properly consulted during its development. Although Public Health England published information on last December on the process of developing the guide, it did not make it clear why the recommendations to reduce the level of dairy were introduced. Can the Minister offer reassurances that the new guide will not discourage children from drinking milk? Will he commit to involving the full range of stakeholders next time any important public health guidance is being revised?

Finally, I would like to raise the issue of school food standards. The school milk sector was broadly positive about their introduction in January 2015, but the School and Nursery Milk Alliance has highlighted the fact that there is no clear evaluation or monitoring of them. To ensure that we make the most of the standards, schools not only need to provide milk, they need to provide it in a way that is appealing to children and that encourages them to drink it. Does the Department for Education have any plans to evaluate the implementation and impact of the standards?

Today, school milk tends to be chilled and served in individual cartons—a big contrast to the warm milk that some MPs may remember from their childhood—but there are other factors that affect whether children want to drink it. For example, milk is more appealing at the mid-morning break than at lunchtime, because its high sugar content means that it does not make a good accompaniment to a meal. A mid-morning break is also a good time to have a healthy snack, to help children to get through until lunch, particularly if they did not eat a proper breakfast.

Evidence shows that many children drink only skimmed or semi-skimmed milk at home, so if they are given full-fat milk at school, they tend not to like the taste. The school food standards will be revised as part of the childhood obesity plan and it is important that the requirement to provide milk is retained. Can the Minister provide any details about the plans to update the standards as part of the childhood obesity plan? As part of the childhood obesity plan, a new health rating scheme for primary schools will be introduced in September this year. It would be helpful if it covered access to milk in schools, including how it is offered to children. Will milk be included at least once a day?

Ofsted is also planning to produce guidance for schools following its thematic review of obesity, healthy eating and physical activity in schools. It would be helpful for this guidance to include information on milk, including best practice on how to serve it. Academies established this guidance to include information on milk, including best practice on how to serve it. Academies established the “Eatwell Guide” caused great concern among stakeholders in the dairy industry, who did not feel that they had been properly consulted during its development. Although Public Health England published information on last December on the process of developing the guide, it did not make it clear why the recommendations to reduce the level of dairy were introduced. Can the Minister offer reassurances that the new guide will not discourage children from drinking milk? Will he commit to involving the full range of stakeholders next time any important public health guidance is being revised?

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That is why the Government promote a healthy, balanced diet to children, using legislative frameworks such as the school food standards. Those standards, which apply to the overwhelming majority of maintained schools as well as to maintained nurseries, restrict the amount of fat, sugar and salt that can be served during the day. I heard what the hon. Lady said about the fact that there are some academies formed between September 2010 and 2014 to which those school food standards do not apply. We encourage those schools to follow the standards, but of course we keep this matter under review and in the future we will look to see how we can ensure a greater level of engagement with those standards, as they reflect exactly what we want to see happen in schools for the good of children.

The benefits of providing a healthy school meal and milk to the most disadvantaged children are well-recognised. Currently, around 1.15 million of the most disadvantaged children are eligible for and claim a free and nutritious meal. As for milk specifically, we promote its consumption as part of a healthy, balanced diet through funding, legislation and guidance.

Why do we do that? As the hon. Lady rightly highlighted, we know that milk is excellent for children’s growth and development, which is why the school food standards require lower-fat or lactose-reduced milk to be available for children who want it during school hours, and it is offered free to disadvantaged pupils. We also provide significant funding to schools to support the provision of milk, through the European Union, which I will move on to in a moment, as well as through top-up and nursery milk schemes, as part of free school meals, and more recently through universal infant free school meals, which benefit 1.4 million infants.

The hon. Lady made it clear that we have continued our commitments to the European Union scheme during our period of membership of the EU. Of course, like all areas of policy that will be moving into a domestic arena, we will carefully consider how we will continue to support schools, so that we can fulfil our obligation to ensure that they get the important nutrients they need in those important years of development.

Notably, we provide around £60 million each year, outside the EU arrangement, to reimburse costs for the nursery milk scheme, which is targeted at children under the age of five, to ensure that they get the important nutrients they need in those important years of development.

The hon. Lady asked about the over-fives who are still at nursery school. I will look carefully at what she said and discuss it with my ministerial colleagues. However, it is worth pointing out that over-fives who are entitled to receive a free school meal do so, and where they are entitled to a free meal they also receive free milk. Also, under the universal infant free school meals scheme that I referred to a few moments ago, free milk is available to infants if it is served as part of their lunch. We will look at the impact that is having as part of our consideration of where we go next with our commitment in this area.

Mary Glindon: I thank the Minister for giving way, and it was very entertaining to hear about his time as a milk monitor. I just wanted to emphasise the issue of children having free milk throughout reception, rather than the current situation, where a child stops getting free milk the moment they are five, even though they will obviously be in a class with other children who are younger than they are. That is the point I want to emphasise. If free milk could be guaranteed to children while they are in a reception class, it would make life a lot easier for the teachers and it would seem fairer to the little children themselves.

Edward Timpson: As I have said, I will look carefully at what the hon. Lady has said, but there are a number of routes that I have described whereby children over the age of five in a nursery setting are able to access free milk, whether that is through free school meals or universal infant free school meals. There will be a continuation of the policy in the deliberations by different Government Departments about where it goes next, and clearly that issue will be part of future discussions.

The scheme we support—the nursery milk scheme—has extensive reach, providing milk to 1.5 million children, and it should not be forgotten that it saves families about £400 a year and ensures regular milk consumption. Because milk is a valuable source of a range of nutrients, including calcium, protein and B vitamins, the Government recommend the consumption of lower-fat milks for the general population aged over five years, and promote that through the “Eatwell Guide” the nation’s food model and the Change4Life social marketing campaign, which recommends swapping sugary drinks for water, lower-fat milks, and diet, sugar-free or no-added-sugar drinks. The “Eatwell Guide” has been distributed to all primary, secondary and independent schools in England.

I hear what the hon. Lady says about the guide and the advice, but the advice was set after a review of all the evidence, including the recommendations of the Scientific Advisory Committee on Nutrition on the basis of a full public consultation. The intention is absolutely not to discourage children from drinking milk but to encourage them to do so as part of a healthy, balanced diet. That important message should be taken away from the debate.

I turn to the early years foundation stage framework, which sets out the regulatory standards for all early years providers. The framework requires early years settings to “promote the good health of children attending the setting”, and to provide meals, snacks and drinks that are “healthy, balanced and nutritious”. About 40,000 childcare settings are currently registered with the nursery milk scheme in their fulfilment of that responsibility. Such settings must also help children to make healthy food and drink choices, so that they can formulate healthy lifestyle habits early on. In line with our commitment in the childhood obesity plan, we will publish and promote example menus for early years settings in England, to help them meet the latest Government dietary recommendations. I am sure that the hon. Lady will be interested in looking at those.

We are also committed to improving young children’s oral health. That is a Public Health England priority, and it has established a child oral health improvement programme board, with a substantial programme of work and a wide range of partners, to improve the oral
health of children under the age of five. In fact, only a few months ago, in December, Public Health England and the Department for Education—an example of cross-Government working—published a toolkit for early years providers, to support those considering setting up a supervised teeth-brushing scheme. In addition, Government measures to reduce sugar consumption, as set out in the childhood obesity plan, are designed to have a positive effect, and they include the soft drinks industry levy announced last year and wider measures to reduce sugar in food and drink products.

Although it is encouraging that the data published by Public Health England show that over the past two years the number of tooth extractions for children in hospital has reduced, there is no let-up in doing all we can to improve children's oral health. Public Health England and the National Institute for Health and Care Excellence have published evidence-based guidance and toolkits to support local authorities, and NHS England is also working up plans to test, in 10 high-need areas, more creative ways of using commissioning expenditure to improve children's oral health. I understand that those areas will be announced shortly. The Department of Health is working with NHS England to test the NHS dental contract focus on improving oral health, particularly in children.

This is about promoting not just milk but other physical activity that can be undertaken by children, at home or at school, to support a healthy, balanced diet. As part of the work to tackle childhood obesity, we are also committed to updating the school food standards, to align them with the latest scientific advice on sugar. We are in the process of scoping out the timeliness of that work, and I hope further information will be available later in the year. We will take into account the hon. Lady’s points about whose the standards apply to and will ensure that the standards best reflect what we know works for children in instilling good, healthy lifestyle choices, including the regular consumption of milk as they grow up.

Sugar consumption is a major factor in childhood obesity, and sugar-sweetened soft drinks are now one of the biggest sources of dietary sugar for children and teenagers. The introduction of the soft drinks industry levy is a clear indication of our determination to address that vital issue. The levy will generate significant funding for a variety of initiatives announced in the childhood obesity plan, including the doubling, from September 2017, of the primary physical education and sport premium from £160 million to £320 million a year, the provision of £10 million a year to fund breakfast clubs in up to 1,600 schools, targeting pupils most in need—milk could play a part in those clubs—as well as £415 million towards the creation of a new healthy pupils capital programme, supporting schools to pay for facilities for PE, after-school activities and healthy eating. There is an opportunity there to use significant new money to promote the cause that the hon. Lady has articulated so well.

Mary Glindon: On the levy, I asked the Minister whether the Government would consider it a good idea to promote drinking milk as opposed to sugary drinks, since not all children like water or unsweetened beverages. That is my key point on the issue; the Government should say, “Milk is good for you. Drink it” instead of a glass of sugary pop.

Edward Timpson: At the risk of harking back to the halcyon days of the 1970s and 1980s, I remember the adverts, “Gotta lotta bottle” and “Nice cold, ice cold, milk”, which did a lot to promote milk consumption, not just within educational settings but in the wider community. I think I have given a strong message today about the Government’s support for the continuation of milk as a central tenet of a child’s dietary upbringing. Through the various schemes that we still support and also the new money that we have announced, there is an opportunity to help that to infiltrate even further into our education system.

However, we still have a lot of educating of parents to do. Last year a survey in Scotland showed that a third of parents still did not think it an issue if their child had tooth decay by the time they were a teenager. There are some perceptions and societal norms that we would not want to support, and there is work to do to bust them as we strive to improve the health of our nation. The Government want to help children to achieve a healthy, balanced diet and to encourage them to make the right food choices, and I want to reassure the hon. Lady that we will continue to encourage the consumption of dairy products, including milk.

James Heappey: It is useful to hear about the role the Minister sees for his Department in promoting the drinking of milk. Does he see a wider role in promoting an affinity with farming, to encourage children to have a greater interest in the provenance of their food? That might be a catalyst for healthier eating and for support for the UK’s agricultural industries.

Edward Timpson: As a Member of Parliament with a strong dairy industry in my constituency, I am always keen to find ways of bringing children closer to the land and helping them to understand the importance of the industry and its produce to them and their health as they grow up. My hon. Friend’s suggestion is helpful. The more we can do to bind those things together, the better.

Through the likes of the nursery milk scheme, we can ensure that children under the age of five receive free milk every day. In addition, through the early years foundation stage, we are ensuring that early years settings are promoting good health choices and providing meals, drinks and snacks that are healthy, balanced and nutritious. We are always open to suggestions and evidence that point towards other approaches to help us tackle what is, as the hon. Lady said, and as the Secretary of State for Health has said on many occasions, a public health issue. I thank the hon. Lady for using the debate to do just that, and I hope that she has been reassured by the Government’s continued commitment to ensuring that children can grow up and have a healthy and fulfilling life, in which milk plays a prominent part.

Question put and agreed to.

11.29 am

Sitting suspended.
The blitz on Southampton was devastating, and the city was hit over and over again, not just because of its Spitfire production, but because of its docks and many other strategic targets. There were 57 attacks documented in all, dropping more than 2,300 bombs. Nearly 45,000 buildings were damaged or destroyed, with most of the city’s High Street devastated. There were reports that the glow of the firestorm as Southampton burned could be seen from as far away as Cherbourg.

After the awful attacks on the Woolston Supermarine factory, the Nazis thought they had succeeded in halting production of the Spitfire. However, they underestimated the British spirit and stoicism, and not for the first time. Under the instructions of Lord Beaverbrook, production was dispersed to sites around Southampton, Hampshire and Wiltshire.

Rishi Sunak (Richmond (Yorks)) (Con): I commend my hon. Friend for securing this debate and for the powerful case he is making. He may be aware that production of the Spitfire was distributed to bus depots, laundromats and all sorts of improvised mechanical workshops around Southampton. In that way, thousands of Spitfires were produced, touching the lives of almost every family in Southampton. Does he agree that the monument would be a tribute not just to the air force and the plane itself, but to the enterprising spirit of the people of his home town?

Royston Smith: I agree with everything my hon. Friend has just said. In fact, I was about to come on to that very point.

Dr Alan Whitehead (Southampton, Test) (Lab): I am sure the hon. Gentleman will accept that when he talks about Southampton, he means both sides of the city. Indeed, it is a pleasure for me to be here this afternoon to support him in what he is saying about the Spitfire, provided that the word “Southampton” is completely underlined in proceedings so far as the national monument is concerned.

Royston Smith: I am happy to agree with the hon. Gentleman, my neighbour and friend. Southampton is the home of the Spitfire. It just so happens that the Supermarine factory was located in my constituency. However, I am referring to Southampton in general.

Returning to the comment made by my hon. Friend the Member for Richmond (Yorks) (Rishi Sunak), sheds, garages, bus stations, industrial units and a hotel were used for production in and around Southampton—including Hendy’s garage, Seaward’s garage, Sunlight laundry, which were in the constituency of the hon. Member for Southampton, Test (Dr Whitehead), and the Hants and Dorset bus depot—before the aircraft were assembled and test flown at Eastleigh airport.

Within a few weeks, the Spitfire was back in production all over Southampton and the neighbouring towns and villages, including Salisbury, Reading, Newbury and Trowbridge. It was an enormously challenging business building the Spitfire in that way, and we should not underestimate that. The work was carried out at the height of the blitz, often by unskilled labour. A large part of the workforce was women, girls and retired men, because most eligible men were in the armed forces fighting for their country.
The effects of the war touched the lives of almost every family in Southampton, and they continue to do so today. In fact, Flight Lieutenant James Bridley Nicholls was awarded the Victoria Cross in 1940 for his bravery in a dog fight over Southampton. His bravery has been studied and recognised by children from Sholing Junior School in my constituency. The pupils designed and raised funding for a memorial to commemorate his achievements.

Once assembled, the Spitfire was delivered to air bases across the country by the Air Transport Auxiliary. Many of those pilots were women. One of note is Mary Ellis, who celebrated her 100th birthday last month. Her extraordinary milestone was marked by a flight in an extraordinary aircraft, the Spitfire, one of the aircraft types she flew during the war. In 1943 the women of the Air Transport Auxiliary were awarded equal pay to their male colleagues, making the ATA the first equal opportunities employer.

On 1 April 2018 the Royal Air Force will celebrate its centenary, commemorating 100 years of devotion and duty to our country. As a former Royal Air Force engineer, I am enormously proud to be standing in this place today promoting the National Spitfire Project and the tribute to the Royal Air Force in the shape of the Spitfire monument. Perhaps the RAF’s finest hours—they were certainly those of the Spitfire—were during the battle of Britain, when against the odds our brave pilots and engineers repelled the might of the largest air force the world had ever seen. I do not think anyone would say that the battle of Britain won the war, but it certainly prevented a German invasion and was a turning point in the fortunes of Hitler and his ambitions to occupy Great Britain.

The Spitfire played a central role throughout world war two, and our British pilots were joined by allied pilots from all over the world. In fact, up to 20% of pilots who flew in the battle of Britain were not British. Most notably, the Royal Air Force was joined by Poles, Czechs, New Zealanders, Belgians, Canadians, Australians, Norwegians, Greeks, Swedes, Italians, Indians and Pakistanis. Tomorrow the Prime Minister will write to Donald Tusk, the President of the European Council, informing him of the UK’s intention to leave the European Union. One of the first priorities of our withdrawal negotiations must be the status of European Union nationals living in this country and British nationals living in European Union countries. As the negotiations begin, it is important to take a moment to remember the significant contribution that those countries of the European Union made to our war effort.

A total of 145 Polish fighter pilots served in the RAF during the battle of Britain, making up the largest non-British contribution. By the end of the war, around 19,500 Poles were serving in the Polish Air Force in the UK and in the RAF. One Polish pilot of note was Stanislaw Skalski, who came to England after the fall of Poland. While flying with 201 Squadron, he shot down seven enemy aircraft before being shot down himself. After recovering in hospital, he joined 306 Squadron in February 1941 and by October he had claimed a further five enemy fighters.

Of course, this country produced its own heroes and the pilot credited with bringing down the most enemy aircraft from the cockpit of a Spitfire was Air Vice-Marshal Johnnie Johnson, who had 38 confirmed kills—that might well have been more, if he had not missed the beginning of the battle of Britain due to a rugby injury. Flight Lieutenant Eric Lock became the RAF’s most successful battle of Britain pilot, shooting down 16 German aircraft. In one week alone, Flight Lieutenant Lock managed to shoot down eight German aircraft—an impressive tally that earned him the Distinguished Flying Cross.

In November 2016 a new memorial was unveiled in Grimbergen, Belgium to honour the fallen Norwegians who flew Spitfires during the war. In the UK we have many monuments, including that to the women of world war two on Whitehall, the RAF Bomber Command memorial in Green Park and the National Memorial Arboretum in Staffordshire. It would therefore be fitting to further commemorate, in the Royal Air Force’s centenary year, those who dedicated their lives to protecting our freedoms.

In order to celebrate the fantastic achievements of the RAF over the past 100 years, the RAF 100 committee has a selection of events planned. Those national events will raise the profile of the RAF across the whole of our nation, enhance its reputation and promote a better understanding of what it does. It will showcase the RAF’s people, their depth of talent and their diversity. The events will celebrate the history of the RAF, but they will also demonstrate why it remains, and will continue to remain, vital to the security and prosperity of the UK. The national tribute to the Royal Air Force will be the only physical legacy to recognise and commemorate the RAF’s centenary. It will serve to remind everyone who visits the monument what a significant contribution the RAF and the Spitfire have made far into the next 100 years.

The project for the Spitfire monument has been led for many years by my very good friend and colleague, Councillor John Hanwides. He joined in his endeavours by retired Air Commodore Gordon Moulds, Paul Lester and Tony Edwards, and the president of the trust, Sir Ralph Robins.

Everyone in Southampton has grown up knowing the story of our brave pilots and the iconic Spitfire. As a constant reminder, a fully functioning Spitfire is still the major attraction at the excellent Solent Sky aviation museum in Southampton, run by the determined and dedicated curator Squadron Leader Alan Jones. The legend of the Spitfire lives on in countless films, documentaries, essays and books. My right hon. Friend the Member for New Forest East (Dr Lewis), who is unable to be here today due to his duties chairing the Defence Committee, is a keen supporter of the project and has himself written an acclaimed account about a highly decorated pilot, Kink Kinkaid, who died in Southampton water trying to break the airspeed record in a forerunner of the Spitfire, the Supermarine S.5.

We now have a site on Southampton’s historic waterfront, generously donated by Southampton City Council, where the more than 1.8 million passengers on one of the 450 cruise ships that visit Southampton each year will pass. We have a detailed design for a stainless steel monument 1.5 times the size of the original Spitfire, which will soar 130 feet above the ground—nearly as high as the Statue of Liberty and twice as high as the Angel of the North—and be visible for miles around.
We also have all the planning permissions in place. All that is missing now is the funding required to bring the project alive.

Since 2012, the Government, through the Financial Conduct Authority, have levied fines on the banks of more than £973 million for fixing LIBOR rates. Much of that has been allocated to worthy causes, and rightly so. The Chancellor has made clear his intention to use the remaining fines for armed forces and emergency services charities. I completely agree with that approach and I suggest that this project fits those criteria perfectly.

Sir Winston Churchill, one of our nation’s greatest ever leaders, summed up the debt of gratitude we owe to the Royal Air Force, when he said: “Never in the field of human conflict was so much owed by so many to so few.” —[Official Report, 20 August 1940; Vol. 364, c. 1167.]

It is time for the many now properly to honour the few, and what better way than to immortalise them and their most famous aircraft in a fitting monument to the Spitfire.

2.45 pm

George Kerevan (East Lothian) (SNP): It is a pleasure to serve under your chairmanship, Mr Davies—and may I assure you that I am at least one of your Twitter followers who does not hate you?

I declare my interest in this subject. Both my parents were in the Royal Air Force during world war two—indeed, they met there, which is why I am here now. My father was an engineer. He maintained the Merlin engines on the Spitfires, Hurricanes, Lancasters and Mosquitos. He always said thereafter that he got very bored when jet engines came along, because the Merlin was such a beautiful and sophisticated engine to maintain, whereas jet engines were too simple for him.

In an iconic fashion, the Spitfire represents the common endeavour of these islands in their crusade against evil. With a nod back to last week, that is something that we should always remember: In expressing my interest in the subject, and as a member of the Scottish National party, I want to say that the Spitfire represented something for all these islands and for all the people of these islands—for the common people, for working people and for members of the services. The importance of the prospective Spitfire monument embraces not just the aircraft, but the human endeavour that lies behind it. I think we could all agree on that, which is why I am so serious that we must finish the project. As most people here know, the project has been a long time in gestation—far too long—and it is time that we make sure that next year, the 100th anniversary of the RAF, is the year that it actually happens.

Karl McCartney (Lincoln) (Con): I thank the hon. Gentleman for giving way, and also you, Mr Davies, for your chairmanship. It is a pleasure to serve under you. I also love you on Twitter—and everywhere else too.

It is great to hear a member of the SNP being so positive about something. That is something of a revelation to me, sitting on this side of the Chamber. I hope the Minister is taking notice of the cross-party support at this point for the memorial. I was involved in the Sir Keith Park memorial campaign, as were others here, and I was helped by some of those who my hon. Friend the Member for Southampton, Itchen (Royston Smith) mentioned. It is great to see the project finally coming to fruition, but it does now need the Government to step up to the plate.

George Kerevan: I am happy to reinforce the sentiment to the Minister that the support comes from all over the islands. I want to underpin that with a little bit of extra history on the Spitfire, which I think all of us will do this afternoon.

The Merlin engines were largely manufactured at the Rolls-Royce shadow factory at Hillington, just outside Glasgow. Some 160,000 people worked at that factory and it provided the engines not just for the Spitfires, but for many of the other aircraft that served the RAF. That was part of what happened in world war two, and people did that selflessly. However, there is an interesting side to the Hillington experience of building the Merlin, because large numbers of the people making the engines were women. Initially, they were not paid the same as men; they were not even paid the same as the ordinary labouring workers were. That led to a lot of industrial unrest and, in 1943, to a major strike. Of course, that was a very difficult thing to contemplate in the middle of world war two. The feeling in the factory was that we were not just fighting against evil, but fighting for a new, democratic society, so they took industrial action—very regrettably, but they took it. The result was that for the first time in these islands a major engineering factory granted equal pay to men and women. We should weave into the Spitfire story the fact that the fight for equal pay began with the Spitfire, strange as it may seem.

I will not keep Members long, but I want to add another couple of Scottish contributions. I do so not to be sectarian, but to underline the fact that this would be a common monument and would represent all of these islands.

Alex Chalk (Cheltenham) (Con): The hon. Gentleman is making a powerful speech. His parents worked on the Spitfire, as did my grandparents. Does he agree that, without the combined resources and ingenuity of all the nations of the United Kingdom, the Spitfire would surely have never flown, and that the Spitfire is a powerful reminder to us today that we truly are stronger together?

George Kerevan: It is self-evident that we have to defend these islands together. What divides us at the moment and in times past is how we organise our democracy, and I think we are mature enough to have that discussion. What the SNP bring, and have always brought, to the table is the idea that we will share the common defence of these islands. That has never been in question. Indeed—my hon. Friend the Member for Argyll and Bute (Brendan O’Hara) might say this in a brief moment—we often have discussions about defence issues because we do not think the Government protect these islands adequately, but that is a debate that we can have elsewhere. Our division on how we organise our democracy in these islands should not get in the way of the fact that we have a common interest in defending them. The history of the Spitfire and the second world war is an exemplar of that.
I will be very brief, as other Members want to speak. There is one other person who needs to be mentioned today with respect to the Spitfire and the battle of Britain: the man who was the head of Fighter Command, Hugh Dowding. We have all seen the film “The Battle of Britain”, which, for all its faults, I still love—when the music comes up I still get excited—and we have all seen Laurence Olivier play Hugh Dowding. There is just one slight problem—it is the same problem I had when Laurence Olivier played Earl Haig in “Oh! What a Lovely War”. Earl Haig was a crusty Scot, with a deep Scottish accent, which Laurence Olivier definitely did not have, and Hugh Dowding happened to be born in Moffat in Dumfries and Galloway. His father was a teacher at Fettes school in Edinburgh. The unity of these islands in the Spitfire story goes all the way to Hugh Dowding from Moffat, who was head of Fighter Command in those dark days. There is a large and very simple, but I think poignant, monument to Hugh Dowding, head of Fighter Command, in his home town of Moffat. That underlines the fact that the Spitfire monument in Southampton has been a long time coming.

I will finish with this. My wife was born and bred in Southampton—I know it well—and her image of the city is the bombed-out Southampton of the 1950s, so these islands are interconnected. We can have a serious debate about how we do our democracy. I grant no ground on that—Scotland will be independent—but we will all stand together in tough times. We share these islands; we will defend these islands together.

2.54 pm

Sir Gerald Howarth (Aldershot) (Con): May I say on behalf of all Conservative Members that we are delighted that the hon. Member for East Lothian (George Kerevan) made such a telling case for the Union—not only for the Union of the United Kingdom, but the union of the Kerevan household, in which England and Scotland are clearly united, as they are in my family? My parents, like his, served in the Royal Air Force during the second world war. My mother was a Scottish Borderer. I come from a long line of rapers and pillagers—I have a lot of Border reiver blood in me. My father was a Lancastrian. They met in Ceylon, where my father was serving on Mountbatten’s staff as a Royal Air Force liaison officer. One of his jobs was to vet material being submitted to the Royal Air Force journal for publication. He had to go and check this stuff, and he thought this WAAF sounded rather interesting, so he went up country to check her out. Five weeks later, they were married, and their marriage lasted 40 years.

My mother had a lifelong passion for the Spitfire, which I have inherited. I can tell my hon. Friend the Member for Southampton, Itchen (Royston Smith), who made a great case in opening this debate, of course—the Schneider trophy. It was an iconic aeroplane. It was born of a competition, of course—the Schneider trophy. It went on to do such sterling work throughout the second world war, and it continued afterwards and was in service until the 1950s.

The greatest privilege for me was when my 65th birthday came up—a short while ago—and my wife gave me a surprise present. I did not know until the week before that we were going to the Goodwood Revival festival. I said, “What should I wear?”—people are supposed to wear 1950s attire—and she said, “I think you should wear your flying suit.” I wore my flying suit, and we had a celebratory lunch and drink in the golf club at Goodwood, of which both my sons are members. The champagne was passed round, and I held up my empty glass and said, “What about my glass?” She said, “Well, you’re not drinking.” I said, “Why am I not drinking?”—“Because you’re flying.” I said, “What am I flying?” I had the privilege of flying a Spitfire.

I do not know how many other Members of Parliament have had the privilege of flying a Spitfire. I have flown quite a few aircraft types—only as a private pilot, in the Royal Air Force Volunteer Reserve and in Southampton University Air Squadron—but there is unquestionably something completely special about the Spitfire. Some colleagues do not seem to understand that machines can have human attributes, but the Spitfire does. It is the most gentle of aeroplanes to fly. It is incredibly sensitive. On the south coast of England as sunset was approaching on Battle of Britain Sunday, there I was patrolling in a Spitfire.

Willy Hackett, the Royal Air Force officer testing the F-35, was flying in the front seat, because I could not fly it solo unless I had done the conversion course, which costs £40,000. He said, “I’ll do the takeoff,” and at 350 feet I had control. He let me roll it—rolling a Spitfire is a fabulous experience—and he did the landing.

The Spitfire is such an iconic aeroplane, and it is so much a part of the history of these islands and the defence against tyranny. Of course there were other aeroplanes, notably the Hurricane, but the Spitfire is so beloved of pilots. Having flown it myself, I can certainly respect that.

We have sadly very few battle of Britain pilots left. Among them is Geoffrey Wellum, who wrote “First Light”—a fantastic guy—and Tom Neil, who is still alive. They will be celebrating the battle of Britain on the south coast in July. Then there are great men such as Tony Iveson. Tony was not only in the battle of Britain, but in 617 Squadron and responsible for the sinking of the Tirpitz. Captain Eric “Winkle” Brown, born in Melrose, was probably the most celebrated naval aviator who has ever lived. He died only last year, at 97. It was a privilege to know him. Eric flew more aircraft types than any other man in the world—487, I think, which will never be exceeded—with 2,500 deck landings; no man has flown that many deck landings. He also flew the Spitfire.

The Spitfire has a fantastic history, which is so bound up with the history of these islands that I believe it merits this monument supported by my hon. Friend the Member for Southampton, Itchen. He is joining forces with the hon. Member for Southampton, Test (Dr Whitehead), so the whole city of Southampton will be behind it. There can be no fitter monument for the centenary of the Royal Air Force.
My hon. Friend rightly pointed out that so many of the Spitfire pilots were not from the United Kingdom. One was an American, with an English mother and American father, John Gillespie Magee. Some will know his poem, “High Flight”, which he wrote as he was taking a Spitfire mark V up to 30,000 feet on the 3 September 1940. They are some of the most magical words in the English language:

“Oh! I have slipped the surly bonds of earth,
And danced the skies on laughter-silvered wings;
Sunward I’ve climbed, and joined the tumbling mirth
Of sun-split clouds—and done a hundred things
You have not dreamed of—Wheeled and soared and swung
High in the sunlit silence. Hov’ring there
I’ve chased the shouting wind along, and flung
My eager craft through footless halls of air...
Up, up the long, delirious, burning blue
I’ve topped the wind-swept heights with easy grace
Where never lark or even eagle flew—
And, while with silent lifting mind I’ve trod
The high untrespassed sanctity of space,
Put out my hand, and touched the face of God.”

The Spitfire—I congratulate my hon. Friend.

3.2 pm

Steven Paterson (Stirling) (SNP): It is a pleasure to serve under your chairmanship, Mr Davies. I congratulate the hon. Member for Southampton, Itchen (Royston Smith) on securing the debate and on his work on this matter.

As a piece of engineering excellence, the Spitfire has long been considered in a league of its own. Its speed and agility is legendary, and we just got a flavour of that from the hon. Member for Aldershot (Sir Gerald Howarth). Surely there can be no better way than the proposal of the National Spitfire Project to remember that incredible piece of history, a monument on the waterfront of the city that built the Spitfire. The Spitfire project is warmly welcomed.

We have been discussing the funding of the project, and I pay tribute to those who have supported the crowd-funder effort to take it forward. At the height of the war, the public donated their pots and pans to be melted down for their Spitfire project—literally, to create and build the aircraft—and it is important that now the public find a way to put money into a national project that will properly recognise the Spitfire’s contribution.

To me the Spitfire is familiar, and it has become part of my weekly commute: I see a Spitfire, or at least a replica of one, at the entrance to Edinburgh Turnhouse airport most Mondays on my way down here. The particular model that I am so familiar with is painted in the colours of the 603 (City of Edinburgh) Squadron, which was said to be one of the most effective units in the battle of Britain, which we have heard so much about this afternoon.

My constituency has its own tale to tell of its history with the Spitfire and with flight more generally: Stirling was the home of the Barnwell brothers, Harold and Frank. They were aircraft pioneers who built their first glider two years after the Wright brothers’ flight. The Barnwells’ first prototype, built in 1908, failed to take off—no pun intended—but, undeterred, the brothers successfully took to the air on 28 July 1909 in the shadow of the National Wallace monument at Causewayhead, Stirling. Reportedly “soaring” at an altitude of 4 metres and travelling the grand distance of 80 yards, that small but significant step was Scotland’s first powered flight and marked the beginning of an important relationship between Scotland and the skies.

The Barnwells’ feat has been marked with an elegant plaque in Balforn, where the brothers hailed from, and with a granite sculpture by what is now the Causewayhead roundabout, the site of their flight—I also understand that the brothers won £50 for their success in completing the first one-mile flight in Scotland. Although those memorials may not be on the scale of the one under discussion today, they are to achievements that are still worthy of recognition in the story of powered flight.

In Scotland, we feel a strong bond with the servicemen and women who have served us through the years, and I am sure that we all agree that their service must never be forgotten. That is part of the reason why I think the Spitfire project is particularly appropriate. As we have heard, we have just had the 75th anniversary of the battle of Britain—Scotland’s First Minister was down here in London alongside Prince Charles and the Defence Secretary to mark that date—and last year Stirling commemorated 100 years since the formation of the 43 (Fighter) Squadron, initially a unit of the Royal Flying Corps, in the Carse below Stirling castle.

In my research for this debate, in seeking to tie the story of the Spitfire to my own constituency, I was delighted to find an account given to the BBC’s Mhairi Campbell by Campbell Chesterton for the “WW2 People’s War” site. In 2005 he wrote:

“During WW2 while my father was in the army overseas my mother and I stayed with my uncle and aunt (her sister) Mr and Mrs Blyth on their farm, Hill of Drip three miles NW of Stirling...During the second world war the carse of Stirling was used by the RAF for low fly training as low as thirty foot was permitted, this was very exciting for a young boy, one day we saw a spitfire aircraft and the tail of another over Dunblane. We heard that one crashed in Callander, there were many accidents. A hurricane flier landed in the next farm with its wheels up, we managed to get a seat in it before the guard arrived.”

That gives us a flavour of just how dangerous flight was in those days. It is a lot safer now. There used to be a lot of accidents and casualties even in training.

For such memories to be preserved is important, and the National Spitfire Project aims to educate the next generation, an aim that I wholeheartedly welcome. There can be no better way to tell the 100-year story of the Royal Air Force to future generations than with the backdrop of the Spitfire rising 130 feet above Southampton Water. I also echo the sentiments of Members who have made the point that we must commemorate not only the pilots but the hard work of the engineers at home who supported the RAF fighters in the battle of Britain and through the 100-year history of the Royal Air Force.

Part of the reasoning behind the memorial is to commemorate the history of the RAF, and in doing so we remember the individuals who have served in the force. It is worth pointing out that the average age of an RAF pilot in the battle of Britain was 20 years—people who were not yet old enough to vote, many of them,
were old enough to lay down their lives so that we could have the democratic debates we have in this place in the manner that we do.

I also want to make special reference in my contribution to the non-British RAF personnel who have been mentioned by a couple of the speakers so far. The Ministry of Defence cites Fighter Command in the second world war as a “cosmopolitan mix” of 141 Poles, 87 Czechs, 24 Belgians and 14 free French among its servicemen and women. Each individual was prepared to make the ultimate sacrifice during the conflict to protect our freedom and way of life, and Scotland and our friends throughout the UK and beyond will never forget that.

I again thank the hon. Member for Southampton, Itchen for the debate. The Spitfire project is an important one, and I wholeheartedly support it. I sincerely look forward to visiting the national project in Southampton on its completion, commemorating the iconic Spitfires.

3.8 pm

Mims Davies (Eastleigh) (Con): It is a pleasure to join the debate on the funding of the National Spitfire Project, and I congratulate my hon. Friend the Member for Southampton, Itchen (Royston Smith), whose constituency neighbours mine, on securing it. It feels particularly poignant, as I spent this morning with one of my youngest sons at the Churchill museum in the War Rooms, which I urge people to find time to enjoy.

I found the input of my hon. Friend the Member for Aldershot (Sir Gerald Howarth) touching. He said so much of what we need to hear in the debate. I have the RAF yacht club in Hamble, and its members would have loved to hear the words he said. Also in my constituency, the Royal Victoria country park at Netley includes a very touching graveyard, where it can be seen that people from around the globe gave their souls to make the world a better place for us. I urge the Government to listen to my hon. Friend the Member for Southampton, Itchen and to everyone with Southampton in their address. The cause is a worthy one for the LIBOR fund. In fact, many people work at Southampton airport, which some people still call Eastleigh airport, and rightly so. Many of the people who live in my constituency work nearby at NATS in Fareham. There is a strong association with the aircraft and the industry.

Perhaps we can raise money to help the Government match the funds. Perhaps hon. Friends will join us at Eastleigh—or Southampton—airport in the very early dawn on 25 June for the airport run, which is a chance for us to raise money for the Hampshire and Isle of Wight air ambulance. South Hampshire has had flights for more than 100 years, and aviation is an important backbone to our communities.

I join my hon. Friend the Member for Southampton, Itchen and other hon. Members in hoping to secure this much-needed monument. It will certainly put Eastleigh on the map, although I may find myself in much-needed monument. It will certainly put Eastleigh Itchen and other hon. Members in hoping to secure this backbone to our communities.

3.10 pm

Dr Alan Whitehead (Southampton, Test) (Lab): I rise briefly to support the hon. Member for Southampton, Itchen (Royston Smith) in his debate this afternoon, which I congratulate him on securing. I also congratulate him on his tenacity in pursuing this aim of a national monument for the Spitfire in Southampton. The bottom line of what we are talking about today is a request for money. We need the money—ideally from the Government. The hon. Gentleman’s suggestion for where that money might come from would be an appropriate source for the rest of the funds. Many people have already contributed small and varying amounts to the fund to secure the aim of a memorial for the Spitfire on Southampton Water.

Why is the memorial so important? There are three things we might say along with all the other things that have been said about the Spitfire. In this context, I want to offer the story of my father, who was an aeronautical engineer with the Fleet Air Arm. He spent most of the war repairing aircraft, never leaving these shores. Unfortunately, the story does not neatly end with Spitfires, because he worked on Swordfish. As some hon. Members may know, Swordfish were in service at the same time as the Spitfire, but they looked like a completely different generation of aircraft. They were held together with bits of string, sealing wax and various other things. Although they did a good job, if we put the Spitfire next to the Swordfish, the Spitfire design appears to have been from the future and an imagination from I do not know where. They brought this amazing aircraft into being at a time when those aircraft were the staple—

George Kerevan: On that point, it is worth remembering that R. J. Mitchell also designed the Walrus seaplane, which picked up so many downed RAF pilots. It looked as antediluvian as the Swordfish, but equally it was very efficient.

Dr Whitehead: Indeed. That underlines what I was about to say: R. J. Mitchell designed a plane that was never equalled throughout the whole of the second world war. Not only did the Spitfire save our bacon during the Battle of Britain but it went on to play all sorts of other roles across Europe and the world as the second world war progressed, due to its unique capacities and design and the way it stood head and shoulders above any other aircraft. Later in the war it was not only employed in a fighting capacity but was the first effective reconnaissance aircraft for the RAF. It could fly high at speed and take reconnaissance photographs. Indeed, it got the first reconnaissance photograph of German radar, the first photographs of the Peenemünde works for the V-I rockets, and was instrumental as the war progressed in all sorts of other fields as well as in the battle of Britain.

Secondly, hon. Members have paid tribute today to the few who fought in the battle of Britain and the fact that they were an international cohort of pilots. Hon. Members have mentioned the large number of Polish pilots; 15% or so of the total number of pilots. They not only made a great contribution, but I understand that the particular way in which they flew the Spitfires was unlike anybody else’s, and they tested the aircraft to destruction. It did not get destroyed, it still flew, and the things they could do with that plane, as was proved throughout the war, is another tribute to the genius of the aircraft design.

Thirdly, for all those reasons, Southampton as a city is proud of its heritage as the progenitor and manufacturer of the Spitfire. As the hon. Member for Southampton,
I congratulate the hon. Member for Southampton, Itchen (Dr Whitehead) on securing this debate on a subject that I know is dear to his heart and to those of many of his constituents. He spoke movingly about the sacrifice that was part of the Spitfire legacy. The idea of a monument with a Spitfire soaring above Southampton Water seems absolutely the right use for the money that I hope will come in for that monument.

I am sure that we all have personal anecdotes from family and friends that link us directly or indirectly to the Spitfire. My story comes from my time as a youthful barman in the Royal Air Force Association club in Ashley Street, Glasgow, in the early 1980s. Back then the RAF club was a busy, thriving establishment with a loyal clientele of former RAF service personnel and their families. The walls were adorned with photographs and memorabilia, but pride of place was reserved for the Spitfire. The majority of members had not flown in them, but none the less the Spitfire emerged as the symbol that unified them as a group of RAF veterans.

I fondly recall how many an evening on a quiet weekday shift I would sit at the end of the bar listening to some of those remarkable men, who, at the same age at which I was pulling pints, were clambering into planes to defend the skies of the UK and Europe from the Nazis. With hindsight, a bit of life experience, a slighty more cynical disposition and an ability to count, I am now convinced that at least one or two of those men sharing stories of derring do with a highly impressionable teenager must have had their Royal Air Force career thrust on them by dint of national service, an impressionable teenager must have had their Royal Air Force career thrust on them by dint of national service, and been more—how shall I put it?—Kenneth More than Douglas Bader. However, at the time it was a fascinating insight.

Regardless of whether they flew or not, the fact remains that everyone loved the Spitfire, and everyone who could be associated with it—however loosely, in some cases—wanted that association. It is without doubt a source of great pride for many, and a permanent memorial to remember those who built, designed, fought in and maintained the planes is well deserved. I am sure that when the memorial is built it will commemorate the immense contribution of the chief designer, R.J. Mitchell, the chief draughtsman, Joe Smith, and the chief test pilot, Jeffrey Quill, whose contribution to the success of the Spitfire it is impossible to overstate.

We have heard much of the role of the Spitfire in the battle of Britain, and it is worth remembering, as the hon. Member for Southampton, Test (Dr Whitehead) said, that it played a hugely important role throughout the second world war. He mentioned its use in photo-reconnaissance of the factories that were building the V-2. As I mentioned earlier, it played a crucial part in

It is remarkable that in 2017 we are discussing with such obvious affection and warmth an aeroplane that ceased production 65 years ago. The Spitfire has almost uniquely embedded itself in the collective consciousness of the country, and has a unique place in popular culture. Apart from the Titanic I cannot think of many other objects that have taken up so many reels of celluloid—starting in 1942 with “The First of the Few”, starring and directed and produced by Leslie Howard, and co-starring the great David Niven. Then, of course, came “Malta Story”, in which Alec Guinness and Jack Hawkins told how the Spitfire provided the main defence for the island of Malta. My hon. Friend the Member for East Lothian mentioned “Battle of Britain”, which had a stellar cast—Laurence Olivier, Michael Caine, Christopher Plummer, Ralph Richardson, Michael Redgrave and Susannah York. The one that stands head and shoulders above them all is “Reach for the Sky”, the 1956 classic with Kenneth More playing the part of Douglas Bader. I saw it as a child, and have seen it many times since.

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protecting Malta, and it was also involved in the Pacific theatre, defending Singapore in the early part of the war and, as part of the final push, driving Japan out of Burma. It played a crucial role in defending the city of Darwin in Australia from attacks by the Japanese. This country was not alone in using the Spitfire. I recall that the Soviet Union ordered 1,000, and they were used, in smaller numbers, admittedly, by the Americans and the Yugoslav Air Force. After the war they were still in production and were seen regularly in India, Ireland, Holland and Egypt, which all made good use of them.

The hon. Member for Southampton, Itchen was right to say that the role played by the Spitfire in the battle of Britain ensured that it would leave an indelible mark on the collective consciousness. Although, as the hon. Member for Aldershot said, they were fewer than the Hawker Hurricane—a plane that suffered far greater losses in the battle of Britain—it is the Spitfires’ role that has been preserved in the country’s collective memory, and rightly so.

However, let it be a true memory, because we were not alone in fighting the Nazis in the 1940s. The United Kingdom gave refuge to those fleeing fascism, and welcomed those, wherever they came from, who were willing to help defeat it. I hope that when the monument opens we shall not forget the 30 Australian, 30 Belgian, 84 Canadian, 90 Czech and Slovak, 13 French, two Irish and 135 New Zealand pilots, the 30 from Southern Africa and, of course, the 147 Poles, who shot down more than 200 enemy aircraft.

Graham Jones (Hyndburn) (Lab): I am sorry to interrupt a fantastic speech, to which I was listening with enthusiasm. I was waiting to hear whether the hon. Gentleman was going to bring forward a point to which I was going to say to him that the memorial, as the hon. Gentleman said, would add to his list of those who should be recognised by the memorial the factory workers who built the Spitfire. I and everyone involved in the Spitfire’s success. I absolutely concur with what he says.

I will conclude by thanking the hon. Member for Southampton, Itchen for securing the debate, and for the work that he is doing to secure a permanent memorial to the Spitfire and all those who designed, tested, built, flew, repaired and maintained that iconic aircraft. I and my hon. Friends wish him extremely well in his endeavour.

3.28 pm

Peter Dowd (Bootle) (Lab): It is always a pleasure to debate under your stewardship, Mr Davies—and particularly on this occasion. Regrettably, I do not have any stories to tell about R. J. Mitchell’s connection with my constituency or with Liverpool, but there is a story about a Spitfire that crashed in October 1942 in Birkenhead park. It flew over the Mersey and the pilot, who had baled out, landed on the Liverpool maternity hospital. It took until 2007 to recover the Spitfire. It was said that the engine was still in beautiful condition, which is a tribute to its engineering.

Hon. Members have referred to many aspects of the matter, and I want to comment on the speech of the hon. Member for Southampton, Itchen (Royston Smith). I thank him for bringing this important matter before the House, and for his tribute to the people of Southampton; they deserve it. He referred to the role of women in the factories and the whole range of people who were involved in building and servicing the Spitfire.

The hon. Member for East Lothian (George Kerevan) talked about the Spitfire being an iconic symbol of these islands, about people’s endeavour in fighting Nazism and fascism, and about the role of women in manufacturing Spitfires. The hon. Member for Aldershot (Sir Gerald Howarth) talked about his and, more importantly, his mother’s passion for the Spitfire. We will have to take his word for it that he flew the Spitfire with sobriety; I am sure that he did. The hon. Member for Stirling (Steven Paterson) talked about how the Spitfire helps with bonds between servicemen and servicewomen across the country and made reference to 43 Fighter Squadron commemorating 100 years at Stirling castle. There is no better way to tell the story of the Spitfire than by looking at the role of those people in that. The hon. Member for Eastleigh (Mims Davies) joined us all in supporting this proposal.

My hon. Friend the Member for Southampton, Test (Dr Whitehead) asked clearly and unambiguously for the money right up. He, too, talked about Southampton’s proud role in the story of the Spitfire and its deep bonds with it, and about how he is looking forward to seeing the monument over Southampton water. The hon. Member for Argyll and Bute (Brendan O’Hara) said that he, too, looks forward to going down to have a look at the Spitfire over Southampton Water. All those contributions were fantastic. This is a matter of substance, honour and pride, about which many Members spoke in detail, and I have tried simply to echo what they said.

As the hon. Member for Argyll and Bute indicated, people of a certain age, including me, used to watch the black and white movies of the 1940s and ’50s. Those were part of my staple diet on a Sunday afternoon after my lunch. One of the pictures he referred to was “The First of the Few”, which was released in this country in 1942. Its title in the United States was “Spitfire”, and it was released there in 1943, just days after the main actor, Leslie Howard, who played R. J. Mitchell, was himself shot down by the luftwaffe. It is perhaps fair to say that that picture was the first memorial or monument to the Spitfire. However, no matter how iconic it might be, the Spitfire needs more than a pictorial monument.

The story of the Spitfire is replete with stories of bravery, commitment, honour, valour, stubbornness, will power, camaraderie, self-deprecation and, above all, modesty. How else could people have got through without all those virtues and that approach to duty? The story of the Spitfire is legendary, but legends are often untrue—not this one. If anything, it has been underplayed. We all have family members who fought or were injured or killed in the two world wars, and who may have died thereafter as a result of the trauma. They command—that is not a word that they would use, but they do—our attention, our thanks and our commitment to their memory. Who could argue with that? None of us would argue with that.

Many of the comings and goings of the battle of the Atlantic—a literal nom de guerre given to it by Winston Churchill—occurred in my home town of Bootle and in
Liverpool. The battle was conducted from Derby House and was the longest of the last war. It started on the day war broke out and concluded on the day the war finished—it was five years, eight months and five days. At Pier Head in Liverpool we have a memorial to those who were involved in the battle of the Atlantic and a monument to a brave man, Johnny Walker, who went across the seas after U-boats and is one of the most successful U-boat hunter commanders in history.

There are quite rightly monuments elsewhere, but we have a monument in Merseyside, symbolically next to the water from which many never returned, to celebrate their memory. As the monument says, they have no grave but the sea. I say “celebrate” because I, for one, do celebrate those who fought for our freedom against the most evil of regimes. Those who lost their lives in the battle of the Atlantic and other air combat, and those who were willing to give their lives freely, are equally important and deserve a monument to celebrate their sacrifices. The Spirit of the Spitfire personifies those men and women. It was a stalwart of the war and beyond, as were those who built, serviced and flew it.

The National Spitfire Project website sums up the issue as follows: “Even after the bombing of the Supermarine factory, the people of Southampton continued to produce the Spitfire, dispersed to locations throughout the city, for the duration of the war. The Spitfire and Southampton are inseparable and it is the attitude of perseverance, ingenuity and patriotism that really does embody the Spirit of the Spitfire.”

We really do need a Spitfire monument, and it needs to be near the fulcrum of its design and build; near where, under siege and bombing, brave people fought on in more ways than one. I do not think that is too much to ask. It should be a monument that does our nation proud, does our democracy proud and, more importantly, does our heroes and the people of Southampton and its environs proud. There are only a few of the few left. Time is not on their side. We really should try to stop the clock now and, with good will, help to resolve this issue.

3.36 pm

The Financial Secretary to the Treasury (Jane Ellison): It is a pleasure to serve under your chairmanship, Mr Davies. What a wide-ranging, erudite and evocative debate we have had. It is always a pleasure to hear colleagues on both sides of the House speak with passion about issues they really care about. I particularly congratulate my hon. Friend the Member for Southampton, Itchen (Royston Smith), who, as we heard, is an RAF man himself, on the vigour with which he promoted the National Spitfire Project.

We have heard from many colleagues with connections to both the RAF and the Spitfire. The shadow Minister, the hon. Member for Bootle (Peter Dowd), had an anecdote, and I came very close to having my own Spitfire anecdote to contribute. I visited Dover last Monday, which was the 100th birthday of Dame Vera Lynn. It was planned that that anniversary of a very British icon would be marked with a fly-past by two other British icons: two Spitfires. Sadly, that was put off for 24 hours by similarly iconic British weather, which closed in at the last minute and prevented anything from leaving the ground, so it all happened on Tuesday and I missed it. That is a shame, because although, as a London MP, I have seen Spitfires go overhead on several occasions on days of national commemoration, it would have been nice to be a little closer.

The National Spitfire Project is of particular significance in the constituency of my hon. Friend the Member for Southampton, Itchen and, as we have heard, across the city of Southampton, which played such an integral part in the birth of that iconic fighter plane. But its significance is not limited to Southampton—as many colleagues said, R. J. Mitchell’s exceptional design, powered by the mighty Merlin engine, was instrumental in winning the battle of Britain—so I endorse everything that my hon. Friend and others said about the national and international importance of remembering the plane.

I represent a very international constituency, so I welcome the comments from both sides of the House about the plane’s significance, not just to the British but in Europe and across the Commonwealth. It was wonderful to hear many people remind us of the multinational nature of the corps that took to the skies to defend Britain. Friends and allies joined British pilots in flying these planes with such courage and bravery. We also heard from my hon. Friend about the courageous and bravery of the people of Southampton, who displayed great stoicism in the face of the Nazi onslaught on the city as they continued to produce this plane that was so integral to our war effort. I admire him for his involvement in the National Spitfire Project and congratulate everyone who got it to where it is today. I wish them continued success.

Let me turn to the money and the call that my hon. Friend made for money to be granted from the proceeds of LIBOR fines. As hon. Members will be aware, LIBOR funding has been allocated to supporting a wide range of armed forces and emergency services charities and good causes. Since 2012, in fact, more than £700 million of LIBOR funding has been allocated. That includes nearly £20 million at the last autumn statement alone, which is being used to support museums and memorials.

The shadow Minister mentioned doing our heroes proud. It is worth noting that more than £15 million has been allocated towards RAF museums and memorials, including the Battle of Britain memorial, the Lincoln Bomber Command memorial, Bentley Priory Museum and the Battle of Britain bunker at Uxbridge.

At the autumn statement, my right hon. Friend the Chancellor confirmed that, to mark the 100-year anniversary of the RAF, £2.4 million of LIBOR money is being provided to the RAF for its RAF100 programme, allowing many other events to take place. Some of that money is being committed to the RAF Museum to prepare for 2018 to tell the compelling story of those 100 years of the Royal Air Force, helping to share that story with more and more people as the human connection in terms of the generation of people who were around at the time is gradually lost. It was touching to hear some of the personal memories from within people’s families of those connections. It will be more and more important that we support the RAF in telling the story and keeping it alive, to ensure that down the generations people are aware of the RAF’s role in guaranteeing our security and freedom that we are privileged to enjoy today and perhaps have had cause to reflect on more in the past few days than in usual times.
That is alongside a wide range of other projects. Money has also gone towards helping former and current armed forces personnel and their families, air ambulances and children’s hospitals. All in all, more than £260 million has been committed in this Parliament, and more than £700 million in total since 2012. As the Chancellor confirmed in August 2016, any further money from LIBOR will continue to be used to support military and emergency services charities and other related good causes that demonstrate the very best value.

Let me turn to the application process for those funds, if I may take the debate in a more prosaic direction for a moment. With regard to the possibility for further applications to the fund, the last round ran in August and September last year and generated more than 550 expressions of interest. The Chancellor has yet to confirm whether there will be further opportunities to apply for support from LIBOR fines. With £700 million paid out to date, the funds remaining are dwindling and we do not anticipate further significant receipts from the Financial Conduct Authority. However, if there are, we will publish any future LIBOR public funding opportunities in the usual way. I know that my hon. Friend the Member for Southampton, Itchen and those he is working with on the project will want to monitor the usual channels, such as gov.uk, for such opportunities carefully.

Despite the inspiring flights of oratory this afternoon, my Treasury feet are—predictably, perhaps—very much on the ground, and never more so than when I turn to the issue of governance and how funds are allocated, which is important to touch on. The allocation of LIBOR funding follows a robust governance process and adheres strictly to the mandated minimum standards for Government grants, which were introduced last year following the Government’s response to the report by the Public Administration and Constitutional Affairs Committee on Kids Company. We all remember the nature of that news at the time.

Under the current LIBOR governance process, each applicant is required to submit an application form, which is assessed by an independent team of grant-making experts, checked with the Charity Commission and reviewed by the Government’s new grants advice panel before final consideration by the Treasury. Each application is considered both individually and holistically for any impact across its particular sector. Specifically, the assessment team examines the governance of the charity or organisation, working closely with the Charity Commission to do so. The team also does a full assessment of the feasibility of a project, its value for money and any risks to its delivery.

I know that some of that has been touched on in conversations between Treasury officials and my hon. Friend. We are always happy to give more information about how the process can be followed and helpful steers on how that path can be taken, if that is of use to those involved with the project. In summary, I want to thank my hon. Friend.

Sir Gerald Howarth: The LIBOR fund, which was developed by our right hon. Friend the Member for Tatton (Mr Osborne), was a splendid initiative that has done a tremendous amount of good work. I was rather involved in the Bomber Command memorial, which was put together by a tiny group of people. This is a stunning and long overdue memorial to commemorate the 55,573 men who gave their lives in Bomber Command. In the end, Prime Minister David Cameron knocked a few heads together in Whitehall and we got some money to cover the costs of policing on that day of three quarters of a million pounds, which otherwise would have had to have come from the charity itself.

I suggest to my hon. Friend the Minister that it might be a good idea to be slightly ahead of the game. This is quite an emotional and iconic issue. It is not just a question of pounds, shillings and pence; it is also a question of our national identity and, in the centenary of the Royal Air Force, marking what was a special, iconic contribution to the maintenance of the freedom of these islands.

Jane Ellison: I assure my hon. Friend that that has not been lost on me this afternoon. Rarely have I sat through a debate with such genuine passion felt across the House. His point about timeliness and the anniversary is well made, and as I said, we have already made money available to mark that for the RAF. I look forward to seeing some of those projects come to maturity. His point is extremely well made. I assure him that I will make the Under-Secretary of State for Culture, Media and Sport, my hon. Friend for Chatham and Aylesford (Tracey Crouch), who is responsible for sport, tourism and heritage, fully aware of both the project—I am sure she is aware of it already—and the ambitious plans to mark our heritage; and, indeed, of the passion expressed for the project today in Westminster Hall.

I hope that all hon. Friends will understand that the process for allocating LIBOR funding must be transparent and objective. There is a process that all bids must take, so although I know that friends and colleagues would wish me to go further, sadly I cannot commit further at this stage.

Dr Whitehead: I appreciate that the Minister is in some difficulty as far as allocating funds off the cuff is concerned, and I would not advocate a further banking scandal in order to try to release more funds for that purpose. Will she indicate, today or in future, and in particular to my colleague the hon. Member for Southampton, Itchen (Royston Smith), whether she can think of any other avenues in her area of competence that might be used to facilitate the process of, shall we say, coughing up for this monument? I am sure that she will be happy to undertake that with the hon. Gentleman for the good cause that we have all talked about this afternoon.

Jane Ellison: I am more than happy to commit to talk to my colleague in the Department for Culture, Media and Sport, who is the lead Minister on heritage, about the debate and to relay that request. I will reflect on whether there is more we can do in due course to direct my hon. Friend the Member for Southampton, Itchen to other sources of funding that might be available. I will reflect on whether it is possible for me to do that subsequent to the debate, or indeed to ask another Minister to do that from sources other than LIBOR funding.

However, I reassure all colleagues that, should further LIBOR funding opportunities arise, any application from the National Spitfire Project that falls within the published scope will be given full consideration along
with other applications. In the meantime, I extend my good wishes to my hon. Friend and all involved with this project in its noble aim of creating a lasting memorial to a truly British icon.

3.50 pm

Royston Smith: I am grateful to right hon. and hon. Members for their contributions, which were made on a cross-party basis. To ever achieve anything, it is better to have everyone lined up in a row, rather than anyone thinking, “It’s not a great idea.” To have the support of Members from across the House has been really helpful, and I am grateful to everyone for that. I am grateful to the Minister for her words of support. I am heartened by her encouragement to continue and to put in an application in the way that she describes. I will pass that back to the trustees of the project.

It is interesting that in some debates people start to repeat the same things over and over again, whereas in this debate we could probably have talked for hours and never needed to repeat any of the anecdotes that we all have or the stories that we hold so dear about something as iconic as the Spitfire. I think that says as much about how important the Spitfire is and how important it has been in our nation’s history as anything else could.

Why now? To further commemorate 100 years of exemplary service and commitment of our Royal Air Force personnel, both past and present. Why the Spitfire? Because the Spitfire was, as one person described it, a symbol of defiance, unity and hope, and because the war would have ended very differently but for the iconic Spitfire and the brave pilots who flew it and, as everyone has said, those who maintained it, built it, designed it and test flew it. Why Southampton? Because the symbol of freedom that the Spitfire has become was designed, built and test flown there. In a world divided and troubled, the Spitfire reminds us of a time when we stood up against all the odds and against evil—and we prevailed.

Question put and agreed to.

Resolved.

That this House has considered funding for the National Spitfire Project.
Chamber and said that there were people in the European Parliament simply because their fathers—in most cases—were signatories to the treaty of Rome in 1957. I think we would all have something to say about that.

However, in the Houses of Parliament today, we have people still in the House of Lords for no reason other than their great-grandfathers, great-great-grandfathers or a further distant relative served some purpose at some time for the Government of the day and received a peerage that was then handed down week in, week out, year in, year out to their ancestors. That matters because, even within that, election to be one of the 92 hereditary peers is restricted to people who previously sat in this Parliament as a hereditary peer. As a historian, the Minister will know that that is not a tenable basis for democracy across this country or any other. That matters; it is not a game. It is about a seat in Parliament. It is about the right to vote on legislation, to hold Ministers to account, to express an opinion and to make choices on behalf of somebody. The question is who that somebody is.

Lord Lyell, who sat in this House as a hereditary peer, sadly died earlier this year. A by-election was held last week, in which the only candidates could be hereditary peers whose families had served the state or royalty of somebody in the past. Of those who could apply, 27 did. None of my constituents could apply; perhaps Lord Mostyn, who owns Mostyn Hall in my constituency and who was a candidate for that election, was at one point from my constituency, but none of my constituents could apply. I am not sure many of your constituents could, Mr Davies, and I am not sure many of the Minister’s could.

However, 27 people applied, and it was restricted to those people. I will give a flavour of some of the candidates, if I may: the 5th Baron Bethell, an old Etonian; the 5th Baron Biddulph, who owns 1,000 acres on the banks of the Tweed; the 4th Baron Gainford, aged 92, who promised in his manifesto not to attend the Lords casually; the 7th Baron Harlech, another old Etonian; the 8th Earl of Harrowby, another old Etonian; Viscount Hood who—surprise, Mr Davies; which school did he go to?—went to Eton. I have no objection at all to people who go to Eton being elected to the Houses of Parliament. The former Prime Minister, the right hon. David Cameron, went to Eton, and I have no objection to him getting into this Parliament.

However, it is wrong in the 21st century to have a small pool of people for the 27 candidates who had, for example, given service to the previous monarch and included the 4th Earl Lloyd-George; the 4th Viscount Mountgarret; Lord Somerleyton; and the Earl of Stockton, whose father was Prime Minister. The relatives of two former Prime Ministers and lots of people from Eton were fighting for a place in Parliament, in an election in which none of my constituents could stand.

[Mark Pritchard in the Chair]

Welcome to the Chair, Mr Pritchard. In the by-election that followed the sad death of Lord Lyell, the whole House of Lords could vote, because he was one of the specially promoted of the 92 remaining hereditary peers. Some 346 votes were cast out of a potential 803 for a seat in this Parliament.

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): I congratulate the right hon. Gentleman on securing this debate. We have an absurd situation where the upper House is about 200 Members larger than our House. Does he agree that a simple, easy way of helping to restore the balance would be to scrap all the hereditary peers in one fell swoop, at least as an initial step, so that purely appointed peers are left?

Mr Hanson: The hon. Gentleman is seven minutes ahead of me in my speech. That is a very good point. I do not see this as a party political argument; I see it as a matter of central democracy. I will return to that point later.

Lord Colgrain, who won the election last week, won with 143 votes and will take his seat in the House of Lords in due course. The turnout was 346, and as I have said, the total electorate is 803. The winning share of the total vote was 17%, and the turnout—even in this election, among such highly tuned political minds as the electorate of the House of Lords—was only 43%.

Lord Colgrain is a Conservative peer; I hold no objection to that. His peerage comes from the 1st Baron Colgrain, who died in 1954. I have no objection to him having a grandfather who worked for a bank and was president of the British Bankers’ Association, director of the National Provincial Bank and involved in London Assurance. I have no objection to that being his ancestor; that is a matter for him and his family. What I have an objection to is him being allowed to be on the ballot paper in an election in which only 27 people could participate as nominators and only 346 people ultimately voted to give him a seat in this Parliament.

Lord Colgrain has said that he wants to bring his experience of farming and finance to his membership of the Lords—fine. He is a governor at £34,000-a-year Sevenoaks School—fine. However, if we look at the hereditary peers, they are not drawn from the range of society that we might want reflected in this great, diverse Parliament that we have here today. That might seem ludicrous, but let me look at Lord Thurso, who was elected last year. Members will also know him as John Thurso. He served as a Member of this House for 14 years. He got elected when he was thrown out of the House of Lords with Labour’s first tranche of hereditary peers in 1999. He had a miraculous blood transfusion and removed his blue blood to stand as an ordinary mortal, and he got elected. At the last general election, he lost his seat in Parliament to a member of the Scottish National party. He was ejected from this House, yet Lord Thurso could stand at the first opportunity in a hereditary peer by-election.

The electorate in that case was a massive three electors—the three other Liberal Democrat hereditary peers. The election was due to the terrible death of Lord Avebury, whose work I had a lot of admiration for. The three electors for this post in Parliament were the Earl of Oxford and Asquith, the relative of the former Prime Minister; the Earl of Glasgow; and Lord Addington. There were six other candidates for this three-vote election: Earl Lloyd-George of Dwyfor, the great grandson of a former Prime Minister; Lord Cilvulrey; the Earl of Carlisle; Lord Kennet; Earl Russell; and Lord Somerleyton. I have no objection to any of those individuals per se, but they obviously did not have the weight to carry the three voters, because in an election with 100% turnout, Lord Thurso got elected with 100% of the vote.

I put it to the Minister that if we were in a foreign democracy, staring across the vast ocean and looking at
the United Kingdom in the 21st century, and said, “Here we have an election where only people whose great-great-great-grandparents or other relatives were peers can stand. Here we have an election where only three people can vote, and here we have an election where 100% of those three people voted to put one person into the House of Lords,” we might look on with ridicule. If it were a foreign country, we might be looking at representations in the United Nations, sanctions for lack of democracy or pressure on that Government.

It is well and good, I hear you say. We removed in 1999 all but 92 hereditary peers from the House of Lords, and those 92 remained as a guarantee for the second stage of Lords reform. The Minister will know that the second stage of Lords reform is a long time coming. Irrespective of that, we have an opportunity to look at what we can do now.

If we look at this from outside, coldly, we see that of the 92 hereditary peers, 91 are male and only one is female. Again, I have no objection to their belonging to certain political parties, but 48 are Conservatives, 32 are Cross Benchers, four are Labour, four are Liberal Democrats, two are non-affiliated and one represents the UK Independence party. That is hardly diverse. What do they bring, in terms of diversity, to our society, apart from their accident of birth and their status?

How do these hereditary peers get their titles? I will give but three examples. Lord Abingdon’s ancestor, James Bertie, was awarded the title of Earl of Abingdon for his loyalty to the royalists during the English civil war. His father had the title of 2nd Earl of Lindsey, which he would have inherited if it was not for King James II. Lord Fairfax of Cameron is an ancestor of Thomas Fairfax, who was granted his title because he was one of the first Englishmen to go to Scotland to swear allegiance to the new King James I. I do not know about you, Mr Pritchard, but I happen to think that in the 21st century, we owe more to our democracy than to give a seat in Parliament and a vote on my constituents’ issues to someone whose ancestor happened to be the quickest person to get to Scotland from London at that time.

Lord Thurlow’s ancestor, Edward Thurlow, was granted his title in 1792. He was a Tory MP for Tamworth and Solicitor General in the Government of Lord North. That might be fine. When Lord North was in power, we had only just lost America, and yet today I believe the Minister will stand and defend—I may be wrong, and I hope I am—the idea that the ancestor of someone who was given their peerage just after we lost America should be able to make decisions that affect the people I represent. I have fought elections since 1987, winning some and losing some, to get a seat in this Parliament, and yet on the basis of a handful of votes, Lord Thurlow can sit here.

Perhaps the worst example of all, which cuts me to the quick, is the current Conservative peer Earl Attlee. He inherited his peerage as the grandson of one of the greatest Prime Ministers of all time, Clement Attlee, who fought for a Labour Government and for massive social change. Now, through the hereditary peerage, his grandson, Earl Attlee, sits in the other place and votes in a way that I know his grandfather, although I never had the privilege of meeting him, would not approve of or endorse. He would not want his grandson to vote in that way, yet under the ludicrous system that we have, that is what happens.

Following the general election, there were five by-elections before the one last week, so this is happening all the time. I say to the Minister in the four or so minutes in which I will continue to speak before handing over to him that the Government have a choice. As in all things, the Government have a choice. They could allow this to continue. They could say, “We are going to wait until we have reform of the House of Lords. We will not do anything until we get wholesale reform of the Lords.” I suspect that that is what the Minister may say today. We could, however, adopt one of two other solutions.

The noble Lord Grocott, who sits in the House of Lords as a life peer and who sat in this House for many years as your neighbouring Member of Parliament, Mr Pritchard, in Tamworth—

Mark Pritchard (in the Chair): Telford.

Mr Hanson: Yes. Bruce Grocott was the Member for Lichfield and Tamworth originally and then came back as the Member for Telford in due course. Lord Grocott has introduced in the other place the House of Lords Act 1999 (Amendment) Bill, which says that we should stop the elections for hereditary peers now. It is a reasonable measure. Had it been implemented in 2015, the five by-elections to which I referred, plus last week’s by-election, would not have happened. This point relates to the conclusion of the hon. Member for Central Suffolk and North Ipswich (Dr Poulter): these peers could perhaps die off or retire and not be replaced. Lord Grocott has a live Bill in the other place. It has been discussed and debated and, surprisingly, hereditary peers tried to talk it out, but it is an option for the Minister to consider.

The Minister will know that I have in this House tabled a formal Bill, the House of Lords (Exclusion of Hereditary Peers) Bill, which adopts Lord Grocott’s proposal to allow an end to hereditary peer elections now, and includes a sunset clause date for when the hereditaries will be removed from the other place. I have given them notice that on a day in two and a half to three years’ time they will cease to be Members of that place—of the Houses of Parliament.

The Minister therefore has three choices. He could certainly leave the situation as it is, but he could also look at just stopping the by-elections or at using a sunset clause. There may be other options that I have not thought of, because those two seem to me very sensible and logical.

To go back to the contention of the hon. Member for Central Suffolk and North Ipswich, if the Government have decided that there will be fewer Members of Parliament—some 600—after the next election, which it is in the Government’s gift to do, but there are now some 843 Members of the House of Lords, of whom 92 are there because of their ancestors, not because of their own intrinsic merits, I think that it is time for change, and there is the potential for change there. I am talking about removing the peers and reducing the House of Lords membership. As I said in my opening comments, without abolishing the Lords, changing the method of election, touching the bishops or doing
anything else, we could remove 92 peers in a very simple way by accepting Lord Grocott’s Bill or, indeed, my own.

I pray in aid the Lord Speaker, Lord Fowler, who said in The House magazine that reform had been “hanging over the House like a cloud”.

He insisted that there was no way the Lords could defend its current size of more than 800 peers when the Prime Minister was set to reduce the size of the Commons to 600 MPs:

“I don’t think that we can justify a situation where you have over 800 peers at the same time as you’re bringing down the Commons to 600 MPs.”

He said:

“What we have to do first is to literally decide ‘what’s the number!’”

I want today to help the Minister, the Lord Speaker and the Houses of Parliament; the number could be, at the very least, 92 fewer by removing the hereditary peers or giving them notice and stopping their election, or, if the Minister wishes to maintain that policy, keeping them as they are.

As I said, the Minister is a historian. He has the chance today to make history. If he does not make history today, he will wake up one day and find himself on the wrong side of history. He should take the chance now, grab it, make a name for himself and remove hereditary peers from the House of Lords.

4.14 pm

The Parliamentary Secretary, Cabinet Office (Chris Skidmore): I thank you, Mr Pritchard, and Mr Davies for chairing the debate so effectively and efficiently. I also thank the right hon. Member for Delyn (Mr Hanson) for raising this matter today. I am incredibly flattered for raising this matter today. I am incredibly flattered for chairing the debate so effectively and efficiently. I am sure that my hon. Friend the Minister will respect my sign it for him if that would not devalue the copy. I do not doubt the right hon. Gentleman’s conviction and passion when he talks about this subject. I was there for his speech on 19 October in the House of Commons during the Opposition day debate on the House of Lords. I know that his private Member’s Bill ran out of time last Friday and that he brought a ten-minute rule Bill to the main Chamber in April 2016. I was going back through his political career just to test his commitment to and consistency on the issue of the House of Lords, which we are debating today. I can go as far back as when he was a 26-year-old candidate standing in Eddisbury on the Labour party’s 1983 manifesto, in which it stated very clearly that it would take action to abolish the House of Lords as quickly as possible and, as an interim measure, introduce a Bill in the first Session of Parliament to remove its legislative powers. All credit to the right hon. Gentleman for remaining consistent throughout his career and in his voting pattern to the manifesto commitment that he stood on in 1983.

With that in mind, I am sure that he will respect my decision to stick to the manifesto commitment that I stood on in 2015. I would like to place this on the record. It is on page 49 of the Conservative party manifesto. We stated:

“While we still see a strong case for introducing an elected element into our second chamber, this is not a priority in the next Parliament. We have already allowed for expulsion of members for poor conduct and will ensure the House of Lords continues to work well by addressing issues such as the size of the chamber and the retirement of peers.”

We added:

“We will ensure that the House of Lords fulfils its valuable role as a chamber of legislative scrutiny and revision”.

Mr Hanson: I am not asking the Minister to break that manifesto pledge. Everything I have said would fit in with that pledge. I have talked about allowing retirements and not having elections. I am not asking for a change in elections; I am just asking him to look at retirements.

Chris Skidmore: The right hon. Gentleman makes a particular point about a manifesto commitment, but he ignores the fact that it is not a priority for this Government.

William Wragg (Hazel Grove) (Con): My hon. Friend is a very able Minister for the Constitution, which is a subtle change of title from the previous Minister for Constitutional Reform—I am glad that an element of conservatism is seeping through the Cabinet Office. Surely the greater constitutional abomination of the other place at the moment, rather than the hereditary peers, is its recent tendency to attempt to defy the Salisbury convention.

Chris Skidmore: There have clearly already been debates and issues raised about the primacy of the elected Chamber. It remains the Government’s commitment that the primacy of the elected Chamber must remain paramount. Many peers have reflected the fact that that is an important consideration. With the article 50 Bill becoming the article 50 Act, we saw that peers understand the primacy of the elected Chamber, and we hope that that arrangement will continue.

I would like to dwell on what reform has meant over the past couple of years. As we have seen in the past, if reform of the House of Lords is to succeed, parliamentarians in both Houses must be able to work constructively together to make progress. It is clear from recent debates on the matter in the Lords that there are strong feelings on both sides. Although there might be agreement on certain issues, there is not yet clear consensus on the way forward.

The Committee stage of Lord Grocott’s Bill, to which the right hon. Gentleman referred, which would have removed the by-election system for replacing hereditary peers, clearly demonstrated that there was a level of disagreement and not a clear consensus on the way forward. With that in mind, and with so many other pressing legislative priorities to deliver over this Parliament—not least the fact that article 50 will be triggered tomorrow—the Government do not consider comprehensive reform of the Lords to be a priority. That is in line with our 2015 manifesto commitment.

Dr Poulter: I am sure that my hon. Friend the Minister will acknowledge that the manifesto commitment was to look at the size of the House of Lords and at some of its composition. There was a commitment to reforming the Chamber; clearly, a Chamber that has 200 more
Members than the House of Commons presents an issue. We recognise that the House of Commons is currently too large with 650 Members, so we are reducing the number to 600.

Chris Skidmore: My hon. Friend is absolutely right. As I have stated, the second part of the manifesto commitment was to “ensue the House of Lords continues to work well by addressing issues such as the size of the chamber and the retirement of peers.”

That is not to say that the Government are unsympathetic to the case put forward by the right hon. Member for Delyn. In the last Parliament, under the previous Administration, the Government introduced a Bill that would have made 80% of the eligible membership of the House of Lords elected. Both he and I were in the same Lobby on Second Reading of that Bill, which would indeed have removed hereditary peers. It was ultimately unsuccessful, not because of a lack of commitment to reform, but because of a lack of political consensus on the form that reform should take and the process by which it should be enacted. However, that does not mean that we cannot make pragmatic and measured progress today, above all by achieving the consensus that was lacking in 2012.

To return to the point made by my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter), the Government are clear that we want to work constructively with Members and peers to look at the pragmatic ideas for reducing the size of the Lords that can command broad consensus, just as we attempted to do in the last Parliament. On certain measures we worked with both Houses to introduce some focused, important reforms. With Government support, the House of Lords Reform Act 2014 enabled peers to retire permanently for the first time and provided for peers to be disqualified when they do not attend or are convicted of serious offences. Already more than 50 peers have chosen to take that step of eventual retirement. We also supported the House of Lords (Expulsion and Suspension) Act 2015, which provided the House with the power to expel Members in cases of serious misconduct, as well as the Lords Spiritual (Women) Act 2015.

I believe that by making pragmatic, incremental reforms that can command consensus, real progress can be made. The right hon. Member for Delyn mentioned being on the right side of history. Looking at the historical processes of constitutional change, we see that those are often developed, constructed and effectively delivered by measured and manageable reform.

Mr Hanson: Will the Minister please say after me—so that it is on the record—that the current UK Government support the principle whereby three people can vote for a Member of Parliament? Will he just say that for me? That is what he is saying.

Chris Skidmore: A debate in Westminster Hall is not the place for hypothetical questions, and it is certainly not the place for hypothetical answers. The UK Government are determined to enact the Conservative party’s 2015 manifesto commitments, which clearly state that Lords reform is not a priority in this Parliament, but that where we can work constructively to address the size of the House and the retirement of peers, we will do so.

It is by making pragmatic, incremental reforms that command consensus that progress can be made. That is why the Government welcome the work of the Lord Speaker’s cross-party Committee of Back-Bench peers—the right hon. Gentleman mentioned him—to explore practical and politically viable methods by which the size of the House of Lords can be reduced. On 20 December 2016, the Speaker in the House of Lords announced that he was establishing the Lord Speaker’s Committee “to examine the possible methods by which the House could be reduced in size.” —[Official Report, House of Lords, 20 December 2016; Vol. 777, c. 1541.]

That followed a debate on 5 December in which the House of Lords unanimously agreed that its size should indeed be reduced.

The Committee’s remit is to “explore methods by which the size of the House can be reduced, commensurate with its current role and functions.”

Specifically, it is instructed “to examine practical and politically viable options that might lead to progress on this issue; analyse their implications; and set out any outstanding questions that may need to be answered in order for any proposals to command broad consensus across the House.”

Following its deliberations, there was a consultation exercise that closed on 20 February; I am sure that right hon. and hon. Members have taken the opportunity to respond to that. The Committee will offer advice to the Lord Speaker on potential next steps. It is expected to conclude its work by early summer.

The Committee considers that its remit requires it to work within the following constraints: first, that there is no change to the House’s role and powers or to the primacy of the Commons, and that deals with the point that my hon. Friend the Member for Hazel Grove (William Wragg) made; secondly, that Members continue to be appointed, but with a ceiling on the total size of the House; thirdly, that there is no increase in the cost of the House; fourthly, that there is a guaranteed percentage or minimum number of Cross-Bench peers; and fifthly, that no single party is to have a political majority. I note that in the questions that were put as part of that consultation exercise, the Committee sought suggestions about how to achieve two overarching aims: first, to reduce the House from its current size to a target number or range; and secondly, to keep the House at that target size or range afterwards. It stated: “In considering different options, it may be helpful to factor in the following points.”

One of those includes: “Any consequential implications for the Lords Spiritual (the Bishops), the future of hereditary peers in the House, and automatic appointments of certain office-holders.”

I am sure the right hon. Member for Delyn has taken the opportunity to make his views heard as part of that consultation.

Although there may be no consensus on this matter—the right hon. Gentleman is right to have predicted that the Government are committed to looking at measured and manageable reform, but that comprehensive reform of the House of Lords is not a priority in this Parliament—we look forward to hearing the independent Committee’s recommendations and to future discussions with colleagues across both Houses about where and when that consensus might be found. May I just say that it has been a delight to have this opportunity for discussion and debate.
today? It is important that these views are aired and put on the record and that I, as the Minister responsible for the policy, can come to the House to defend the Government’s position. I thank the right hon. Gentleman for securing this debate today.

**Question put and agreed to.**

**Resolved.**

That this House has considered Government policy on hereditary peers in the House of Lords.

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**Rare Diseases Strategy**

4.26 pm

**Ben Howlett** (Bath) (Con): I beg to move, That this House has considered implementing the UK Strategy for Rare Diseases.

It is a pleasure to serve under your chairmanship, Mr Pritchard. Since taking over as chairman of the all-party parliamentary group on rare, genetic and undiagnosed conditions in 2015, I have had the great privilege of meeting and helping patients, children and their parents and families. To explain the enormity of the situation, one in 17 people will be affected by a rare disease at some point in their life. That equates to approximately 3.5 million people in the UK. There are currently between 6,000 and 8,000 rare diseases that have been identified, with patients affected at all ages. However, for those who have a known rare disease, the picture is slightly better than for those whose disease is not known. Many children and adults who I have met do not have a diagnosis. That is both deeply distressing and prevents adequate care from being provided fully. It results in a wide range of issues for patients and parents, who are often desperate to find the answers. Despite the scale of the issue, unfortunately a significant proportion of people with a rare, genetic or undiagnosed condition still do not have access to adequate care and treatment.

Given the enormity of the problem, the Government published their rare diseases strategy in 2013. It was heralded by the rare diseases and medical communities as a major breakthrough. While symptoms vary from condition to condition, there are a number of issues that patients and families affected by rare diseases face collectively—for example, the difficulties associated with accessing a timely and accurate diagnosis and the appropriate co-ordination of care. The publication of “The UK Strategy for Rare Diseases” should have heralded a new era of treatment and care for rare diseases patients in England, Scotland, Wales and Northern Ireland. Containing 51 commitments, the strategy aims to ensure that health and social care systems across the nations provide those living with rare conditions with the highest quality of evidence-based care and treatment, regardless of where they live in the UK.

**Jim Shannon** (Strangford) (DUP): I thank the hon. Gentleman for bringing this important issue to Westminster Hall for consideration. There are some 60 different types of muscular dystrophy, and 1,000 children and adults for every 1 million of the population are affected—70,000 people are affected by a muscle-wasting condition in the UK. Does he share my concern that our current strategy helps those who live a life of suffering because of those terrible diseases, and does he believe that we are offering the best, or enough, support to their carers at this time?

**Ben Howlett**: The hon. Gentleman and I have discussed rare diseases many times in this Chamber. I pay tribute to his work and that of his party on pushing this agenda in Northern Ireland; that also has implications for England. I agree with what he said and I will come on to evidence given to the all-party group—he mentioned a range of different things—including that of Muscular Dystrophy UK. I hope hon. Members find that report and the evidence that we refer to beneficial.
Without wishing to go into too much detail about the 51 recommendations, given the limited time that we have, the UK strategy aims to “ensure no one gets left behind just because they have a rare disease”.

Features include setting a personal care plan for every patient, bringing together health and social care services; ensuring that patients, their families and carers have the information that they need and are listened to and consulted; and improving diagnosis and intervention and strengthening research to improve personalised approaches to healthcare for those with a rare disease.

The four countries in the UK were given a deadline of 2020 to implement the commitments. Although the Health Departments in the devolved nations have all published country-specific implementation plans to reflect their respective health services, structures and priorities, the Department of Health in England has not yet co-ordinated a plan for England.

At this point, I want to pause to thank all the charities and organisations across the country—including the Centre for Rare Diseases in Birmingham, the Birmingham children’s hospital, Lupus UK and Muscular Dystrophy UK—that have not only submitted evidence to our report, but done so in advance of this debate. Although I cannot name a million and one organisations, given the limited time, I—and, I think, the whole Chamber—wish to thank them for all their work on helping patients with rare, genetic and undiagnosed conditions.

As has been referred to, between October 2016 and January 2017, the all-party group on rare, genetic and undiagnosed conditions conducted an inquiry into the implementation of the UK strategy for rare diseases in England. It held three hearings with the Department of Health and its arm’s length bodies. More than 300 patients, family members, patient organisations, clinicians and industry representatives also submitted evidence. I thank all those who did so and all colleagues who took part in the evidence sessions, which were very interesting. Overall, the findings were that the strategy is working well and being implemented effectively in some areas. However, where the strategy is failing to be implemented, the problems it was designed to fix are in some cases getting worse or, at best, failing to get better. I will detail the findings of our report and ask the Minister a number of questions.

I was pleased with the response to a question I asked during Health questions last Tuesday. The Under-Secretary of State for Health, my hon. Friend the Member for Oxford West and Abingdon, has, I hope that he provides more information about the Government’s commitment from last week. Hopefully they can commit to the Department of Health developing a comprehensive implementation plan that describes actions for its arm’s length bodies in particular. An implementation plan would offer direction to bodies involved in rare disease patients’ care, so that they can take action to improve the services that patients need. It would help patients to understand what progress is being made and to ask the right questions when it is not. It would also help to ensure that the needs of rare disease patients and their families are considered in decisions about patient care and access to treatments taken by bodies involved in the strategy.

NHS England also suggested in evidence that it does not intend to develop an implementation plan and has neither the remit nor the capacity to influence all 51 commitments in the strategy. Given that evidence, will the Minister commit to finding a way either for the Department of Health to deliver that agenda or for NHS England to be given direction to do so?

**Jim Shannon:** I thank the hon. Gentleman for being gracious in giving way. He will be aware of the neuromuscular complex care centre that was set up in Queen Square in London in September 2014. Will he encourage the Minister to visit that centre to see the benefits of co-ordinated, specialist, multidisciplinary care delivery that could be replicated across the United Kingdom of Great Britain and Northern Ireland?

**Ben Howlett:** I am sure that the Minister heard that and will pass it on to the Under-Secretary of State for Health, my hon. Friend the Member for Oxford West and Abingdon.

We also saw evidence of poor communication between the organisations responsible for implementing individual commitments and other stakeholders involved in the strategy. What plans does the Minister have to better co-ordinate that communication? Many patients do not have access to the appropriate treatment or information about their condition, and the barriers to accessing information about a condition begin as soon as a diagnosis is made. Unfortunately, that leads to patient care continuing to be poorly co-ordinated.

I know that the Minister is a superb champion for those with rare diseases, and given the rare condition that the Under-Secretary of State for Health, my hon. Friend the Member for Oxford West and Abingdon, has, I hope that he provides more information about the Government’s commitment from last week. Hopefully they can commit to the Department of Health developing a comprehensive implementation plan that describes actions for its arm’s length bodies in particular. An implementation plan would offer direction to bodies involved in rare disease patients’ care, so that they can take action to improve the services that patients need. It would help patients to understand what progress is being made and to ask the right questions when it is not. It would also help to ensure that the needs of rare disease patients and their families are considered in decisions about patient care and access to treatments taken by bodies involved in the strategy.

**Chi Onwurah** (Newcastle upon Tyne Central) (Lab): I congratulate the hon. Gentleman on securing this important debate. I welcome the recommendations in the strategy, although I am concerned that the recent announcement on capping NHS drug prices will influence implementation. Muscular Dystrophy UK has said that it would have a major impact on drugs for muscular dystrophy and other rare diseases. Newcastle is fortunate enough to be home to the John Walton Muscular Dystrophy Research Centre, but support could be improved further by providing specialist psychological support for people with muscle-wasting conditions. Does the hon. Gentleman agree that such support needs to be an integrated part of service provision for muscular dystrophy and other rare diseases?
Ben Howlett: I am really pleased that the hon. Lady raised that point, and I am sure you pay tribute to the work done by Muscular Dystrophy UK to support patients. A key recommendation from our inquiry addressed the fact that part of the rare diseases strategy suggests that we should look at things on a much more integrated level. Patients are not just the medical condition that is attributed to them; they are also an entire person, who is part of a collective family. The rare diseases strategy has implications not just for those individuals, but for their families, carers and so on, across the board. We have seen a number of instances where the rare diseases strategy is simply not doing what it should have been doing, so I hope that in the Minister’s summation he will address taking a holistic approach, rather than just looking at the individual.

Further recommendations in the APPG report include that NHS England should be more proactive in implementing the commitments it can influence and dedicate more resources to improving the co-ordination of care, as the hon. Member for Newcastle upon Tyne Central (Chi Onwurah) said. It recommended that the Department of Health should improve its processes to both engage and communicate with stakeholders in the strategy. It also recommended that the Department of Health and the UK National Screening Committee should work together to establish robust programmes for identifying and preventing rare diseases, and that training for frontline medical staff on rare diseases and their impact on patients should become widely available and incentivised. The APPG is very much encouraged by the number of programmes that have been developed in response to the strategy that complement its aims, such as the 100,000 Genomes Project. Those programmes are amazing in themselves; none the less, those developments should not necessarily be considered as actions resulting from the UK strategy for rare diseases.

The time to act is now. I am sure that the Minister can guess my final point, which is about the changes to the National Institute for Health and Care Excellence’s highly specialised technologies programme. Commitment 13 of the strategy—lucky for some—is to ensure that there are appropriate procedures for evaluating the costs and benefits of treatments for patients. NICE’s recent decision to implement an upper funding threshold for its HST programme, made despite widespread condemnation from the rare diseases community, conflicts with that aim. The upper limit will vary according to the lifelong impact of the technology on the patient, varying from £100,000 per quality-adjusted life year for treatments that deliver less than 10 QALYs to the patient in their lifetime, up to a maximum of £300,000 for treatments that deliver more than 30 additional QALYs to the patient in their lifetime.

Unfortunately, the programme has been beset by delays. Only four medicines for the treatment of rare diseases have been evaluated since the HST programme began, averaging just one a year, despite a capacity for three treatments a year. The four medicines evaluated to date have been shown to bring tremendous value to the patients eligible to receive them. They are life-saving, life-extending treatments with the potential to lift the burden on whole families of a rare genetic condition.

Greg Mulholland (Leeds North West) (LD): I thank the hon. Gentleman for his intervention and pay tribute to him for his work on rare diseases over the years. One of the first events I ever went to in Parliament was on rare diseases and was hosted by him. I could not have put it better myself. I will come later to my view that the issue needs to be thought about in a more timely way, potentially in a consultation and through some sort of implementation plan, which has been missing. It will impact not just people with muscular dystrophy, for example, but all those with the different conditions that he has championed in the past.

The four medicines evaluated to date have shown tremendous benefits to patients, and are life-saving and life-extending treatments. They are some of the most powerful and effective treatments for rare diseases ever seen, and the highly specialised technology evaluation committee recommended them for funding in England, but none of those life-changing medicines would have been able to raise the lower threshold significantly, and none would have been approved under the new regime.

If implemented, the plans will significantly affect patients with rare diseases and their ability to access life-changing treatment, at a time when we should be expanding access routes rather than limiting them further. The changes contradict the positive recommendations made in the accelerated access review and will restrict any attempt through the industrial strategy to position the UK as a centre for the development of innovative medicine. England already has extremely slow and limited access to treatments for rare genetic conditions; further narrowing of access routes will shut the door to innovation for our community of patients and families. It is unacceptable to implement such drastically damaging proposals just 18 days after they were announced. I therefore join the sector in calling for a pause in implementing the proposals and for a consultation and impact assessment.

Chi Onwurah: I thank the hon. Gentleman for his kindness in giving way once again. The John Walton Muscular Dystrophy Research Centre was named after a peer, now sadly deceased, who also founded Muscular Dystrophy UK and saw over a long lifetime the importance of the UK’s role in innovative science and research techniques, and its economic benefits to the research sector and, more widely, our international reputation. The changes proposed to NHS England will do much to undermine that.

Ben Howlett: I thank the hon. Gentleman for his agreement that, as well as being a kick in the teeth for the rare and ultra-rare disease community—families, medical staff and charities—the plans make no sense? They have no bearing on the effectiveness of the drugs, which surely should be the basis for decisions, and they threaten new drugs that could change and save people’s lives, as well as some of the drugs that we joined families, medical staff and campaigners to get in the first place.
I know that several hon. Members want to speak, so I will conclude by welcoming the commitment and dedication of this Minister and the Under-Secretary of State for Health, my hon. Friend the Member for Oxford West and Abingdon, in providing a solution to our long-standing problems with the implementation of the rare diseases strategy in England. Following the publication of our report, I hope that the Minister will be able to provide clarity on the questions that I have asked. The UK is doing superb work and leading internationally on rare diseases.

Andrew Bingham (High Peak) (Con): I commend my hon. Friend on securing this important debate. My constituent Will Newman contacts me regularly about his granddaughter Ellie, who lives outside my constituency. He wanted me to come to this debate and thank my hon. Friend for the work that they are doing. We think that rare diseases do not affect many people, but those whom they affect, they affect hugely. Does he, like me, take heart from the Prime Minister’s words in September? She said at Prime Minister’s questions: “We are committed to ensuring that patients with rare conditions get access to the latest medicines”. —[Official Report, 7 September 2016, Vol. 614, c. 334.]

As she also said, we are taking the necessary steps to get those to them.

Ben Howlett: I thank my hon. Friend for that intervention. He is a great champion for his constituents. I share his hope in the Prime Minister’s commitment, made at an early stage in her office, and in a Minister who obviously understands rare diseases, having one herself, and who has made a clear personal commitment to resolve the issue. Having worked alongside the Department of Health for many years, I have been wanting to see this come to fruition. I am glad that we now have a leadership commitment in place to deliver it for the first time, at least in my memory of working alongside the NHS.

The UK is doing superb work and leading internationally on rare diseases. I hope that our all-party parliamentary group’s report will make a significant difference and help to steer the Department of Health to a place conducive to both the Minister’s requirements and ours. I look forward to hearing his response.

Mark Pritchard (in the Chair): Before I call Margaret Ritchie, I will give some guidance. I am sure that hon. Members are aware that the spokesman for the Scottish National party will have five minutes, as will the shadow Minister. The Minister will have 10 minutes. This debate is due to finish at 5.30.

4.45 pm

Ms Margaret Ritchie (South Down) (SDLP): It is a pleasure to serve under your chairmanship, Mr Pritchard. I congratulate the hon. Member for Bath (Ben Howlett) on his thoughtful contribution and on securing this important debate. He has given leadership on the issue, drawing on his professional field and as chair of the all-party parliamentary group, for which we are particularly grateful.

Those who suffer from rare diseases struggle for recognition, funding and resources, but rare diseases collectively are not rare: there are over 6,000 of them, and many members here have constituents who are among the 3 million people throughout the UK affected by such diseases. The range of rare diseases is wide, but they have in common an impact on the lives of those who suffer from them and on those of their families and carers. In October last year, I chaired the annual general meeting in Northern Ireland on Behçet’s disease, a very rare disease that affects sufferers with listlessness and muscular atrophy. They cannot get close to a level of diagnosis that comes with a clear medical plan for dealing with their particular disease.

Having a rare disease presents its own unique challenges. The testing experience of ill health is exacerbated by the difficulty of diagnosis and the subsequent struggle to access medicine and treatment. Other sufferers of rare diseases in my constituency have told me of the need for a co-ordinated approach to diagnosis and implementation of a treatment plan across all medical disciplines, which is sometimes sadly lacking.

I come to the issue from a Northern Ireland perspective. The hon. Member for Bath referred to an implementation plan for the nations and regions within the UK. A constituent who has a rare disease, as does her son, suggested to me that they originally received a considerable level of co-ordinated treatment here in Great Britain, but not in Northern Ireland. That issue must be addressed under our own singular plan.

Of course, proving the safety and effectiveness of treatments and medicines is an added difficulty in rare diseases with complex data, or perhaps even a dearth of data. I echo the vision of the Northern Ireland Rare Disease Partnership: no one should be disadvantaged because of the rarity of their condition. People with rare diseases should be able to expect access to the safe, effective and affordable drugs and treatments that they need.

Other hon. Members have mentioned muscular dystrophy in their interventions, specifically Duchenne muscular dystrophy, which affects more than 2,500 children and adults in the UK. Assisted ventilation is required to help older Duchenne patients to breathe, which necessitates 24-hour care, and some patients undergo a tracheostomy procedure. I have heard worrying reports that medical centres that conduct clinical trials for Duchenne muscular dystrophy and other muscle-wasting conditions are facing a lack of capacity and resources and are having to turn studies away, which risks thwarting the development of promising new drugs and the search for effective treatments that the hon. Member for Bath referred to.

As a Member of Parliament who represents a constituency in Northern Ireland, I was pleased that the then Northern Ireland Executive published their rare diseases implementation plan in October 2015, some two years after the report here was published. The plan identified four priorities: Northern Ireland’s participation in the 100,000 Genomes Project; a commitment to review communications and information; a review to establish a Northern Ireland rare diseases registry; and training needs analysis for medical professionals. The next steps, of course, are to monitor the outcomes of those reviews and to listen closely to the people who are directly affected by the actions of the Department of Health. One of my principal regrets is that we do not
I will focus my comments on new treatments and on how to ensure ready access to them. As we have heard, this debate is very timely because it comes hot on the heels of recent NICE guidance that introduces a financial cap for access to new medicines. NICE is proposing an upper limit for costs per quality-adjusted life year, above which it will not recommend funding for highly specialised technology treatments. That decision could have a profound impact on people affected by rare diseases in the UK. On Thursday, when I asked the Leader of the House for a debate on the matter, he replied that “decisions about individual medicines are taken by a body such as NICE, where clinical judgment is to the fore, rather than being subject to political pressure”. —[Official Report, 23 March 2017; Vol. 623, c. 966]

None the less, I am glad to have the opportunity to raise the matter today. I agree that it should be for NICE to decide, but this is a significant change from medical efficacy to financial rationing. Such a highly political change should be debated here, not outsourced.

We must listen to what charities such as Alzheimer’s Research UK and Cancer Research UK are saying. They warn that lives will be lost because of this new rationing system. I was particularly struck by the words of the MPS Society, which provides support to people affected by mucopolysaccharide diseases. It said that the decision by NICE and NHS England “will affect the most vulnerable in UK Society and confirms that children and young adults with ultra-rare diseases going forward are economic pawns in a failing NHS and cheaper dead than alive.”

Those are very strong words. They are not mine, but they show how people feel, and I am sure that the Minister will have noted them.

Genetic Alliance UK said:

“NICE, in close collaboration with NHS England, are sending a clear message that they are unwilling to fund new innovative treatments for rare diseases. This is a real slap in the face for patients and families with rare diseases, and contrary to the founding principles of the NHS.”

It has also suggested that, as we have already heard, none of the four rare disease medicines that have so far been approved would have been approved under the new proposals, which it believes will cause a “drastic reduction in access to innovative treatments for very rare diseases in England”.

It is also worth mentioning that the guidance will have an impact not only on people affected by rare diseases, by closing off their access to innovative treatments, but on the UK’s vital life sciences sector more broadly, as it risks curtailing investment in new medicines. As the BioIndustry Association says, it sends an immediate, stark, negative signal to the global life science investors and companies that the UK needs to attract in the Brexit era.”

The reaction from patient groups, as well as from industry, demonstrates the broad concern about the adverse impact that NICE and NHS England’s decision will have on patients. The UK strategy for rare diseases published in 2013 has the laudable aims of raising awareness of rare diseases and improving diagnosis, research and access to services for people affected, but there is a real risk that those aims will be undermined by the new guidance.
I echo the calls from the hon. Member for Bath and other hon. Members for the Department of Health to publish an implementation plan for the UK strategy for rare diseases, because until we see a coherent plan, progress on the strategy’s objectives will continue to stall. As the all-party group has rightly summarised: “An implementation plan…is a tool for delivery, coordination, collaboration, communication and monitoring.” Such a plan would also enable stakeholder groups to have a clear idea of which institutions they could work with to influence the implementation of the strategy.

We have already heard today that the Minister responsible for public health and innovation, the hon. Member for Oxford West and Abingdon (Nicola Blackwood), has made a personal commitment that the UK rare diseases strategy should be translated into an implementation plan. I applaud her for that commitment, but I hope the Minister will confirm that the Department will follow through on it, because last year the then Health Minister, the hon. Member for Mid Norfolk (George Freeman), stated in a written answer:

“There are no plans to consult on the implementation plan”.

The Government have described the UK strategy for rare diseases as “a long term strategic vision for improving the lives of all those with rare diseases and conditions” and have committed “to ensuring that patients with rare and ultra-rare diseases in England are able to access effective treatments.” I fear that recent decisions will mean that access to those effective treatments will be shut off. The Government must act urgently if they want their strategy to move beyond paper and reach the patients and people it aims to help.

4.59 pm

Martyn Day (Linlithgow and East Falkirk) (SNP): It is a pleasure to serve under your chairmanship today, Mr Pritchard, and I am grateful to the hon. Member for Linlithgow and East Falkirk (SNP): It is a pleasure to serve under your chairmanship today, Mr Pritchard, and I am grateful to the hon. Member for Bath (Ben Howlett) for securing the debate, for his informative speech and indeed for the work that he has undertaken with the all-party group.

As we have heard, rare disease affects considerably more people than we would at first imagine, with over 3 million people across the UK likely to suffer from a rare disease at some point in their lives. The Scottish Government’s implementation plan for rare diseases in Scotland recognises this fact in its title: “It’s Not Rare to Have a Rare Disease”.

My own constituency has had, as I am sure every other constituency has had, several fairly high-profile rare disease cases. These cases attract media attention and affect entire communities, not just the family directly affected; often, communities have to raise funds to help with treatments and raise awareness. Such a case was that of Kirsty Reid from Whitburn. In 2015, after being diagnosed with pseudomyxoma peritonei—it is one of those conditions where the acronym, PMP, is slightly easier to say—Kirsty raised over £7,000 to help others diagnosed with the rare condition, which affects only two people per million.

We also have a charity called Shavon’s Journey, which was set up in 2012 following the death of Shavon Morton from Grangemouth after a long fight with aplastic anaemia, a condition in which bone marrow does not produce sufficient new cells to replenish blood cells. I could go on with other examples, but I think we all get the point—rare diseases touch the lives of many, and therefore the importance of raising awareness, and of improving diagnosis and ultimately the services and treatments to sufferers, cannot be overstated.

Stuart Blair Donaldson (West Aberdeenshire and Kincardine) (SNP): I thank my hon. Friend for giving way and I congratulate the hon. Member for Bath (Ben Howlett) on securing this debate. The Teddington Trust, which is jointly run by one of my constituents, supports people living with xeroderma pigmentosum, who lack the DNA repair mechanism necessary to repair damage caused to the skin by exposure to ultraviolet sunlight. Does my hon. Friend join me in commending the work of the Teddington Trust and the work of many other rare disease charities in supporting those living with rare diseases and keeping rare diseases on the political agenda?

Martyn Day: I do indeed join my hon. Friend in commending the work of so many good charities and organisations in this field.

The Scottish Government’s implementation plan, which I have mentioned, sets out the Scottish approach to delivering the UK strategy commitments. Key to the plan is recognising the importance of timely and accurate diagnosis, and allowing treatments to start as soon as possible. The Scottish Government have substantially increased access to new medicines, particularly for cancer, due to reforms and investment in recent years, which has led to a marked increase in uptake of orphan, ultra-orphan and end-of-life medicines.

Last year, the Scottish Government launched a review of the way drugs are assessed for NHS use, which was led by the former NHS Fife medical director, Dr Brian Montgomery. His review looked at how changes made to the Scottish Medicines Consortium process in 2014 had affected access to medicines for rare and end-of-life conditions. The review’s recommendations set out how the process for appraising medicines can be made more open, transparent and robust, and the Scottish Government have committed to implement all 28 of its recommendations, such as a new approval pathway, outwith the standard SMC process, for these high-cost medicines for very rare conditions.

The Scottish Government’s peer-approved clinical system, or PACS, has helped to give patients and clinicians a better say in which new medicines are approved by the SMC for use in NHS Scotland, particularly those used for rare or life-limiting conditions. PACS was first piloted in Glasgow in 2015 and has been successfully rolled out across Scotland, and a second tier of PACS will now be introduced to replace and build on the existing individual patient treatment request system. A new national appeals process will be introduced through this new tier of PACS, which will include consideration of equity of access with other parts of the UK as a material part of the decision-making process.

It is also perhaps worth saying at this point that the Scottish Government are happy to work with the National Institute for Health and Care Excellence, and indeed
with any other countries, to improve access to medicines in Scotland and to obtain a fair price from the pharmaceutical industry. I emphasise that last point, because we now need the pharmaceutical companies to do their bit by bringing forward fairer prices for new medicines, so that access can be as wide as possible.

Finally, we know that the Health Secretary has said that he does not expect the UK to remain within the European Medicines Agency, which raises a number of concerns about potential delays in new drugs reaching patients in the UK. Sir Alasdair Breckenridge, who was the chairman of the UK’s drug regulator—the Medicines and Healthcare Products Regulatory Agency—for almost a decade, said last month:

“The UK market compared to the European market of course is small and they may decide not to come to the United Kingdom. So therefore there will be delay in getting new drugs—important new drugs, anti-cancer drugs, anti-infective drugs—for patients in the UK.”

He is not alone in saying that; David Jefferys, vice-president of Japanese drugs firm Eisai, has also warned that UK patients could face delays of up to two years. I would be grateful if the Minister could advise in his response to the debate how these dire warnings can be prevented from becoming a reality.

5.4 pm

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): It is a pleasure to serve under your chairmanship this afternoon, Mr Pritchard.

I welcome this important debate and I thank the hon. Member for Bath (Ben Howlett) for securing it and for his excellent introduction to it, although I am sorry that I missed the start of his speech because it started four minutes early before my hon. Friends and I were in our places.

I also thank other hon. Members for their contributions this afternoon, including the hon. Member for South Down (Ms Ritchie), my hon. Friend the Member for Cambridge (Daniel Zeichner) and the hon. Member for Linlithgow and East Falkirk (Martyn Day), the spokesman for the Scottish National party, who all made excellent and insightful speeches.

As others have said, here in the UK one in 17 people will be affected by a rare disease at some point in their life, which equates to approximately 3.5 million people in the UK. It cannot go unsaid that those 3.5 million people have a wide range of symptoms, which vary from condition to condition, some of which we have heard about this afternoon. It is clear that there are common experiences that people with these conditions all share. As Rare Disease UK has estimated that it takes on average four years for a patient to receive a diagnosis, it is clear that there are many missed opportunities to help those people living with rare diseases. Each and every person who suffers from a rare disease deserves the necessary support to live a fulfilling life.

That is why it was welcome that in 2013 the coalition Government published their UK-wide strategy for rare diseases, which was seen as heralding a new era in the treatment and care of rare disease patients across all four home nations. The 51 recommendations are all to be welcomed, as they each take us a step further in addressing concerns about the care and treatment of rare diseases, and the strategy’s aim is to make sure that no one gets left behind just because they have a rare disease. It is an aim that Labour welcomes wholeheartedly.

Most of my contribution to this debate will focus on the issues with the implementation of the strategy, but I will take a moment to mention some of the positives. It is welcome to see that the National Institute for Health Research has launched the Rare Diseases Translational Research Collaboration—I will use the acronym, RD-TRC, as it is much easier to say—which aims to empower patients to engage and become involved with research and research funding decisions. To date, the NIHR has invested £4 million in the RD-TRC, and the programme is expected to continue for another five years, with a £5 million investment.

Work has also been done by Public Health England on data recording, to bolster diagnosis and early intervention, and we have also seen Health Education England collaborate with the National School of Healthcare Science to produce two educational videos for healthcare professionals, in order to raise awareness of the problems faced by families who have a child with an undiagnosed condition and the importance of considering whether it is a rare disease. All this work is to be welcomed and should not go unnoticed.

Yet the sticking point in all of this, and the reason why we are here today to debate this issue, is that the Government are digging their heels in and not getting on with drafting an implementation plan, while the other home nations’ Health Departments are making significant strides. That betrays not only those patients living in England who wish this strategy to be properly implemented but the strategy itself, which stated that all four home nations must see the vision behind the strategy become a reality by 2020. It also undermines all the excellent work that I mentioned previously to implement the recommendations.

The strategy was published in 2013 and we are now just three years from the date set for the vision to be realised. However, the all-party group that the hon. Member for Bath so ably chairs has discovered that the Department of Health does not intend to publish an implementation plan, believing that it should be published by the NHS. Yet the NHS has said that it does not intend to do this either, as it does not have responsibility for other arm’s length bodies of the Department of Health. I want to ask the Minister why. I want to know why we are seeing patients and their families caught in this dispute between the NHS and the Department of Health. This situation cannot continue; there are people suffering right now who need this strategy to be implemented correctly.

I have briefly mentioned the report by the all-party group on rare, genetic and undiagnosed conditions on the lack of an implementation plan, but I know that it covers other issues as well, and I will take a moment to touch on some of them. One of the main issues raised was the lack of communication between organisations responsible for implementing the various aspects of the plan, and the failure to provide patients, families, doctors, industry experts and patient organisations with updates on progress of the strategy. That is deeply worrying, as it is important that people are made aware of the issues that affect them so personally. Therefore, it is not surprising that the all-party group heard from more than 300 patients that widespread disillusionment and disappointment had become the common feeling about the strategy, despite the optimism felt when it was published five years ago. The sting in the tail is that there are
implementation plans for the strategy across the UK, with the exception of here in England. I share the frustration of the many others who are affected by the Government’s complacency. The Department’s rationale for not providing updates on progress is that patient organisations can disseminate information to patients and families, but it sadly fails to grasp that those organisations and charities are often very small and do not have the resources to pull together updates and send them out.

Also, issues that have not been worked on since the strategy was published have been identified, including prevention and identification of rare diseases, improving care pathways and failing to implement structures that would facilitate collaboration between the four home nations. In his response, I would be grateful if the Minister could provide us with an update on those points and tell us what his Department plans to do to see the recommendations through.

The strategy is now five years old, and although there has been work to see it realised, it has not gone far enough. The failure here is that the Department of Health in England is not fulfilling its duty to draft an implementation plan to realise the visionary goals in the strategy, which undermines the work already under way and hinders any future work. The Minister must set that right, and I hope he plans to do so today. He has the power to rectify the situation and he cannot be complacent when it comes to supporting people living with rare diseases.

We are not talking about a handful of people; many of our own constituents are being failed by the Government, and all they ask for is that the Department of Health do what Departments in the other home nations are doing and provide an implementation plan to enable the strategy to be fully realised and make the impact it was intended to have. I once more thank the hon. Member for Bath. I Member for Bath. I hope that the debate will make the Minister think again about the Government’s opposition to taking responsibility for a plan, and that he will honour the whole vision of the strategy, instead of cherry-picking from it.

Mark Pritchard (in the Chair): If the Minister does not use all the time allocated—10 minutes is a guide, but clearly there is more time on the clock—it will allow me to call the hon. Member for Bath for a brief winding up, but that is entirely in the Minister’s gift.

5.12 pm

The Minister of State, Department of Health (Mr Philip Dunne): Mr Pritchard, I am grateful for your generosity and guidance. You are chairing the debate admirably, as usual. I congratulate my hon. Friend the Member for Bath (Ben Howlett) and the other members of the all-party group on rare, genetic and undiagnosed conditions on securing the debate and on producing a timely and informative report. My hon. Friend rightly pointed out that the Under-Secretary of State for Public Health and Innovation would have been the Minister responding to the debate, but I am sure he will understand why she cannot be here: she was invited to accompany the Prime Minister elsewhere today. I regret, for him, that that proved an invitation hard to resist. It has, however, given me the opportunity to learn more about rare diseases and I am grateful to my hon. Friend for that. I hope to be able to address some of the comments that he and other hon. Members have made.

As has been acknowledged, the UK strategy for rare diseases was published in 2013 and set out a high-level framework that aimed to improve the lives of those affected by rare diseases. The Government remain committed to implementing the strategy by 2020 and are aware that the real test of success will be tangible improvements experienced by patients with rare diseases and their families. Last month’s publication of the all-party group report is a timely reminder that there is still much to do, as has been mentioned by all speakers today. However, it is important not to forget just how much we have achieved.

NHS England has been actively working to raise the priority given to rare diseases. In particular, advances in genomics are already having a positive impact on patients with rare diseases. NHS England has embarked on a world-leading project to establish genomics in mainstream healthcare, establishing a network of 13 genomic medicine centres that will underpin the delivery of genetic medicine over the years to come. The Government have also made a clear commitment to developing genomics, and that is best demonstrated by the £500 million investment in the 100,000 Genomes Project, which is the biggest national sequencing project of its kind in the world.

The full potential for genomics can be realised only with continued research into rare diseases, and the National Institute for Health Research has established a Rare Diseases Translational Research Collaboration to make maximum use of its significant research infrastructure. I welcome the support given by the Opposition spokesperson, the hon. Member for Washington and Sunderland West (Mrs Hodgson), to that initiative. It is supported by a £20 million investment and has already recruited more than 15,000 patients to support 56 projects related to rare diseases.

I am pleased to say that the UK is a recognised leader on many rare diseases. We are an active member of the International Rare Diseases Research Consortium and have been actively involved in the establishment of 24 European reference networks—ERNs—for rare disease, six of which we are leading on. I was at an informal meeting of EU Ministers early last week, where our role in punching above our weight for the ERNs was widely acknowledged.

An important element of our plans will be to continue to look for ways in which the UK can work with international partners. The all-party group, along with hon. Members present in the debate and a number of external groups in the rare diseases community, have raised concerns about the perceived impact of the planned changes to the methods used by the National Institute for Health and Care Excellence for the evaluation of highly specialised technologies. That is one of a set of proposals being introduced by NHS England and NICE following the recommendation in last year’s Public Accounts Committee report on specialised services that the Department of Health and our arm’s length bodies should better consider affordability when making decisions, including on rare diseases. NICE and NHS England have consulted on the proposals, and I can assure hon. Members that they have listened carefully to the responses and made substantive changes.
The planned changes to NICE's methods, as amended following the consultation, recognise the unique position of patients with very rare diseases and the need to pay a premium for their treatments. The changes introduce a clearer framework for the assessment of drugs for very rare diseases, which will better enable commercial discussions between NHS England and the pharmaceutical companies, in line with the recommendations of the accelerated access review. The consultation originally proposed the introduction of a threshold of £100,000 per quality-adjusted life year. In response to feedback, that single threshold has been replaced by a sliding scale, which means it will be possible for transformative treatments that offer significant health gains to be approved up to £300,000 per QALY. That is 10 times greater than NICE's threshold for treatments considered by its mainstream technology appraisal process.

My hon. Friend the Member for Bath can speculate, but I gently say to him that it is not possible to predict how likely any individual new drug is to be recommended by NICE under the changes in the future, and we cannot retrospectively apply the new framework to past decisions. Furthermore, it is important to stress that even when NICE is not able to recommend a drug for the full patient population, NHS England may still be able to fund a drug for a subgroup of patients who will most benefit from treatment.

The hon. Member for Linlithgow and East Falkirk (Martyn Day) referred to the co-operation of Scotland, along with the other devolved nations, in collaborative work. We acknowledge and welcome that, and we acknowledge that Scotland has published an implementation plan. My hon. Friend the Member for Bath referred to four examples of drugs that NICE had approved for use for rare diseases in England, and they are available for use in Northern Ireland. The hon. Member for South Down (Ms Ritchie) asked about that. In particular, Transfarna was approved for Duchenne muscular dystrophy, which she referenced. I gently say to the hon. Member for Linlithgow and East Falkirk that those four drugs are not yet available in Scotland—at least, not according to my briefing—other than one that is available for restricted use. Although we wish to continue co-operating with Scotland, the system in England has some advantages thus far.

I am confident that the planned changes create a framework that will enable truly transformational new drugs for patients with rare diseases to be made available where companies are willing to set prices that fairly reflect the added benefit they bring.

Mr George Howarth (Knowsley) (Lab): I congratulate the hon. Member for Bath (Ben Howlett) on securing this debate. I welcome the progress that the Minister has described, but one thing that has been touched on in several speeches is the difficulty people have as a result of the nature of rare diseases. When they are trying to get a diagnosis in the first instance, medical practitioners often have no experience of the disease. As he develops his speech, or as the Department develops the policies and framework for delivering more services, will consideration be given to how that knowledge can be more widely spread?

Mr Dunne: The right hon. Gentleman anticipates something that I will come to shortly in my speech, but we acknowledge that challenge and we recognise that there will continue to be concerns among patient groups and Members. I hope that my hon. Friend the Member for Bath in particular will understand that the proposed changes are intended to put in place a fairer, more transparent framework for the evaluation of technologies for very rare diseases as they are developed.

I want to respond specifically to the challenge posed by my hon. Friend and the shadow Minister on the real need to ensure that the commitments set out in the UK rare disease strategy are fully realised. It is right that last week in the House, my hon. Friend the Under-Secretary of State for Public Health and Innovation made a personal commitment to that effect in her response to my hon. Friend's oral question, and I am happy to reiterate that commitment today. I can confirm to the House that I have agreed with the chief executive of NHS England that by the end of this year he will deliver an implementation plan for those of the 51 commitments of the UK strategy for rare diseases for which NHS England has lead responsibility. For those commitments that fall outside NHS England's remit, the Department will work collaboratively across stakeholders to contribute to the implementation plan. I am sure my hon. Friend will agree that the development of that plan will be a significant step in the journey.

Ben Howlett indicated assent.

Mr Dunne: I welcome my hon. Friend's acknowledgement of that. We are absolutely clear that we need to ensure that the proposals are used to drive real action and make tangible improvements for patients affected by rare diseases. It is not only about having a plan but about ensuring that the plan has effect for sufferers of these conditions. That is why we have recently reconfigured and strengthened the governance arrangements and formed a more streamlined UK rare disease policy board to monitor and co-ordinate progress in implementing the strategy.

In addition, we have strengthened the patient voice with the appointment of two patient representatives to the policy board. To make our work more transparent, a broad online stakeholder forum will operate in collaboration with the policy board to allow a more meaningful dialogue with the rare disease community. The rare disease policy board will be supported by clearly defined task and finish groups to examine progress objectively and to consider in particular the diagnostic odyssey that my hon. Friend referred to, which can be so frustrating for those who are still unable to determine their condition. That issue is a considerable worry for anyone affected by a rare disease, who will be familiar with the problem.

I will conclude slightly ahead of schedule by confirming that the lives of patients with rare diseases can be improved only by means of concerted and co-ordinated action. I take this opportunity to reaffirm the Government's aims to drive real improvements in the care and treatment of those affected by rare diseases by working with stakeholders to deliver the standard of care and treatment that all patients deserve and to ensure that the implementation plan for England is delivered by the end of this year.

5.25 pm

Ben Howlett: I will be brief. I thank the Minister for his response. The news about the implementation plan
[Ben Howlett]

being brought in before the end of the year is incredibly welcome, and I thank him for taking leadership on that. That is a message to go back to my hon. Friend the Member for Oxford West and Abingdon (Nicola Blackwood) while she is with the Prime Minister. I appreciate that it is potentially a lot nicer to be with the Prime Minister than here. Nevertheless, the Government’s position is welcome.

I thank all Members for contributing to the debate. I particularly thank the hon. Members for South Down (Ms Ritchie), for Cambridge (Daniel Zeichner), for Linlithgow and East Falkirk (Martyn Day) and for Washington and Sunderland West (Mrs Hodgson) for their supportive comments. The time is now. The all-party parliamentary group, working with Genetic Alliance UK and Rare Disease UK, which provide the secretariat to the APPG, will be monitoring the progress that the Minister, the Department and NHS England make over the next few months. Progress will be incredibly welcome. The Minister referred to the highly specialised technology change and explained how the consultation has operated, and I appreciate that, but I reiterate that there is concern within the sector. The Ministers may be able to reassure people that that concern is being taken into consideration.

For a long time I have said that the accelerated access to medicines review might be a good pathway for rare diseases in the future. The work that the former Minister for Life Sciences, my hon. Friend the Member for Mid Norfolk (George Freeman)—he is now chair of the Prime Minister’s policy unit—has done and continues to do will be incredibly important. Thank you, Mr Pritchard, for chairing the debate. I thank the Minister for updating the House, and I also thank Members and all those who gave evidence and support to the APPG in its inquiry.

Question put and agreed to.

Resolved,

That this House has considered implementing the UK Strategy for Rare Diseases.

5.27 pm

Sitting adjourned.
Westminster Hall

Wednesday 29 March 2017

[MR DAVID HANSON in the Chair]

School Funding (London)

9.30 am

Helen Hayes (Dulwich and West Norwood) (Lab): I beg to move,

That this House has considered schools funding in London.

It is a pleasure to serve under your chairmanship, Mr Hanson. I am pleased to have secured this debate so that Members can highlight the specific impacts that the proposed national funding formula will have on London schools. I am grateful to the Minister for meeting me last week, together with my hon. Friend the Member for Bermondsey and Old Southwark (Neil Coyle), my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman) and the leader of Southwark Council, to discuss the challenges that schools in Southwark and Lambeth will face as a consequence of the national funding formula proposals.

Since I was elected almost two years ago, there have been only a handful of issues on which my constituents feel as strongly as they do about the schools funding formula, and few issues around which people have mobilised on such a large scale. In the past few weeks, I have attended meetings in Lambeth and Southwark with a total of more than 500 parents. A further 100 parents and children joined a protest in Dulwich last week, and hundreds more have been in touch with me by email and letter and on social media. I want to speak about the impact the Government’s proposals will have, what exactly is at stake and why it matters so much. I have some specific asks to make of the Minister.

The new national funding formula will see 70% of London’s schools receiving cuts to funding. The proposal comes at a time of unprecedented budget pressures in our schools as a consequence of a series of unfunded costs: the national minimum wage increase; employers’ pension contributions; employers’ national insurance contributions; inflation; and, for local authority schools only, the apprenticeship levy. In that context, the additional cuts introduced by the schools funding formula will be unsustainable for many schools in London. London Councils calculates that the combined impact of introducing the national funding formula at a time of wider budgetary pressure means that collectively, London schools will lose £360 million in 2018-19.

The Conservative manifesto pledged that the funding accompanying every pupil into school would be protected, but the National Audit Office is clear that per-pupil funding has not been protected in real terms. In London, the proposed national funding formula will clearly break that pledge further. The cuts will not fall evenly but will fall disproportionately on areas of London with the highest levels of deprivation. Therefore, while Croydon Central will gain £4.4 million for its schools, West Ham stands to lose £4.4 million, East Ham loses £3.6 million and Bethnal Green and Bow loses £3.5 million.

Stephen Timms (East Ham) (Lab): I am grateful to my hon. Friend for highlighting the scale of the cuts in my constituency and the scale of the concern among my constituents about that. I have had letters from lots of teachers at Central Park Primary School about the £710,208 being taken out of its budget. Does she agree that that is quite wrong?

Helen Hayes: I agree with my right hon. Friend entirely. The level of pressure our schools are being asked to bear would be unacceptable in any circumstances, but in order to understand exactly how damaging the proposals are, and why parents in my constituency and across London feel so strongly about them, the Government must understand the journey that London schools have travelled in the 14 years since the Labour Government introduced the London Challenge programme of improvement for London schools in 2003.

I moved to London in 1996. At that time, parents in the same situation as I am in now, with their oldest child approaching secondary school age, were often trying to do one of three things: move close to a high-performing state or church school; move out of London to a part of the country where schools were better; or educate their children privately. Children whose parents were unable to make any of those choices often attended local schools, which despite the best efforts of their teachers substantially failed generations of children. In my constituency at that time, we had William Penn boys’ school and Kingsdale school, both of which were failing schools that became notorious. William Penn subsequently closed and successfully re-opened as the co-educational Charter School, and Kingsdale was completely remodelled under a change of leadership. Those are now outstanding and good schools respectively.

I have spoken with many parents in my constituency who attended failing schools as children. They remember the crumbling buildings, leaky roofs, shortages of books and materials, very large class sizes and poor discipline. They tell me that any success in their educational outcomes was due to the hard work that they and their teachers put in and happened despite, not because of, the funding and policy environment in which the schools were operating.

The situation could not be more different across London now: 94% of London schools have been judged to be good or outstanding by Ofsted. While London schools were the worst in the country in the 1980s and 1990s, they are now the best. That transformation was achieved through a combination of political leadership, appropriate resourcing, stringent accountability and—most importantly—the hard work of teachers, governors, support staff and parents. I think I speak for all London MPs from across the House when I say that we are deeply proud of our schools and everything they deliver for London children.

Our schools in London deliver for every child. They are not reliant on selection, and as a consequence London children also benefit from being educated in a diverse environment, which helps to build understanding and community cohesion. My children are receiving an excellent education alongside children from every possible walk of life, and their lives are enriched as a consequence. It is that approach, not grammar schools, that delivers the social mobility the Government say they want to see.
London schools are the best in the country, despite having the most complexity among their intake. They have the highest levels of students with English as an additional language, special educational needs and children from deprived households, and they have very high levels of churn, in part due to the large numbers of families now living in the private rented sector, who often have to move when short-term tenancies come to an end.

London schools are able to deliver in that context when they have the teaching and support staff to provide the help and support that every child needs, so that those who need extra help in the classroom can receive it, those who need to be stretched more to fulfil their potential can thrive, and a rich, imaginative curriculum can be offered to all students. The headteachers in my constituency increasingly talk about the new challenges their students face. Chief among them are mental health issues, which are growing in part as a consequence of the pressures children face on social media. They feel the need for additional support in school that students can access, but they are already unable to afford that.

I wrote to every headteacher in my constituency to ask about the impact that they anticipate the national funding formula will have on their school. I want to share just two examples of their feedback today. A primary head wrote to me and said: “in order to balance the budget this year we had to lose six members of staff. Prior to this academic year we employed one Teaching Assistant per class. This year we have a Teaching Assistant per year group. I can see a time when schools will not be able to afford Teaching Assistants at all. Our building is shabby because we cannot spare the funds to redecorate and carry out minor repairs. Cuts in funding will mean that Headteachers will become more and more reluctant to accept pupils that put a strain on the budget.”

The Minister for School Standards (Mr Nick Gibb): I am listening carefully to the hon. Lady and, as I did at the meeting with her and her colleagues, I have paid careful attention to what she is arguing. Is she interested in knowing that in Lambeth, under the new national funding formula, the funding per pupil is £6,199 and in Southwark it is £6,271, whereas in Waltham Forest it is £5,129 and in Surrey it is £4,329? It is that discrepancy that the national funding formula tries to go some way to dealing with.

Helen Hayes: I thank the Minister for his intervention. If he bears with me a little longer, he will hear that I am not arguing that schools elsewhere in the country—or indeed in outer London—should lose out as a consequence of the funding formula; what I am interested in is a funding formula that is fair for all schools.

A secondary headteacher wrote to me and said: “Effectively our budgeting will be reduced by £500,000 in real terms in the next three years...it will make it very difficult for us to continue to provide a high quality education for our students, and will undoubtedly affect our ability to support student achievement and wellbeing. It will also have a negative impact on the workload of our staff who already work incredibly hard in day out to support our students.”

Those are experienced headteachers, looking at a spreadsheet in the cold light of day and working out the choices they will have to make to accommodate the Government’s funding cuts.

Paul Scully (Sutton and Cheam) (Con): To clarify, are not many of the pressures the hon. Lady talks about, which I certainly do not dismiss, the associated costs, rather than necessarily to do with the funding formula itself?

Helen Hayes: My argument is about the cumulative impact of unfunded cost pressures in recent years, and some still to come because of the apprenticeship levy, in addition to the impact that the new funding formula will have.

Seventy per cent. of schools’ budgets are spent on staff, so it will be teaching assistants, speech and language therapists, learning mentors, family support workers, school trips, sports clubs, music specialists and teachers that will have to be cut. Heads across my constituency say that the formula does not work. London schools also face a recruitment crisis, fuelled by the high cost of housing and childcare in the capital, as well as the Government’s failure to meet teacher training targets. More than 50% of London heads are over the age of 50, and the current budgetary pressures, combined with the new inspection regime and changes in the curriculum, are making it harder and harder to recruit. Further reductions in funding will only exacerbate the situation, making it harder for schools to retain experienced teachers and creating a level of pressure in the profession that will cause many hard-working teachers to look elsewhere.

The Government’s stated aim in revising the schools funding formula is fairness. I agree with that aim. There are problems with the current formula in some parts of the country, because of the embedding of resourcing decisions made by local authorities many years ago and their use as the basis for calculating future increases. However, there is nothing fair about a proposal under which funding will be cut from high-performing schools in deprived areas. A fair approach would take the best-performing areas in the country and apply the lessons from those schools everywhere. It would look objectively at the level of funding required to deliver in the best-performing schools, particularly in areas of high deprivation, and use that as the basis for a formula to be applied across the whole country.

London schools should be the blueprint for education across the whole UK, but school leaders in London are absolutely clear that quality will inevitably suffer as a consequence of the funding changes that the Government are implementing. It is simply irresponsible for the Government to put the quality of education in London at risk. Children are growing up in a time of great global change and uncertainty. We feel that today perhaps more than ever, as article 50 is triggered. They need to be equipped with the knowledge, skills and confidence to navigate and compete in a post-Brexit economy. Our schools are essential to that, and to ensuring that children make the maximum possible contribution to the economy and public services in the future.

I ask the Minister this morning to think again and, as he reviews the 20,000 consultation responses that have been submitted, to consider the impact that the changes will have on London schools. I have two specific asks. When I met the Minister last week, it was not clear from what he said that he had recently visited high-performing London schools, so I invite him to visit a primary school and secondary school in my constituency to see
at first hand the great work that our local schools do and to understand the current financial pressures that they face.

Mr Gibb: I visit high-performing London schools all the time. Most recently I have visited Michaela Community School in Wembley and St Michael's Church of England School just south of the river in Battersea.

Helen Hayes: I thank the Minister; I would dearly love to welcome him to high-performing schools in my constituency, so that he can hear at first hand about the pressures that headteachers are talking about.

Secondly, I ask the Minister to go back to the Treasury and to negotiate again. Spending on schools is an investment that the Government make in the future of our economy. It would take just 1% of the education budget to ensure that no school loses out through the introduction of the national funding formula. I ask him please to think again and not to put the success of our economy at risk.

Our economy. It would take just 1% of the education budget to ensure that no school loses out through the introduction of the national funding formula. I ask him please to think again and not to put the success of London schools and their ability to deliver for future generations of London children at risk.

Several hon. Members rose—

Mr David Hanson (in the Chair): As Members can see, a number of right hon. and hon. Members want to participate in the debate. I intend to call the Front-Bench spokesmen at 10.35. I hope that Members will show self-restraint so that everybody is able to take part.

9.44 am

Paul Scully (Sutton and Cheam) (Con): It is a pleasure to serve under your chairmanship, Mr Hanson. I shall be brief in making a few points about how the costs—and the associated cost pressures that I mentioned in my intervention—affect schools in Sutton.

All hon. Members welcome the opportunity to get fairer school funding. It has been debated at great length in the House over the past few months, with good reason. It is not fair that pupils with similar needs do not benefit from the same funding, and that that depends on where they live. It is right and proper to look at the issue, but that has not happened for a long time because it has been politically difficult. I welcome the fact that it is happening now. The consultation has just finished, and I am sure the Minister will look at the representations made in the responses and present any changes that he feels are appropriate for us to debate further.

Secondary schools in Sutton receive greater funding from the formula, by about 1.4%. Primary schools lose by 0.5%. However, as was mentioned before, many of the issues that headteachers are dealing with at the moment and that they will face going forward are associated cost pressures. With all the changes being made, now is an apt time to consider them.

There is a lot of concern among headteachers—all the headteachers in the area have written to me and the right hon. Member for Carshalton and Wallington (Tom Brake). Some headteachers from the London Borough of Sutton have already met the Minister for discussions. They are concerned about such things as the apprenticeship levy, which affects only some secondary schools and is comparatively low when set against the effects of some of the other changes and pressures. However, I find it strange and puzzling when any public sector institution's money is churned around, as happens when we give a school funding and then claw some back through levies, rates and such things. I would find it easier if we cut through the bureaucracy and paid schools the money they needed to spend on their pupils.

Schools are not really well placed, especially at the moment, to take on apprentices because they are already training centres—they already train newly qualified teachers. Teach First teachers are other student teachers. Where they might be able to take on apprentices, such as in administration, things have already been cut to the bone, because those are in many ways the first places where cuts can be sought. It then becomes difficult to send anyone out on day release. I have a lot of sympathy with headteachers about the apprenticeship levy.

Many headteachers have talked to me about the 1% salary increase for public sector workers. They say that they want to be able to pay teachers more but, without the requisite funding, doing so would effectively mean an extra 1% cut in their budgets. They are not attracting more funding from the centre to pay for it. Again, I understand their concern. A signal is being sent, and it is pushed on to the headteachers to say, “Sorry. I can’t pay you any extra this year because of budget constraints”—despite the mood music in the media about pressure to pay people the extra 1%.

Another headteacher mentioned the cost of recruitment. It is difficult to get teachers, and especially senior teachers. I have been a governor for many years. When I was the chairman of governors at a primary school, we were looking for a headteacher and put many adverts in The Times Educational Supplement. It cost thousands of pounds each time and the response was woeful. I am interested in whether the Minister would consider a centralised recruitment system that everyone could tap into—one source that teachers can use—which would be a great cost saving for schools. The Department has talked about being able to make savings in schools through such things as procurement. It would be great if the Department could help schools by taking that approach.

I talked about the fact that secondary schools are a net gainer and primary schools a net loser. One reason they are all losing is the local authority formula. The local authority in Sutton has caused two issues. First, it had built up a surplus in the part of the grant it left behind, which has been used over the last few years to cushion some of the pressures. The surplus has now been used up and has finally come to an end. That has not been communicated particularly well to the schools, so there is a little bit of a cliff edge this year. On top of that, the local authority has effectively made a 0.5% cut for many schools to the amount it is keeping back, rejigging and then handing out to them.

Whereas the national formula helps us out a lot, the local formula means that Sutton loses out. It is important that parents and headteachers know exactly where the blockages are. In these times of greater devolution, it is important that the right people are accountable for the formulae. I ask parents and headteachers to ensure that they question the local education authority and hold their councillors to account, including the council leader in Sutton, on why that money is being held back.

There is a disparity in Sutton between some of our secondary schools of about £1,000 per pupil—some get £4,500 while others get £5,500 per pupil. We have a
number of grammar schools, with six fully and partially selective schools in Sutton. I question the argument about a lack of social mobility. There is a good amount of social mobility in those schools, primarily for Asian communities. We have a big Tamil community and a Bangladeshi community.

**Helen Hayes:** The issue with grammar schools is not what they deliver for the children who are able to access a place there. The evidence across the country shows that children from deprived backgrounds who do not go to grammar schools in areas that have them do demonstrably worse in their education. That is the issue of fairness I was referring to.

**Paul Scully:** That is an interesting intervention, but I can only use the Sutton example. All our schools are excellent, including the ones that are not selective. Indeed, Stanley Park High School in Carshalton and Wallington won *The Times Educational Supplement* secondary school of the year award last year. All the schools are being brought up in Sutton. A lot of Tamil and Indian families are moving around to be able to access Sutton’s schools. The problem in Sutton is ensuring that white working-class people can get that social mobility. We need to work harder on that.

My final point is that the funding pressures on the grammar schools are such that they are getting considerably less pupil premium per pupil than those in other areas, despite some of them being in average deprivation, because they are in more affluent areas. They are being disadvantaged because of the fixed costs—buildings cost a lot to heat and light, and there are staffing costs. They are losing out to other schools, which are getting pupil premium on top.

I make a special plea to the Minister to consider some of the work being done by grammar schools. Essentially, the funding formula is fair. It is good we are addressing this issue. I would like the Minister to have a look at some of the associated cost pressures and to answer some of the questions that headteachers have raised with me.

9.53 am

**Jim Fitzpatrick** (*Poplar and Limehouse*) (Lab): It is a pleasure to see you presiding over us this morning, Mr Hanson. I am not sure I have had the privilege of serving under your chairmanship before. I congratulate my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) on securing this debate and commend her for her excellent speech, which detailed the problems we all face.

I do not have a long record of speaking in education debates over the years. As the Minister knows, my main engagement with his Department has been about fire sprinklers in schools and trying to improve the guidance on their installation. We have not cracked that yet. However, I have been contacted by a number of primary school heads in my constituency. Their comments need to be registered not only with me but by me in this debate. I will do so briefly, in line with your request, Mr Hanson. I have also written to the Secretary of State.

Heads from Cubitt Town Junior School, Mayflower Primary School, Cyril Jackson Primary School, Lansbury Lawrence Primary School, Arnhem Wharf Primary and St Peter’s London Docks Primary School, as well as constituents, have contacted me on this issue. One letter said:

> “the national funding formula has the potential to make school funding fairer, but it will fall short unless it is given sufficient resources to succeed. School budgets are being pushed beyond breaking point.”

That brief quote says a lot. Given the pressures faced by schools, the writer of the letter is still able to see the positives in the funding formula, but refers to how it is let down by the sheer lack of resources. In her letter to me, the headteacher of Cyril Jackson Primary School listed 12 ways in which the school was forced to act to reduce overheads in 2015-16, meaning reduced staff numbers, less guidance, less encouragement and fewer opportunities to see new things, and experience other environments and be inspired by them.

My hon. Friend the Member for Dulwich and West Norwood has previously said, and may have said again this morning:

> “The government is putting our excellent local schools at risk, with a change in the funding formula which will see money taken away from our local schools to give to schools in other parts of the country.”

Neither I nor any other colleague, I am sure, would wish to see schools in other parts of the UK short-changed, but giving them what they need to deliver a great education service should not be at the expense of London schools. Children everywhere should have and must enjoy an equally high standard of education. Whether they live in Dulwich, Docklands, Dudley or Droitwich, children deserve well-funded schools that enable them to reach their potential. It is as simple as that.

Those on the ground are telling me that school budgets are being pushed beyond breaking point. One of our local representatives in Tower Hamlets, Councillor Danny Hassell, recently tweeted that he had just seconded a Labour motion at the council against Government plans to cut funding in our schools that will mean a staggering loss of £511 per pupil in Tower Hamlets. Children such as those at Cubitt Town Junior School cannot afford the Government’s proposals. Their headteacher tells me it is calculated that Cubitt Town pupils will lose up to £746 per pupil.

**Mr Gibb:** I am listening carefully to the hon. Gentleman. Does he acknowledge that Tower Hamlets was the highest funded local authority in the country on a per-pupil basis before the national funding formula and remains so, even after the national funding formula is implemented, with funding of £6,718 per pupil, compared with £4,329 in Surrey and £5,129 in Waltham Forest?

**Jim Fitzpatrick:** I am grateful to the Minister for citing those statistics. I was citing one myself from the headteacher of Cubitt Town Junior School, who said that Cubitt Town pupils will lose up to £746 per pupil. I do not doubt that Tower Hamlets’ schools are well resourced and well funded by the Government, but the cuts being introduced will be unsustainable. The headteacher says that it could mean the school losing up to six teachers. How will that Isle of Dogs school withstand such a reduction without significant negative consequences for the quality of education it can give to local children?
Along with parliamentary colleagues, I urge the Government to acknowledge that their funding plans do not work for Cubitt Town, for the other schools I have mentioned or for all those left unmentioned. They certainly do not work for Tower Hamlets.

9.58 am

Mr David Burrowes (Enfield, Southgate) (Con): It is a pleasure to take part in this vital debate. I congratulate the hon. Member for Dulwich and West Norwood (Helen Hayes) on securing it. Members from both sides of the House are present. That is important, because this is a cross-party issue that cannot be monopolised by any one party. It matters to us all because it matters to children in our constituencies and their life chances.

I am grateful to the Minister. He is one of the most patient Ministers and, indeed, one of the longest-standing Education Ministers. No one can preach to him about schools. He has been out there visiting schools across the country. He may be patient, but he is intolerant in the sense that he does not tolerate educational failure, wherever it comes from, particularly for disadvantaged pupils. He has been a Minister on a mission, both in the Department and on his sabbatical—we could not do without him, so he came back. The Minister’s mission, which is shared by the Department for Education, is: “to deliver educational excellence everywhere, so that every child and young person can access world class provision, achieving to the best of his or her ability regardless of location, prior attainment and background.”

We all want to achieve that aim. That is what the debate about the national funding formula and schools’ overall budgets is about. That is what we want to achieve. Like other hon. Members, I am a governor, at two schools. I am also a parent and I care passionately about the Ministry achieving what is very much this Minister’s mission.

London is a success story as a result of that mission. The Government should be proud, along with the previous Government in terms of funding, of what they have achieved. They have ensured that 92% of schools across London are good or outstanding. We pay tribute to the teachers, governors, parents and pupils for being very much part of that success story. Particularly relevant is the fact that disadvantaged pupils are progressing better in London than elsewhere in the country. We want to ensure that others are lifted up to that standard. That means being lifted up in funding as well, and that is what the national funding formula is about.

I recognise that the Government have a position. We can spend our time—I do not want to spend too much time, Mr Hanson—defending manifesto commitments, and we can dance on the head of a pin about how much money there is per pupil, or we can make the point, as I am sure the Minister will, that more is being spent than ever before, in cash terms. The figure is £40 billion a year. We also have to recognise the context, which is our national debt; interestingly, that is £40 billion a year as well. That is important context for the restraint that all public services are facing.

I have been ready to defend the reality that the Department for Education budget and the schools budgets are not immune from that restraint. They have already had to make significant decisions and cuts in school budgets. However, we are in a position in which schools have already been vulnerable. Before the national funding formula, we could have had a debate about school funding and cuts in my local schools and others. However, now we have the national funding formula. Many of us, particularly in outer London, were hopeful that that would lead to a significant rebalancing of funding. For those of us in outer London, there has been an impact not just in relation to school funding. Local government has historically been underfunded. There is a need to recognise the demographics—the population increases—in outer London. Mental health funding is also relevant. The right hon. Member for Tottenham (Mr Lammy) will join me in making this point. There has been 25% less funding in parts of London such as Camden. All of that impacts on schools, so we were looking to the national funding formula in particular to see us through these difficult and challenging times.

I recognise that the Government are right on the principle. This is perhaps where this funding formula debate will differ from others to which the Minister has patiently listened. We need to retain recognition of deprivation. That needs to be reflected, and it is: 18.1% of the schools budget is for additional needs, based on low attainment, deprivation and English as an additional language. That is so important and it must stay. It must not in any way be diluted or reduced; in fact, some of us say that it should be increased. It should be good news for Enfield and other parts of London that are particularly impacted by those additional costs. It is also right there is flexibility; that is good news as well.

There is an issue about deprivation. I ask the Minister to reflect on the concerns in that regard. I am thinking of free school meals and the income deprivation affecting children index. Is what is happening truly reflective of the challenges facing children in families who may well be on universal credit and who may be in work, but who could well still be in poverty and in challenging situations? There is concern that the drop-off in free school meals is impacted by the benefit changes and that that is not leading to a proper settlement, a proper reflection of people’s needs.

Enfield does better than other parts of London, and it should do, but it does not do well enough—the Minister may have been expecting me to say that. My constituency may get £400,000 more in cash terms, but the reality is that 15 out of 22 schools will lose out. The reality as far as budgets and the real costs are concerned is that there will be £3 million of cuts in Enfield, Southgate by 2018-19. There is also an impact from the apprenticeship levy, national insurance contributions, pensions and pay.

That matters greatly to schools such as West Gove Primary School, which have significant additional needs. Just over the weekend, I got another 280 petition letters, all of which I have here. Never before has there been such interest and concern among parents. At West Grove, they are concerned about a cut of £276,572 over the next four years. Hazelwood Infant and Junior School faces a cut of £150,000 over that period. It says that that equates to eight teachers. We have dealt with challenging budgets before, but there is now an impact on the budgets for teachers. That is affecting particularly primary schools. A particular issue is the high cost of recruitment and retention.

The principle behind the national funding formula is sound. I do not want us to go backwards. We need to be bold and continue with that, but we need to recognise
that eventually it has to mean adequate provision, proper provision, for additional costs. I will defend the principle, but I will not defend the reality of the cuts that will come through for the budgets of my local schools. In fact, I join the Minister in this intolerance: I will not tolerate that, because it will impact particularly on disadvantaged pupils. When we get to the autumn Budget, I will want to see, to help the Minister, a bigger pot so that we can help schools in other areas and ensure that there is fairer funding, and ensure that London continues to be the success that it deserves to be and is not a victim of its success.

Several hon. Members rose—

Mr David Hanson (in the Chair): Order. We have 30 minutes before the winding-up speeches, and six Members. That means five minutes each, if people can exercise self-restraint.

10.5 am

Siobhain McDonagh (Mitcham and Morden) (Lab): I congratulate my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) on her brilliant exposition of the issues currently facing London schools.

In May, I will have been the MP for Mitcham and Morden—the place of my birth—for 20 years. One of the biggest and most satisfying things during those 20 years has been seeing the blooming of our schools. Schools that were universally performing so poorly have been transformed into schools that, in the main, although not exclusively, are doing really well. School buildings are now places that people want to enter, rather than fearing to enter. I want to see that continue, and I want to see that mostly for those who have least. What concerns me is the number of teachers who come and see me at my Friday advice surgery from schools where children are in temporary accommodation and finding it difficult to get to school. As has been mentioned, more children than ever suffer from mental health problems and are self-harming. These demands on schools at this time make it difficult for them to cope from where they are, let alone if they lose any funds at all.

Mr Gibb: Let me gently point out to the hon. Lady that 96.2% of the schools in her constituency, Mitcham and Morden, gain funding under the new national funding formula. That amounts to a 6.6% increase once the formula is fully implemented, and that is £3.5 million. Schools should not be coming to the hon. Lady to talk about cuts in funding, because 96% of her local schools will see an increase in funding under this formula.

Siobhain McDonagh: I invite the Minister to come to William Morris Primary School, in Pollards Hill, which is going to lose £487 per pupil, which is the equivalent of four teachers, or to Singlegate Primary School, which will lose £424 per pupil; or perhaps he would like to go to Morden.

Mr Gibb: Again, the hon. Lady takes the misleading figures from the National Union of Teachers, which is conflating the cost pressures that all of the public sector is incurring over this year and the next three years—amounting to 8% in total—with the national funding formula. The national funding formula is good for schools in the hon. Lady’s constituency. I hope very much that her local headteachers and she herself will support the new national funding formula, because it is fairer, and fairer for her schools.

Mr David Hanson (in the Chair): Order. I call Siobhain McDonagh.

Siobhain McDonagh: I am sure that, when a bill has to be paid, the headteacher is not looking for the reason why it is becoming more difficult for them to do that. Certainly—

Mike Kane (Wythenshawe and Sale East) (Lab): I am sorry to interrupt my hon. Friend, who is making a fantastic speech. The Minister has interrupted hon. Members a number of times. The figures that he talks about, from the Association of Teachers and Lecturers, the NUT and the National Association of Head Teachers websites, come from the figures from the Department and the National Audit Office, so the figures are as accurate as they can be from Government statistics. The Minister should stop interrupting Members who are standing up for schools in their constituency.

Siobhain McDonagh: Thank you, hon. Friend. For his intervention, but I am delighted that the Minister is intervening on us, because he needs to understand what schools are finding and experiencing. I know from my long awareness of his work that this cannot be a pleasant thing for him to be doing. He needs to understand—I am sure he does—the effect on the schools that are the most vulnerable and hang on to their improvement with all their might.

That brings me to a school that we both appreciate—Harris Academy Merton. It has had a 70% pass rate for five A to C GCSEs in the last year and will lose £298 per student. St Mark’s Academy will lose £291 per student. These schools cannot afford to lose money. They need the Government’s help, not the Government’s debate.

My parents are teachers, and I have had the pleasure of visiting every school in my constituency at least once. We have the best schools in the UK in terms of the proportion of good or outstanding schools and GCSE and A-level results, and we also have grammar schools. They suffer the same pressures as schools do everywhere else in London. I want to speak briefly about the funding formula and other funding pressures that schools face, but I will say at the outset that I would be an advocate for more funding for schools—that should be a priority. As a Parliamentary Private Secretary for the Department of Health, I sit here in countless debates asking for more funding for the NHS—indeed I sit in debates asking for more funding for all other areas of public spending, and see colleagues ask for more funding
across the board—but what I would focus on is more funding for education. We cannot just demand more funding for everything; we have to identify where we would raise the additional revenue or what we would cut.

The funding formula came about after a cross-party campaign that was premised on an agreement that the funding for schools was not fair, in the sense that it was not equitably distributed and that different parts of the country with similar demographic profiles were seeing different funding for their schools. The campaign was never based on levelling up to the level of schools funding in the highest funded area—Tower Hamlets. That would have added billions of pounds to the cost of the funding that is required for schools, and no party committed to that in their manifesto. In any new funding formula there are going to be winners and losers. I expected that, as the third worst funded borough in London, we would be a winner, although I had hoped that it would have been by more than 0.9%, with some schools’ funding going down.

Having followed this and other debates on the funding formula carefully, I have not actually heard any coherent criticisms of the general approach to the funding formula in terms of the per pupil funding and the additional factors. No one seems to disagree that those are the right factors. What they disagree with is that, as a result, some schools’ funding is going down. Personally, I would like to have seen a more radical approach, because that would have ended the unfair and inequitable situation that schools in Tower Hamlets, 14 miles away from my constituency, receive £2,406 per pupil more than schools in Kingston, on top of the pupil premium, which is not counted in those figures.

Jim Fitzpatrick indicated assent.

James Berry: The hon. Gentleman is nodding. Before I am intervened on by an MP from Tower Hamlets, I completely accept the political consensus that we should address social deprivation through funding for education. I completely accept that schools in Kingston are always going to get less than schools in Tower Hamlets, where there is a higher index of social deprivation. However, if we take into account the pupil premium figures and the differential in the same city of £2,400 per pupil, that is simply not fair. In my stage 2 response to the fairer funding consultation, I asked that the per pupil funding element should not be reduced to a weighting below the current 76%, unless significant additional funding is identified for the additional factors.

I want to touch on the other pressures beyond the fairer funding formula. I have spoken to many of my headteachers in Kingston, and frankly their concern is not with the fairer funding formula primarily, but with the other pressures on their budgets. Some of those have been mentioned. They include increased employers’ national insurance contributions, increased pension contributions, increased national living wage, the apprenticeship levy, the equalisation of sixth-form and further education funding, the reduction in the education services grant and a general increase in costs.

Another factor that I imagine affects other hon. Members as well, and certainly has a profound effect in Kingston, is the huge overspend in high-needs funding. It has resulted, as in other boroughs, in Kingston having to top-slice the dedicated schools grant to the level of the minimum funding guarantee. It is a demand that Kingston’s schools and Kingston Council are not really in a position to regulate, because a lot of the high-cost, private school, out-of-borough placements—sometimes of more than £200,000 per pupil—are made by the first-tier tribunal for special educational needs. Kingston Council is trying hard to address the issue by supporting applications for two new free schools—two special schools, one in Kingston and one in the constituency of my hon. Friend the Member for Twickenham (Dr Mathias)—so that we can better deal with high-needs children in borough, but this matter needs to be addressed. We need more funding for high-needs provision in particular.

Dr Tania Mathias (Twickenham) (Con): I absolutely agree with everything my hon. Friend says about the pressures regarding special educational needs. These are unpredictable, six-figure sums—he is absolutely right about that. Does he agree that there is a case for there being a separate pot, perhaps of central funding, because those costs are unpredictable year on year and are increasing?

James Berry: In addition to the funding formula, those additional costs need to be addressed. I will close by rebutting the ridiculous suggestion that has been made, although not in this Chamber today, that we should cut funding for new schools and use it for existing ones. In London we know that there is an acute pressure for school places, and that the cost of buying the sites for them is very significant. Some 750,000 new places are needed by 2025. Yes, we need more funding for schools now, but we will create a terrible situation for pupils if we take away the funding that has been put aside for the schools we need to build and that I very much welcomed in the Budget.

Mr David Lammy (Tottenham) (Lab): I congratulate my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) on securing this debate. I think that the tone has been very measured, but I say to the Minister that back in communities across London there is tremendous fury, frankly, at what the Government are proposing. I really want to warn him. I went to school in the 1970s in London; I have seen schools in the 1980s in London, and I am deeply worried that we will be returning to that story in this city. When London slips back, as night follows day, the nation slips back on education. London’s contribution to our GDP is bigger than at any time since 1911. In the Brexit environment that we are now going into, this is a very dangerous move. The Government simply cannot talk about social mobility and about families that are just getting by, and see the sorts of devastating cuts that we are hearing about right across the city.

Mr Gibb: Will the right hon. Gentleman give way?

Mr Lammy: No, I will not give way. I think of the Willow Primary School on the Broadwater Farm estate—no one at that school is well off—and of the six teachers and all the learning mentors that it might have to lose. I ask the Minister, with all sincerity, how he can stand by the cuts. When he says to my hon. Friend the Member...
for Poplar and Limehouse (Jim Fitzpatrick) that Tower Hamlets is the best-funded local authority in the country, has he knocked on doors in Tower Hamlets? Has he seen the deprivation that exists in Tower Hamlets?

The Minister knows, as we all do, that the education debate in this country is not between state schools in deprived areas of the country, but between the state schools and private schools. That is the big gap, and that is what any Government with any ambition to raise standards of children across the country should be seeking to match, not cut. Let us not have this fake debate about redistribution across already deprived constituencies, when the real debate is how we level up to the standard of private schools. When he says, “Look, you are getting just under £7,000 in Tower Hamlets,” let him remember that a child that goes to Eton means £33,000 a year. That is the debate. If he is sincere about social mobility, he will go back to his friends in the Treasury and ask for more.

I have been asked by this Government to do a review into the disproportionate number of black and ethnic minority young people and adults in our criminal justice system. I have to warn the Minister that this situation will lead to more young people in our pupil referral units, and more young people in our young offenders institutions and prisons as a direct result. That is because teaching assistants help to keep the peace and order in our schools, and help with kids with special needs, and they will have to go. It is because a class size of 30 or 32 kids is hard on one teacher. I commend all teachers committed to teaching in deprived constituencies; it is a vocation that none of us should forget about in this debate.

I say to the Minister, do not just interrupt Members and quote the figures blindly at us. We know what this is about. This is a direct cut of the education budget. The Government are turning their back on a commitment about. This is a direct cut of the education budget. The Minister knows, as we all do, that the education budget is about. This is a direct cut of the education budget. The Government are turning their back on a commitment about. This is a direct cut of the education budget. The Government are turning their back on a commitment about. This is a direct cut of the education budget.

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I have received many letters from children and I will highlight one of those, because thankfully the children are celebrating, rather than being fearful of the changes to their schools’ budgets. Serine Zahr of Hampton Hill Junior School told me that her school is precious because of its values. She noted that in Hampton Hill Junior School, they are “collaborative like a bee” and “reflective like a swan”. As I am sure the Minister knows, most of the schools in my area are good or outstanding, as evidenced by Serine.

There is concern among teachers and parents. In particular, parents who help in schools—the schools appreciate them giving up their time—are rightly concerned that although they are giving their time in the classroom, they are now being asked to contribute money because of the fear of losing teachers and, even in one school, for repairs to the toilet blocks. That shows that although there is less argument about the funding formula—headteachers agree that the formula needs to change—the issue is the overall real-terms cost per pupil. I note the pertinent comparison made by my hon. Friend the Member for Enfield, Southgate (Mr Burrowes) with the amount we are spending on debt interest. I agree with other colleagues that education must be a priority.

I agree with some of my colleagues’ points about small wins. I know that the apprenticeship levy is less than 1% of the budget, but does it have to apply to schools? Although I appreciate the point made by my hon. Friend the Member for Kingston and Surbiton (James Berry) about no party asking for a levelling up, we need some levelling up per pupil.

In the longer term, there could be a review of governors. I have been a primary school governor. Now that we need good financial health in our schools, there is an argument over the longer-term duty and training of governors in that respect.

Will the Minister please look at special educational needs funding? The trajectory that it is on cannot be predicted. It is great that children get extra help for milder forms of, for example, dyslexia and dyspraxia, but as my hon. Friend the Member for Kingston and Surbiton said, we need to spend £200,000 a year on some children to ensure that children have, as we say, educational excellence everywhere.

I thank the Minister for being here and I really appreciate his interrupting hon. Members. He did not interrupt me, probably because we have a very small increase in our area. The issue is not the formula in particular, but the overall grant and the per-pupil protection.
have extremely mixed communities in Hammersmith—the whole school community, including governors, parents, teachers, pupils and headteachers, all came together; which is perhaps not surprising given that Hammersmith faces the largest cuts possible in formula funding. Forty-seven headteachers from the 48 schools have written to the Government expressing their concern—I do not know about the one headteacher who did not, but I am told he does not look at his emails too much. All 48 schools in Hammersmith will lose almost 3%. However, this debate is not just about the national funding formula; it is about school funding, and I echo what Government Members, as well as Opposition Members—

Jeremy Quin (Horsham) (Con): Will the hon. Gentleman give way?

Andy Slaughter: If the hon. Gentleman does not mind, I will not, given the time. Government and Opposition Members have said that this is about the overall picture. It seems extraordinary that substantial sums of money should be taken away from schools in deprived areas through the formula funding when other cuts are being imposed.

I agree with what my hon. Friend the Member for Wythenshawe and Sale East (Mike Kane) said from the Opposition Front Bench. The figures from the NUT and other unions should not be rubbished by the Government, but looked at, because they give an overall picture of the cuts that there have been over a number of years, starting as long ago as 2013 and going through to 2020, and possibly beyond.

Let us look, for example, at Ark Burlington Danes Academy, which is a very successful academy with 67% of pupils on free school meals. By 2020, it will have lost 18% of its budget. Hammersmith Academy, which is a new-build academy with 61% of pupils on free school meals, will have lost 25% of its budget. Wormholt Park Primary School, which has 59% of its pupils on free school meals, will have lost 16% of its budget. As the Minister can readily tell, those schools have very deprived intakes and they are losing unsustainable amounts of money.

In addition to the cost pressures, which cannot be separated out as the Minister would like, what will happen if we have the misfortune of the Government continuing this after 2020? The NUT has pointed out that, according to the Government, several schools will still be overfunded. Will they be restricted by not having inflation increases thereafter? What are the plans? In my constituency a number of schools will still be said to have, once the floor is imposed, funding that is 10% above what they should have, and in one case, 31% above. How are those figures in any way realistic or sustainable for schools to cope with?

Given the amount of time that the Minister has been in the job, he ought to appreciate the absolute sapping of morale, particularly among teaching staff in these areas. It is absolutely right that London schools are a huge success story, but like the rest of the country, we have been through a lot of trauma, with the loss of Building Schools for the Future. Without going into the politics of it, there has also been the way in which academies and free schools have been introduced, and the imbalance of resourcing going to those schools rather than to community schools.

My hon. Friend the Member for Dulwich and West Norwood mentioned English as an additional language, special educational needs, deprivation and turnover. In particular, the effects of the Government’s housing policies mean that not only has there been this extraordinary churn, but families are regularly being thrown out of London and they then have to commute hours back with their children every day. Schools are seeing a huge turnover of pupils. Those things cannot be coped with easily. Schools need additional resources and we do not need this destabilisation.

I will continue doing the school gate meetings, even though the consultation has closed, because what has happened has awakened an appreciation of the overall attack on school budgets under this Government. It is unprecedented—it has not happened for at least 20 years or perhaps longer—so I echo what Members on both sides of the Chamber have said. Nobody wants the funding not to increase or the funding gaps not to be addressed in schools that may have been historically underfunded for a number of reasons. That is certainly not the fault of London education authorities, which have always—going back to the days of the Inner London Education Authority—prioritised funding for inner-city schools. However, the problem will not be addressed by substantially reducing the funding and resources of schools in London, which have done a fantastic job over the last 10 to 20 years in changing the mood and the climate. The Minister should wish to emulate that around the country, not drag London down.

Mr David Hanson (in the Chair): I call Wes Streeting. I ask him to finish his speech by 10.35 am.

10.30 am

Wes Streeting (Ilford North) (Lab): It is a pleasure to serve under your chairmanship again, Mr Hanson. I will be mindful of the clock.

The Minister will be able to cross out huge sections of his speech because of the number of interventions he has made. I am sure that when he came here this morning, he would have been delighted to have a debate about the education funding formula, but let me save him from intervening on me. He would tell me that in my constituency there are 24 winners and five losers from the formula, generating an additional £2.8 million, but even by the conservative estimate of London Councils, which uses National Audit Office figures to look at cost pressures, my constituency’s schools will lose £3.6 million.

The Minister has great attention to detail, so he knows as well as anyone that the principle of the education funding formula and the rebalancing of budgets is not contested. The real problem is the real-terms cuts to all schools throughout the country, alongside serious inflationary pressures and rising costs. In fact, the Institute for Fiscal Studies has said that school funding per pupil has been frozen in cash terms until 2019-20, resulting in a real-terms cut of 6.5%, which it describes as “the largest cut in school spending per pupil over a 4 year period since at least the early 1980s”.

It is not even a case of robbing St Peter’s school to pay St Paul’s. The whole system is losing money and pupils will suffer as a result.
Take my own borough, the London Borough of Redbridge, of which I should declare that I am still a councillor. Taking into account cost pressures, funding cuts and the education funding formula, more than £15 million will be taken out of its schools by 2020—about £338 per pupil per year, which is equivalent to losing 411 teachers. Redbridge Primary School, which I know the Minister has visited—I went there to play the recorder with him—will lose £396 per pupil per year, which is equivalent to losing seven teachers.

The worst-affected primary schools include Ilford Jewish Primary School, which will lose £575 per pupil per year, and Ray Lodge Primary School, which will lose £554 per pupil per year—equivalent to nine teachers. Beal High School, one of our largest secondary schools and a great, successful academy school, will lose more than £500,000—£357 per pupil per year, or 15 members of staff. Even my local grammar school, Ilford County High School, will lose just shy of £300,000 because of cost pressures—£498 per pupil per year. That is partly a reflection of the terrible funding settlement that the Minister has received from the Treasury, but it is also a reflection of the terrible priorities of the Government under the new Prime Minister.

Brett Wigdortz, who as founder and chief executive of Teach First has done more to tackle educational disadvantage in this country than most, said:

“Some of the most depressing things I’ve seen in England were going to East London and seeing outstanding schools where kids from low income backgrounds were getting a world class education... And then you travel 20 miles to the south-east into Kent, which has a grammar school system and visit schools there, and they’re very depressing places I would say.”

It is a scandal that the majority of schools in this country are losing money to fund ideological pet projects such as the expansion of grammar schools, when there is no evidence that they will tackle educational disadvantage—quite the opposite.

I conclude by reflecting on my own experience as a child of the 1980s who went to primary school in east London and secondary school in central London—I have lived in London for my entire life. My old primary school, St Peter’s London Docks, which my hon. Friend the Member for Poplar and Limehouse (Jim Fitzpatrick) referred to, will lose £732 per pupil per year—£144,982 by the end of the decade. My old secondary school, Westminster City School, which is just down the road, is losing more than £500,000—£831 per pupil per year or the equivalent of 12 teachers. From visiting the school, I know the impact that that is having on the curriculum and on the wide provision of choice at a secondary school that still serves a majority deprived population with a high free school meal intake.

Through its educational provision, that school took a council estate boy from Stepney in east London and gave him opportunities that he would never otherwise have had. Without those opportunities, I would never have been elected to Parliament. It also took a Peckham boy from a south London council estate, John Boyega, gave him great drama teaching and sent him to Hollywood as one of the stars of “Star Wars”. The school no longer has curricular or extracurricular drama provision. That should rest on the Government’s conscience. It is to their shame, because those are the chances that take kids from council estates and give them a world of opportunities enjoyed by those from the most wealthy and privileged backgrounds.

10.35 am

Mike Kane (Wythenshawe and Sale East) (Lab): It is a pleasure to serve under your chairmanship, Mr Hanson. I congratulate my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) on securing this debate and on her impassioned speech.

As my hon. Friend the Member for Ilford North (Wes Streeting) said, under this Government we are seeing the largest real-term cuts for 20 years. The schools budget will not be protected in real terms and will not rise during the Parliament, and funding will be protected only in cash terms. No planning for budgets has been put in place by the Department for Education to cover the cost pressures that have been articulately pointed out by hon. Members today, such as inflation, the living wage, pension provision and the apprenticeship levy, which the hon. Member for Sutton and Cheam (Paul Scully) mentioned. There has already been a sharp rise in the proportion of secondary schools in deficit, which has risen to nearly 60% in 2014-15, according to the National Audit Office. The NAO has also confirmed that there will be a real-terms reduction in funding per pupil because of a failure to increase funding in line with inflation. That, I am afraid, is a clear breach of the Conservative party’s manifesto commitment.

Catherine West (Hornsey and Wood Green) (Lab): Does my hon. Friend agree that this is, in essence, an attack on the future generations of this country? Does my hon. Friend agree that this is, in essence, an attack on the future generations of this country?

Mike Kane: My hon. Friend the Member for Dulwich and West Norwood pointed out that it would take 1% of the education budget to level up in London—about £500 million. Some £380 million was clawed back from the Department for Education for its failure to convert enough schools to multi-academy trusts. This can be done—it can be achieved—but, as with their U-turn last night to downgrade GCSE passes to grade 4, we can only hope that the Government will see the light on the key issue of the £3 billion of funding cuts that we face between now and 2020. The funding formula amounts only to redistributing a small sum of money while we face cuts across the board. Instead of moving an inadequate sum of money around, what is required is investment in all our schools, for every child.

The Library briefing states that “inner London constituencies are expected to see the biggest fall in funding under the consultation proposals.”

There are particular pressures on London from the fair funding formula, as has been pointed out. The number of children on free school meals has declined in London, partly because of gentrification in particular areas, but also because of benefit changes, which mean that fewer children are eligible. That is having a disproportionate impact on school budgets in London.

The Secretary of State has said that no school should lose more than 1.5% of its funding as a result of changes to the funding formula. However, it has already been shown by the IFS and the NAO that, given the budget cuts, cuts to schools will be far more severe. Those are the figures on the union’s website.
Mr Gibb: Haringey is the 11th best-funded local authority in the country at the moment and it will remain—

Several hon. Members rose—

Mr Gibb: I will not give way. Haringey will remain the 11th highest-funded authority.

Allocations are based on 10-year-old data—2005 data—but during that 10-year period deprivation in London has been reduced. In 2005, 27% of pupils in London were eligible for free school meals; today, that figure is 18%. By ensuring that we allocate funding on the basis of up-to-date data and fairly, we can allocate £5 million more to boroughs such as Merton, the funding of
which will rise from £114 million a year to £119 million a year, reflecting the fact that Merton has been underfunded in the past. It was disappointing—

Wes Streeting rose—

Mike Kane rose—

Mr Gibb: I will not give way to either of the hon. Gentlemen. It was disappointing that the hon. Member for Mitcham and Morden (Siobhain McDonagh) did not acknowledge that, directly as a consequence of this fairer way of allocating funding—this new funding formula—her schools are receiving £3.5 million more.

The hon. Member for Ilford North (Wes Streeting), who is itching for me to give way, said that his borough of Redbridge was seeing a reduction in funding. I am afraid that that is simply not the case. Redbridge’s school funding will increase from £201,600,000 to £209,859,000, a 4.1% increase, as a direct consequence of the introduction of a national funding formula.

Mike Kane: Will the Minister give way?

Mr Gibb: I will not give way.

These anomalies will be ended once we have a national funding formula in place, which is why introducing fair funding was a key manifesto commitment for this Government. Fair funding will mean that the same child with the same needs will attract the same funding, regardless of where they happen to live.

We launched the first stage of our consultation on reforming the schools and high needs funding systems in March last year. We set out our principles—

Mike Kane: On a point of order, Mr Hanson.

Mr David Hanson (in the Chair): I hope it is a point of order, Mr Kane.

Mike Kane: Mr Hanson, it should be noted that Members from all parties, including myself, were generous in giving way to the Minister. The Minister has not been generous in return.

Mr David Hanson (in the Chair): I am afraid, Mr Kane, that that is not a point of order for the Chair. The Minister is entitled to give way or not give way according to his own preference.

Mr Gibb: Thank you, Mr Hanson; I want to respond to all the points that were made in the debate.

We launched the first stage of our consultation on reforming the schools and high needs funding systems in March last year. We set out the principles for reform and proposals for the overall design of the funding system. More than 6,000 people responded to that first stage of our consultation, with wide support for those proposals. I acknowledge the support that the hon. Member for Wythenshawe and Sale East (Mike Kane) has given to the principles of this formula.

We have just concluded a 14-week second stage consultation, covering the detailed proposals for the design of both the schools formula and the high needs formula. Our proposals will target money towards pupils who face the greatest barriers to a successful education.

In particular, our proposals will boost the support for those from disadvantaged backgrounds, and for those who live in areas of deprivation but who are not eligible for free school meals—those ordinary working families who are too often overlooked. We are also putting more money towards supporting those pupils in both primary and secondary schools who have fallen behind in their education to ensure that they have the support they need to catch up.

Overall, 10,740 schools would gain funding under our proposals, and the formula will allow those schools to see those gains quickly, with increases of up to 3% per pupil in 2018-19 and of 2.5% in 2019-20. Seventy-two local authority areas will quickly see an increase in their high needs funding, and no local authority will see a fall in its funding.

As well as providing those increases, we have listened to those who highlighted in our first stage consultation the risks of major budget changes for schools. That is why we have proposed to include significant protections in both formulae. No school would face a reduction of more than 1.5% per year or of 3% overall per pupil, and, as I have said, no local authority will lose funding for high needs. The proposals will limit the otherwise quite large reductions that some schools, including many in London, would see as the funding system is brought up to date.

The real-terms protection of the core schools budget underpins these proposals. As a result, we are able to allocate some £200 million to schools in both 2018-19 and 2019-20, over and above flat cash per pupil funding. That will combine significant protection for those facing reductions with more rapid increases for those set to gain under the fairer funding formula. High needs funding will see an equivalent real-terms protection.

London will remain the highest-funded part of the country under our proposals. Schools in inner London will attract 30% more funding per pupil than the national average, which is right. Despite the city’s increasing affluence, London schools still have the highest proportion of children from a deprived background and the highest labour market costs, as has been acknowledged in the debate.

We are using a broad definition of disadvantage to target additional funding to schools, comprising of pupil and area level deprivation data, prior attainment data and data on English as an additional language. No individual measure is enough on its own. Each factor reflects different aspects of the challenges that schools face, and they work in combination to target funding. Where a child qualifies for more than one of those factors, the school receives funding for each qualifying factor. For example, if a child comes from a more disadvantaged household and they live in an area of socioeconomic deprivation, their school will attract funding through the free school meals factor and the area-level deprivation factor—the income deprivation affecting children index.

The additional needs factors in the formula are proxies for the level of need in the school. We are not suggesting that the funding attracted by an individual pupil must all be spent on that pupil, but that schools with high numbers of pupils with additional needs are more likely to need additional resources. Using the proxy factors helps us target funding on schools that are more likely to face the most acute challenges. I will give way to the
honor. Member for Dulwich and West Norwood (Helen Hayes), who introduced the debate, if she wants to come in on that point. If not, I will press on.

Helen Hayes: I will come in at the end.

Mr Gibb: Very good. In addition to the formula, schools will continue to receive additional funding through the pupil premium to help them improve the attainment of the most disadvantaged pupils. We have also included a mobility factor in our formula to recognise the additional costs faced by schools, many of which are in London, where a high proportion of pupils arrive at different points through the year. We were influenced by the right honor. Member for East Ham (Stephen Timms) in making that change. London schools will receive additional funding to reflect the higher cost base they face from being in London, which is particularly important given that so much of schools’ spending goes on staffing costs. The higher funding for London schools will support them to continue their success in recent years, particularly for children from disadvantaged backgrounds.

I understand the reactions of those Members who are disappointed by our formula’s impact on their constituencies. The formula is not simply designed to direct more money to historically lower-funded areas or areas with the highest levels of deprivation. It is designed to ensure that funding is properly matched to need using up-to-date data, so that children who face entrenched barriers to their education receive the support they need. That includes pupils who do not necessarily benefit from the pupil premium but whose families may be only just about managing.

Andy Slaughter: The debate is about schools funding in London and the Minister is almost exclusively talking about the formula. Does he not understand that the additional cost pressures talked about by my headteachers in the letter they sent to the Secretary of State are having an effect on all schools in addition to the funding formula? It is that combination that is causing these difficulties.

Mr Gibb: I recognise that schools are facing cost pressures, including salary increases, the introduction of the national living wage, increases to employers’ national insurance and pension scheme contributions, and general inflation. We have estimated, as has been acknowledged in the debate, that national pressures will add about 8% per pupil between the start of 2016-17 and 2019-20, but it is important to note that some of those cost pressures have already been absorbed, and 8% is not an estimate of pressures to come. Over the next three years, per pupil cost pressures will on average be between 1.5% and 1.6% each year.

The current unfair funding system makes those pressures harder to manage. We felt very strongly that introducing a national funding formula will direct funding where it is most needed. That will help schools that have historically been underfunded to tackle those cost pressures more easily. We will continue to provide advice and support to schools to help them use their funding in cost-effective ways and improve the way they buy goods and services so that they get the best possible value for their pupils. We have published a wide range of tools and support, which are available in one place on the gov.uk website and include tools to help schools assess their level of efficiency and find opportunities for savings, guidance on best practice, including on strategic financial planning and collaborative buying, and case studies from schools.

We have launched the school buying strategy to support schools to save more than £1 billion a year by 2019-20 on their non-staff expenditure.

In addition to those pressures, I appreciate that schools will be paying the apprenticeship levy. As my hon. Friend the Member for Sutton and Cheam (Paul Scully) pointed out, the apprenticeship levy comes with real benefits for schools. It will support schools to train and develop new and existing staff. It is an integral part of the Government’s wider plan to improve productivity and provide opportunities for people of all backgrounds and all ages to enter the workplace.

In conclusion, I am grateful for this opportunity to debate school funding in London. I hope Members are reassured to some extent that the Government are committed to reforming school funding and delivering a fair system for children in London and across the whole country—a system where funding reflects the true level of need of pupils in schools.

10.56 am

Helen Hayes: I thank all hon. and right hon. Members who have participated in the debate this morning, and I thank the Minister and my Front-Bench colleague for responding to it. It has been a high-quality debate. The strength of feeling and the passion are clear, and Members have represented the interests of schools in the constituencies very powerfully indeed. There is no disagreement on the principle of fairness for school funding. The concerns that have been expressed this morning are about the impact of a funding formula that will see schools in London losing funding on top of the existing severe cost pressures they are suffering.

The Minister continually refers to total sums of money and the ranking of schools according to their allocation, but that is not the concern. No Member in this Chamber is concerned about where their local authority sits in the ranking of authorities across the country. We are concerned that our schools have the funding they need to deliver the excellent outcomes for our children that they deliver at present. Higher levels of funding are good value when they deliver for children in deprived areas.

The point we are making is that the Government’s approach is putting the quality of education in London schools at risk. That is of grave concern. It is simply disingenuous of the Minister to dismiss the concerns of headteachers in London as a response to inaccurate campaign data. They are looking at their spreadsheets and telling us that the Government’s approach is not working. There is nothing fair about a formula that cuts funding for high-performing schools in deprived areas.

I conclude the debate by reiterating the powerful words of my right hon. Friend the Member for Tottenham (Mr Lammy):

“When London slips back…the nation slips back.”

I urge the Minister to reflect on those words and to think again about the impact that the funding formula will have on the quality and performance of London schools.

Question put and agreed to.

Resolved.

That this House has considered schools funding in London.
Homeopathy and the NHS

10.58 am

David Tredinnick (Bosworth) (Con): I beg to move, That this House has considered homeopathy and the NHS.

Mr Hanson, it is always a pleasure to serve under your chairmanship, particularly when before we have even started the match, you have given us extra time. It is not often that we are able to start a debate earlier than expected.

This debate has come about for two reasons. The first is the attacks on the long-established national health service homeopathic service. Secondly, we are approaching a very happy moment, Homeopathy Awareness Week, when the homeopathic community comes together to tell people about what it can offer in providing support to doctors and alternatives where other treatments have not worked.

Homeopathy Awareness Week takes place from 10 to 16 April in a celebration of homeopathy: a safe, gentle, natural system of medicine that I have used for 30 years to great effect. In the UK, it might surprise people to hear that 15% of our population already use homeopathy and a further 80% have heard about it. Many people are not sure what makes it different from other medical systems. The week aims to get people to have a better understanding. A lot of events have been organised, including the film première of “Just One Drop”.

To put things in a global perspective, some 450 million people use homeopathy each year. If homeopathy did not work, why would so many people choose to use it and carry on using it? It is a global medical system, the second largest medical system in the world, and is used particularly in very poor communities, which I will come on to.

On British practitioners, a survey recently showed that 72% of homeopathic patients rated their practitioners either very good or excellent. The 4Homeopathy group recent study showed that practitioners are treating all kinds of things, from irritable bowel syndrome—30%—to depression—20%. More than three quarters of teenagers and 41% of adults receive homeopathic treatments for skin disorders. About a third of adults and 40% of teenagers go to homeopaths for anxiety and stress. It is a service that delivers both in and out.

Mr Andrew Smith (Oxford East) (Lab): I congratulate the hon. Gentleman on securing this debate. I certainly would not dispute the testimony of those who have benefited from homeopathic treatment, but does he not agree that scientific evidence of its effectiveness would help in a decision on whether to use it?

David Tredinnick: The right hon. Gentleman, who has been in the House as long as I have, has made a good point. There is scientific evidence out there, although we could use more. One of the problems is that, when scientific evidence is produced, it is pooh-poohed. However, that does not stop people using, for example, arnica cream when they get wounds. It is a standard preparation and it is a homeopathic medicine. So there is a degree of need for more studies, but there are studies out there that are ignored.

I have said homeopathy is the second biggest medical system in the world. Some would say it is the most prestigious. It has always been held in very high regard by people who are widely respected. It is no secret that the royal family and many celebrities have used homeopathic medicine over the years. It has become increasingly important in an age when drug dependency is epidemic and when there are serious worries about the effectiveness of antibiotics.

The homeopathic private sector is growing fast not only in this country, Europe and America, but everywhere. However, in the NHS, we are under attack from people in the medical establishment. This goes back to 2005, when a letter was put out attacking homeopathic services in the health service. It was actually a bogus letter on NHS letterhead. The Countess of Mar and Lord Palmer asked a question about it and the reply acknowledged that “this document was not issued with the knowledge or approval of the Department of Health and that the use of the National Health Service logo was inappropriate in this instance. The document does not represent any central policy on the commissioning of homeopathy”.

Anti-homeopathy groups such as the so-called Good Thinking Society, which is a front for one individual, a sceptic called Simon Singh, are threatening clinical commissioning groups with legal action for commissioning homeopathy. People such as Simon Singh are anti-patient, anti-choice and closed-minded individuals who have never studied or used homeopathy. In the UK, we have a robust system of homeopathic regulation. We have the Faculty of Homeopathy, which was formed in the 1950s for doctors. Doctors are, of course, regulated by the General Medical Council as well. In 2015, the Professional Standards Authority took on oversight of the regulation of the 2,000 members of the Society of Homeopaths. Such enhanced regulation is important and is a good reason why homeopathy should be more greatly available in the health service.

Jim Shannon (Strangford) (DUP): Will the hon. Gentleman give way?

David Tredinnick: I will give way to my hon. Friend from Northern Ireland.

Jim Shannon: It is always good to have debates on anything to do with health, but particularly with homeopathy. There have been several reviews of the scientific evidence on the effectiveness of homeopathy. Indeed, this House had a report in 2010, which the Minister will be aware of, from the Science and Technology Committee. In my constituency of Strangford is a major shop in Newtownards that deals in nothing else but homeopathy medicine, which clearly shows a demand. Does the hon. Gentleman feel it is perhaps now time for the Government to look at homeopathy in a new light because of the demand that there is, and also to see what homeopathy can offer?

David Tredinnick: My hon. Friend makes a powerful point. There is insanity about this subject. The amount of money spent on homeopathic prescriptions in the health service is about £110,000 per annum. So why are those who are against it so fanatically against it? What is it that gives them the swivel-eyed look? Why do they take so much trouble to rub out an alternative at a time when the mantra of the Government is patient choice? It is quite bemusing. Many of the patients that go to homeopaths have contraindications to pharmaceutical
drugs, or chronic illnesses that have not been helped by conventional medicines. I say to the Minister that there are no cost savings to be made by banning homeopathic prescriptions, as patients will still need other interventions instead. The Government should assess how much money the health service has spent on other interventions for these patients before the successful use of homeopathic medicine.

If we look around the world, we see a much more developed landscape. In France, 70% of pregnant women use homeopathy. You can go to any chemist in France and find homeopathic preparations and chemists who are qualified to talk about them. If we go further afield, I particularly like the example of India where there is a Ministry for complementary medicine called the Ministry of AYUSH—the “H” in AYUSH stands for homeopathic medicine. I will say a little about that later.

We have already discussed evidence and there is always a need for good studies. There was a study in France, which I sent to the Secretary of State a long time ago for consideration by the chief medical officer. I have not had a reply yet, although I accosted him about it in the Division Lobby this week. A bullet-proof study named EP13, which looks at the integration of homeopathy into general practice in France, showed positive outcomes, as does a randomised double-blind, double-dummy, multi-centre, non-inferiority clinical trial, which covers everything possible to follow the protocol, looking at the effect of an echinacea-based hot drink versus oseltamivir in influenza treatment. There are also promising indications that homeopathy could be helpful in combating the increasing problem of antimicrobial resistance. That is an example of a good study. I will come back to the EP13 study.

The attacks on homoeopathy in the NHS come pretty much from one person. They come from an organisation called the Good Thinking Society, a charity that is not supposed to campaign for changes in the health service, but its website states that it wants to raise money because it “Helps us campaign against the funding of homeopathy”.

According to the website, its leader, the Good Thinking Society’s chairman, largely funds the whole operation and another charity. It launched an attack on the Liverpool homeopathic service to shut it down, and eventually it was shut down. It worked like this. There was a consultation for local people at the end of 2015, at which I had a representative. Some 90% of those present were in favour of retaining or extending the service. Voting was by secret ballot, using hand-held remote controls, and 90% were in favour. One lady present, who suffered from a range of chronic conditions that conventional medicine had been unable to treat, was close to tears. She said that the only thing that had allowed her to live a relatively normal life was homeopathy. She pleaded with the clinical commissioning group not to cut the homeopathy service.

The next stage was a formal consultation open to everybody, with no restriction by area and no checking of who was contributing. That consultation found 73% against keeping the homeopathic service. It is my belief that that consultation was hijacked by the Good Thinking Society—that it got people to call in and distort the result. The right hon. Member for Oxford East (Mr Andrew Smith) and I have been here for a long time—nearly 30 years—and I think we can smell electoral fraud when we feel it. I cannot see how the results can go from 90% in favour to 73% against.

Patients who relied on that service have nowhere to go now, except for being a charge on the health service. That decision caused immense pain. One patient, Mr T, aged 58 from Liverpool, said in an interview from October 2015:

“After 3 years of trying everything my doctor gave me homeopathy, and within 4 months my stomach problems were better. 18 months later I can lead a normal life again.”

A London patient with arthritis said:

“It is the only thing that has helped me find remission from a disease that previously left me wheelchair-bound.”

The core of this debate is the most recent, and most serious, attack on NHS homeopathy—the attack on the Royal London Hospital for Integrated Medicine, the largest public sector provider of integrated medicine in Europe, formerly known as the Royal London Homeopathic Hospital. It offers an innovative patient-centred service, integrating the best of conventional and complementary treatments for a wide range of conditions. All clinics are led by consultants, doctors and other registered healthcare professionals, who received additional training in complementary medicine. This is a flagship hospital that is admired around the world. Instead of threatening it with closure, it should be hailed as an example of best practice and used to develop integrated medicine and to spread understanding of its benefits to the public and the health community.

For greater accuracy, I spoke to the director, Peter Fisher, and I have a briefing note from him. Apart from being a director of the hospital, he happens to be—as he described himself when he came before the Select Committee on Health in the last Parliament, during an inquiry into long-term care and conditions when I was acting Chair of the Committee—physician to Her Majesty the Queen. This is not somebody with a little training; he is a highly proficient, highly trained doctor—so much so that he is a doctor at that level.

Dr Fisher says:

“The Good Thinking Society is harassing the Royal London Hospital for Integrated Medicine by threatening legal action against its host clinical commissioning group, Camden. The RLHIM has an agreement with the north London cluster of clinical commissioning groups, led by Camden, for clinical care pathways for 13 conditions. Patients who do not have these conditions can be treated if normal treatments have failed or have caused serious adverse effects, and in certain other circumstances. The GTS is attempting to close the latter pathway. This would cripple the hospital, preventing it from providing homeopathy, herbal and other treatments and from treating cancer patients. The GTS has harassed the RLHIM and other complementary medicine providers with legal action, reporting to the ASA—

the Advertising Standards Authority—

“and the Charity Commission.”

I will say more on that if we have time. He continues:

“The RLHIM is the largest public sector centre for integrated medicine in Europe with a strong record of provision, innovation and research. A large scale study in France comparing conventional and homeopathic GPs showed that homeopathic GPs prescribe far fewer drugs, with the same or better clinical results, at 20% less cost.”

So there is an economic argument here, which I will say a word about in a moment.
[David Tredinnick]

In the year ending March 2016, the Good Thinking Society had an income of about £100,000. It gave £25,000 to something called the Nightingale Collaboration, which is not a charity, so that it could use the money more freely. That organisation has attacked osteopaths, who are regulated by an Act of Parliament—I was on the Bill Committee for that—and homeopaths, and has waged a campaign against complementary therapies with the Advertising Standards Authority.

The individual, Simon Singh, is a strange and inconsistent individual. He sent me an email before Christmas explaining why he could not send me a Christmas card. I am not sure I would have expected one, as I absolutely despise him. In 2015, it was reported that the charity made claims that processed sugars are not deadly and do not feed cancer, but he did not reveal that the charity was receiving funds from a very large soft drinks manufacturer. I think it is accepted that large amounts of sugar are not necessarily a good diet for cancer patients. I think that is why he got his nickname, “Sugar Drinks Simon”.

Mr Singh also criticised the lyrics of the Katie Melua song “Nine Million Bicycles” for inaccuracy, referring to the size of the observable universe. He proposed correcting the lyrics, saying that the value of 13.7 billion light years would be correct. I looked into that and found that the correct figure is 46.5 billion light years from home. Even on that subject, on which Mr Singh professes to have knowledge, he was wrong—so there is no surprise that he is wrong about homeopathy, about which he has absolutely no knowledge.

To recap, we have what my daughter would call the absolutely bonkers situation where an individual, Singh, who is a physicist, not a physician, with no understanding or experience of homeopathy, is trying to cripple our leading academic medical centre, part of the University College London Hospitals NHS Foundation Trust, whose director—the man running it—is the Queen’s doctor. How mad can you get?

The core problem is not about whether or not homeopathy is effective. There have long been arguments about evidence-based medicine. Professor Sackett, who was responsible for the phrase, did not say it is about whether medicines work or not. He said it is about integrating individual clinical experience and the best external evidence; it is not just about external evidence. It is not just about the medicine—it is about the patient’s and the clinician’s experience. The nub of it is that complementary medicine can reduce the costs on the health service. I have quoted the French EPI3 study, which said that French GPs who integrate homeopathy, is trying to cripple our leading academic medical centre, part of the University College London Hospitals NHS Foundation Trust, whose director—the man running it—is the Queen’s doctor. How mad can you get?

There is a turf war here between two sides of the medical establishment, which is actually about resources. We have to resist that. The Secretary of State said, very sensibly, on LBC on 10 September 2014:

“There are some bits of the NHS where it”—homeopathy—

“is sanctioned by GPs, but it wouldn’t be done without a doctor saying they thought that that was the right thing to do. And what doctors say is the right thing.”

He signed early-day motion 1240, which was about supporting homeopathic hospitals, in the 2006-07 Session of Parliament. It was signed by more than 200 Members—nearly a third of the Members of the House of Commons.

Today of all days—Brexit day—when the Prime Minister will be writing to the European Commission, I found this written answer in the Scottish Parliament from 23 February 2011. The then Health spokesman—no less an individual than the current First Minister, Nicola Sturgeon—replied. This is what she said in reply to a question about the effectiveness of homeopathy in relation to the Scottish Government’s integrative approach to patient care:

“In primary care, costs will relate to the cost of the remedy, which can be cheaper than the cost of orthodox drugs. Practitioners have also noted a reduction in side effects and dependency risks in some cases. In secondary care in Scotland, homeopathy is only employed within a broader integrative care approach, with surveys showing both enhanced wellbeing and symptom reduction across a broad range of long term conditions, and a resultant reduction in NHS costs through reduced GP and hospital visits and repeat prescriptions.”

Well, there we are. That is what the First Minister in the devolved Administration thinks.

Homeopathy is a wonderful system of medicine. It has been part of the national health service for a long time, and I look forward to hearing from the Minister about the Government’s position.

11.21 am

The Parliamentary Under-Secretary of State for Health (David Mowat): It is a pleasure to serve under your chairmanship, Mr Hanson. I congratulate my hon. Friend the Member for Bosworth (David Tredinnick) on yet again leading the charge—we have debated this issue in various parts of Parliament—and on securing this debate in close proximity to Homeopathy Awareness Week, which starts on 10 April. He normally corresponds with my colleague, the Minister for Public Health and Innovation. I apologise that he has to put up with me today, but I will do my best to address the points he raised and set out as specifically as possible the Government’s and the NHS’s position on homeopathic remedies.

The Government have no particular position on the efficacy or not of any type of treatment, but we have a position on evidence-based medicine, and I will come on to talk about how we expect an evidence base to determine how we spend public money. There is an acceptance that there is great popularity for some parts of this medicine across the world, as my hon. Friend said. The Government have no particular control over how people spend their money in terms of these treatments.

He was involved in the Walker report and review, which put in place a regulatory environment involving the Professional Standards Authority system and the voluntary lists for that.

As well as that popularity-led issue, there is the issue of how we spend public money in the NHS. I will come on to that process, but it is about the evidence base. It is right that there is a method of evaluating competing drugs, technologies and treatments. I will come on to talk about that and what it means in this context. We have no overall position on this issue. My hon. Friend made a good point about the over-prescription of antibiotics. He said that, in certain areas, homeopathic remedies may be an alternative.
I used the phrase “evidence-based medicine”, which means that the medicine is clinically cost-effective. Typically, the drugs that are used across the NHS are subject to trials—possibly lasting many, many years and involving large populations, statistically clear correlation and all that goes with it. A requirement of those drug trials is that their results are not anecdotal, but clearly repeatable. The drugs must demonstrate efficacy. When the National Institute for Health and Care Excellence evaluates them, it uses a threshold to measure their cost versus the quality of life and the years that are obtained by their use. Precisely the same criteria would be applied to any homeopathic or alternative remedy; they would be evaluated in that way. The Department’s position is that medicine must be evidence-based. Within that constraint, we use what the evidence tells us to use. For non-NHS expenditure, it is up to the public to buy what they wish, provided it is safe. There are some controls, and if I have time I will talk a little about the Walker review and what the controls are.

The NHS’s commissioning power is set locally by CCGs, which are GP-led. They set out their policies, in terms of what the CCG uses, but as they do that we expect them to be advised and informed by best practice and, where they are available, by NICE guidelines. Within that, GPs have considerable discretion. As my hon. Friend knows, some GPs still prescribe such remedies, where that is permitted by the CCG. That is not something that the Government have chosen to interfere with, although the drive towards evidence-based medicine means that over the past decade the amount of prescribing has decreased considerably. Last year, something like 9,000 separate prescriptions were made in primary medicine at a cost of about £100,000. A decade ago, the figure was nearer £150,000. That decline has been driven not by a Government diktat, but by our requirement that all CCGs use an evidence base for their decisions.

My hon. Friend gave various views about the evidence base. In 2010, the House of Lords Science and Technology Committee said:

“There has been enough testing of homeopathy and plenty of evidence showing that it is not efficacious.”

More recently, NICE said that it is not aware of any evidence that demonstrates therapeutic effectiveness, and it does not currently recommend that homeopathy should be used as a treatment for any health condition. As a consequence, there has been a tail-off in the use of such remedies.

I accept that, in certain circumstances, patients may feel that they have tried many other things, and a physician working with them might say, “Let’s have a go at one of these things. What have we got to lose?” As I say, it is not the Government's job to stop a GP taking that position in that situation. Very often, that will be done in conjunction with a patient who, as my hon. Friend said, feels as though they have tried everything else, and will have a go at it as a last resort. It may well be that, anecdotally, it works, whether that is through a placebo effect or for whatever other reason. It is not the Government’s job to stop that.

In the last minute that I have, I want to talk about the Walker review, of which I think my hon. Friend was the vice-chairman—he certainly helped to inform it. A system of regulation was brought in. We have been talking about the potential need for statutory regulation of the use of such remedies outside the health service. The Walker review looked at a variety of issues with respect to such medicines and concluded that we should put in place a voluntary system of regulation accredited by the PSA—something of a middle way.

David Tredinnick: The Society of Homeopaths is now regulated by the Professional Standards Authority, and will be looking to the health service to make better use of its services.

David Mowat: The Society of Homeopaths is accredited by the PSA, as my hon. Friend says. When somebody gets accredited, that is an endorsement that that practitioner is committed to safety and to work of good practice. It is not necessarily an endorsement of the technique that is being used, but it is accreditation that it is a safe technique. We accept that, and we would like more professionals working in that area to go down that route. I will finish on that note. I hope that I have been successful in setting out the Government’s position.

Motion lapsed (Standing Order No. 10(6)).

11.30 am

Sitting suspended.
HIV Treatment

[Mrs Anne Main in the Chair]

2.30 pm

Mrs Anne Main (in the Chair): Before I call Mike Freer to move the motion, I want to say that our thoughts are with the victims of last Wednesday’s atrocities. I do not think that the House is pausing in its proceedings, but our thoughts are with them today.

Mike Freer (Finchley and Golders Green) (Con): I beg to move,

That this House has considered the all-party parliamentary group report Impact of Health and Social Care Act on HIV treatment.

I associate myself with your comments, Mrs Main, which are exactly right, and it is a pleasure to serve under your chairmanship. I also put on the record my appreciation of the Minister and other colleagues, but especially the Minister, who has been extremely supportive of the all-party parliamentary group on HIV and AIDS and who has always been helpful when I have raised issues to do with HIV/AIDS. I am grateful, too, to other Members on what is a busy day, with other demands on their time. Their attendance at this debate is much appreciated.

Since 2015, when I was elected chair of the all-party parliamentary group on HIV and AIDS, our main objective has been to draw on evidence from clinicians, patients, HIV charities and research groups concerned about the potential impact of the Health and Social Care Act 2012 on HIV treatment in England. In December 2015, therefore, we started to collect written evidence so that we could investigate whether such concerns were based on reality.

Our inquiry took about a year to conclude. We heard from clinicians, local authorities, public health officials, people living with HIV, and the charity sector. We took both written and oral evidence. After a year of gathering evidence, it is fair to say that we concluded that fragmentation has occurred, creating a degree of uncertainty and presenting opportunities for aspects of HIV care to fall through the gaps between the commissioning bodies. I will outline that later.

The purpose of our report, “The HIV puzzle: Piecing together HIV care since the Health and Social Care Act”, was not to turn back the clock, but to reach out to the sector for evidence and recommendations so that we may make tangible improvements to the commissioning of HIV services. We need to work together to make such changes to ensure that people continue to maximise the benefits of the world-class treatment and clinical care service available in the UK.

I emphasise that the majority of the report recommendations focus on the need for clarity and accountability in all parts of the HIV care pathway, because the lack of clarity in the 2012 Act is what came into sharp focus. It was exemplified by the debate surrounding the provision of PrEP—pre-exposure prophylaxis—and the uncertain future of HIV support services. I and my APPG colleagues who advocate central funding for PrEP welcome NHS England’s announcement of a new PrEP trial to reach 10,000 people.

Our report concluded that the Health and Social Care Act increased fragmentation to many aspects of the care pathway, from prevention to long-term condition management. For example, fragmentation has created risks for HIV support services. The separation of sexual health and HIV is another example. There are new potential barriers to testing and prevention. Most importantly, there is confusion over the commissioning of new prevention techniques. I will highlight some of our key findings and offer suggestions as to how the APPG believes the report’s recommendations can help address them.

HIV support services—non-clinical services—have long been considered a vital part of the care pathway for people living with HIV. The British HIV Association, BHIVA, which is accredited by the National Institute for Health and Care Excellence, provides official guidance on HIV treatment and care. BHIVA states that the following are necessary for effective long-term condition management: peer support; support from other trained professionals; and information about HIV treatment, healthy living with HIV, diet and lifestyle, and optimisation of general health issues. People living with HIV also need support to access general health services, financial advice, and housing and employment support.

That view is endorsed by NHS England:

“The effectiveness of specialised HIV services depends on other elements of the HIV care pathway being in place and effectively coordinated”.

Those elements include:

“Third sector HIV care and support services for treatment adherence, peer support and self management...Social care, mental health and community services for rehabilitation, personal care or housing”.

Not everyone living with HIV requires support, and most will only need to use those services periodically, such as when they are newly diagnosed, experiencing employment issues, pregnant or considering disclosing their status to others, and if they are experiencing discrimination. The UK stigma survey identified that 28% of people diagnosed within the previous 12 months reported suicidal thoughts. Sadly, the suicide rate for HIV-positive men in the first year after diagnosis is more than five times higher than for men in the general population.

Similarly, while the side effects of treatment have improved in recent years, many people still have real difficulty in managing them, especially when starting medication or transferring regimens. People who are long-term diagnosed may experience ongoing and irreversible side effects of older HIV treatments, such as neuropathy and lipodystrophy. Most recently, there is emerging evidence on diabetes.

Support services in those instances not only ensure that people have access to a trained professional or volunteer at the point of crisis, but reduce the pressure on healthcare professionals. The National AIDS Trust reported that 50% of attendees at expert patient groups subsequently reported fewer GP visits. For an investment of £400 per attendee, the average net saving to the NHS for each patient with a long-term condition was £1,800. In addition, Positively UK reports that 88% of people reported that peer support has helped them to adhere better to their treatment plans.
Unfortunately, however, we have heard from the National AIDS Trust and other local support organisations that HIV support services are vulnerable under the 2012 Act, because commissioning responsibility has not been clearly defined. Therefore, the clearly mandated service provision has instead taken priority, in particular where there have been reductions to public health grants for local authorities. Last year, for example, HIV services in Berkshire and Oxfordshire were reduced by more than £100,000. In Berkshire, that equates to a loss of a third of the funding, which will directly affect 300 people living with HIV in Slough and Bracknell.

In Public Health England’s guidance to commissioners, “Making it work”, HIV support services are the only part of the care pathway left “to be determined locally.” That means that either the clinical commissioning group or the local authority can provide such services, but in a number of cases it appears that no one is commissioning services such as community-based HIV clinical nurse specialists.

The value of support services in other disease areas is well recognised. CCGs already commission cancer care, peer support for mental health services and the DESMOND—diabetes education and self-management—for ongoing and newly diagnosed—programme for diabetes. The APPG has therefore recommended that the responsibility for providing HIV support services is met by NHS England and CCGs as part of the patient care pathway provided for long-term condition management.

Local authorities have a responsibility to provide public health and social care services, but the ambiguity in the 2012 Act and reduced funding mean that the responsibility has been deprioritised. Support services sit comfortably within the mandate that CCGs and NHS England already have to provide HIV treatment and care. Importantly, what we are asking is that the Department of Health reiterate the need for a mandated whole-treatment plan, from start to finish.

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): My hon. Friend is making some good points, and I commend him for bringing forward this important debate. Does he agree that one of the fundamental challenges thrown up by the Health and Social Care Act 2012 is the fragmentation of services? As a clinician, it is strange to me—I made this point when I was on the Health Committee—that sexual health services are now commissioned by local authorities and a lot of HIV diagnoses are first discovered by contact with sexual health services.

Mike Freer: My hon. Friend makes a good point. I will go on to identify what is almost a lottery or a roulette, where people can access testing only if the parts of the health service or social care services that they come into contact with know what to do. I will also comment on the problem that some services—particularly GP services—feel that they are under so much pressure that they do not always know how to refer people for testing. One of the implications of the rationalisation of genito-urinary medicine clinics—GUM clinics—is that people risk falling through the cracks. My hon. Friend makes a good point that because services are provided in a number of places by a number of parts of the health service and it is not clear who is responsible for doing what, there is a great danger that people will think, “Someone else is doing it,” or, “Someone else is paying for it,” and we end up with no one doing it or no one having the funds to do it.

Civil society groups have highlighted that, under the Health and Social Care Act, some HIV services have been separated from sexual health services, which seems to have had the unintended consequence of creating different commissioning responsibilities for different aspects of caring for people living with HIV. HIV clinical services are commissioned by NHS England. HIV clinics traditionally sit in or next to sexual health or GUM clinics. That is the logical place for them to be; it helps with referrals and the continuation of care. Most HIV diagnoses are picked up during routine sexual health check-ups.

For example, the team at the Marlborough clinic at the Royal Free hospital, which serves my constituency, offer HIV testing and treatment alongside sexual health advice, testing and treatment for sexually transmitted infections, and contraception services. Where an HIV-positive diagnosis is made, staff can quickly link the newly diagnosed person into care at the adjacent Ian Charleson day centre, almost by walking them from one part of the building to the next, to ensure that there is continuation of care and no gap between someone being diagnosed and referred. In every part of the health service, whatever the illness or condition, if there is a gap between diagnosis and referral to a specialist service, some patients simply do not turn up. The collateralisation of services improves the continuation of care. The threatened merging of GUM clinics, which might take them away from HIV clinics, is therefore a cause for concern. I fear that it will make fragmentation worse.

Although local authorities are entirely responsible for providing sexual health services, they are not responsible for the entire HIV care pathway. That has resulted in sexual health services being put out to tender without a plan for the HIV service. That disruption of care presents a real problem for keeping track of patients and ensuring that they remain in the care pathway.

Dr Poulter: One of the other practical problems that was not thought through very well in the run-up to 2012 is communication between services, which my hon. Friend rightly mentioned. IT systems in the NHS often do not talk to one another very well, and they certainly do not communicate well with local authority databases or those of private sector providers, which may store information about the same person. That is at the core of the problem, and I wonder whether he might look at that issue when he makes recommendations to the Minister in the future.

Mike Freer: My hon. Friend makes a good point. The APPG is currently considering an informal report about the future of social care. Because HIV is no longer a death sentence but a manageable condition, people are living to ages by which they expected to be dead, or by which the health service expected them to be dead. We have early indications that the social care sector simply is not geared up for handling admissions or placements of HIV-positive people into care homes and nursing homes. Some care workers are simply uneducated about how to provide support. My hon. Friend is right: as people are moved into private placements, whether they are funded by the local authority or self-funded, we will have the problem of a lack of joined-up support—not
just in IT, but between social care, which is a local authority responsibility, and care for health conditions, which is the responsibility of HIV clinics with NHS support. He makes a very good point.

The disruption caused by dislocating HIV and sexual health clinics presents a real problem in keeping track of patients. As I said, collocation ensures that patients stay in the care pathway. Integrated HIV and sexual health services support young people living with HIV as they transition from paediatric care into adult services. Navigating adult HIV services for the first time can be challenging for young people. Including those services alongside sexual health services ensures that they have a one-stop shop for their HIV care and other tools for ensuring good sexual health.

The reality is that, in many cases, sexual health has become fragmented from HIV. Sexual health is the more profitable aspect of tenders, so some providers have purchased only the sexual health service, leaving no provision for HIV. In oral evidence to the APPG last year, the British Association for Sexual Health and HIV—BASHH—said that it believed that that had been a genuine oversight in the tendering process. Its president said:

“I don’t think the connection of what would happen if, particularly in a small service, the sexual health element of the tender was won by another provider. I don’t think anybody thought what would happen to the HIV service that was there. I think they thought it would just continue to be provided…and of course that may well be the case if it’s a large HIV unit, but in many cases it isn’t and it’s financially not viable, and that’s where the problem lies”.

Others report that when sexual health tenders were purchased without the HIV service, HIV clinics were left understaffed and with little certainty about the commissioning of the service. That means that people living with HIV have been required to access services elsewhere, which has led to small but significant numbers being lost to care. In its written evidence to the APPG’s inquiry, BASHH also noted:

“In a sexual health service that went out to tender a few years ago the contract was awarded to a community NHS provider. The outreach HIV clinic that had been well established was not sustainable and the service was discontinued. The majority of the service users transferred their care to other HIV providers some miles away but 9% were presumed to have disengaged in care.”

With that in mind, the APPG’s report, “The HIV puzzle”, recommends co-commissioning of HIV and sexual health services by local authorities and NHS England. Those two commissioning bodies should work collaboratively to ensure that a service assessment is in place so that the new provider, whoever it is, has a responsibility to ensure that the HIV service is maintained and not lost. The Department of Health needs to ensure that there is mandatory guidance for sexual health service bidders to undertake risk assessments and produce action plans detailing how the HIV treatment service will be transitioned and implemented.

The separation of HIV clinics from sexual health clinics is an unintended consequence of the Health and Social Care Act that needs to be addressed. The split of responsibility for different aspects of HIV care between local authorities and NHS England is leading to confusion in commissioning, and as I mentioned, early indications are that a small but significant proportion of HIV patients have fallen out of the care pathway as a result.

Previously, sexual health services were all commissioned by primary care trusts and the separation of HIV services from sexual health services was unheard of.

The inquiry also identified that there remains no whole service specification for HIV and sexual health, which we believe is causing health professionals to deprioritise the service. The service specifications that do exist relate to either sexual health or HIV services through “Integrated sexual health services: national service specification” and the NHS England service specification for adult HIV services, and it is the same for paediatric HIV. Those guidelines are useful, but what is really lacking is a comprehensive service specification for HIV and sexual health that encompasses all aspects of the HIV care pathway.

That is why we recommended that the Government develop a whole service specification for HIV and sexual health, bringing together the various existing strands of clinical guidance to ensure clear and consistent advice is available to all local authorities, CCGs and NHS England. A clear service specification for HIV and sexual health would mean that there is a one-stop shop for local authorities or CCGs, which would help to remove the sense of fragmentation experienced by both patients and health professionals.

We recognise that public health is a devolved issue, but the Secretary of State must ensure that local authorities have enough guidance to ensure that there is a minimum service requirement that they must provide. At the moment, the 2012 Act does not provide enough clarity or accountability to any one commissioning body. The nature of HIV as an infectious disease means that HIV services do not start at the point of diagnosis.

Let me turn to testing and prevention, which are a critical part of encouraging safe sex. The APPG is extremely pleased with the Government’s recent announcement that relationships and sexuality education will be made compulsory in all secondary schools. Properly informed and sensitively taught, that will go a long way to ensuring that young people are able to make informed decisions about safe sex and preventing the transmission of sexually transmitted infections and HIV.

None the less, testing and prevention are subject to similar fragmentation of commissioning responsibility, so confusion over commissioning responsibilities remains. As an example, HIV testing can be paid for by any of three commissioning arms—local authorities, NHS England and CCGs—depending on the setting and context in which the test is offered. HIV testing—including community outreach—for most-affected groups and routine population screening in areas of high prevalence is the responsibility of local authorities. HIV testing clinically indicated in a hospital—and termination of pregnancy services—is paid for by CCGs. Testing and treatment for STIs, including HIV testing, provided in general practice when clinically indicated or requested by individual patients, is covered by NHS England as an essential service under the GP contract. Different settings, different funding, total confusion.

In short, if someone is offered an HIV test by a hospital doctor because they arrive in A&E with shingles, it is paid for by the CCG. If they are offered the same test for the same reason by their GP, it is paid for by the NHS primary services contract. If they are offered a
test by the same GP simply because they live in an area of high prevalence, as NICE recommends, it is paid for by local authority.

The evidence for prevention and early diagnosis is overwhelming. People living with HIV can expect a near-normal lifespan if they are diagnosed early, but people diagnosed late continue to have a tenfold increased risk of death in the year following diagnosis. NICE also estimates that the costs of HIV care remain 50% higher for each year after diagnosis if the diagnosis is late. Likewise, preventing onward transmission is crucial not only for individual and public health but in terms of the sizeable lifetime costs of treatment. In 2011, PHE estimated that each infection prevented would save between £280,000 and £360,000 in lifetime treatment costs. NICE estimates that, if national testing guidance is implemented fully, 3,500 cases of onward transmission could be prevented in the next five years, saving the NHS more than £18 million a year in treatment costs.

I mentioned that GPs say they are under time pressure, and for a number of health issues that is widely reported as a barrier to proper intervention. The availability of education for GPs on offering HIV tests remains a problem. GPs feel they do not have enough information about the most appropriate time at which to intervene on HIV testing. As the Royal College of General Practitioners notes,

“There is...the issue of effective implementation—including training and support for practices to adopt these schemes...GPs and our teams are already under immense resource and workforce pressures making it incredibly difficult to implement any new programme.”

Many in primary care will therefore refer patients to GUM services for testing. However, that has the potential to entrench existing inequalities in late diagnosis rates, given that high-risk communities—particularly black African communities—are far less likely to access sexual health clinics and much more likely to access primary care.

Although healthcare professionals’ knowledge of when to offer an HIV test is not directly related to the Health and Social Care Act, the expectations from patients and the NHS England to mandate commission testing based on clinical indicators mean that educating healthcare professionals on the subject in line with NICE public health guidance must be a priority. The APPG has also called for protection of local authority public health grants from further funding reductions, in line with the Government’s commitment to ring-fencing the NHS budget. I would be grateful if the Minister could outline what plans she has to ensure that public health investment is not lost under further changes to local authority funding.

Finally, arguments over commissioning responsibilities have led to a stalemate on the introduction of innovation in HIV prevention. In 2015, studies from the UK, France and the US reported that, when taken regularly, PrEP can reduce the risk of HIV transmission by up to 86%. As the National AIDS Trust notes:

“PrEP is exciting, new, and currently, unique. It is not a vaccine, although it has a similar impact. We can draw comparisons to statins, in terms of preventing illness, or contraception, in terms of preventing unwanted consequences of sex. But actually, there is nothing quite like it. It is the definition of healthcare innovation.”

I do not wish to repeat the arguments made for and against the centralised commissioning of PrEP, but it does serve as an important case study in highlighting how the fragmentation outlined already risks HIV services that are focused on both lifelong condition management and preventing onward transmission.

As I mentioned at the beginning of my comments, I am enormously grateful to the Minister and NHS England for the announcement of an expanded clinical trial phase, including at least 10,000 participants, which will be launched early in 2017-18. I hope she will be able to update us on that trial in her response. I thank everyone who participated in the inquiry, particularly those who travelled across the country to attend our oral evidence sessions, and all the members of the APPG who took enormous time out of their diaries to support the inquiry.

2.58 pm

Jim Shannon (Strangford) (DUP): It is a pleasure, as always, to serve under your chairmanship, Mrs Main. It was a particular pleasure to hear the hon. Member for Finchley and Golders Green (Mike Freer) set the scene for us on a subject that is close to his heart and one that he has become a champion for in this House. I congratulate him on that. I have always been here to support him in his endeavours, and I am pleased to do likewise again.

When we think of HIV, as we are doing in this debate on the report, our thoughts automatically go to African nations. They do in my case, and Swaziland in particular, as my parliamentary aide visits and supports an orphanage there. One in every two people there has AIDS, so there is naturally a massive need for care and support of orphans. My heart has long been touched by the needs of the people in that country who have been ravaged by the spread of AIDS, and by the work of the World Health Organisation and other charities such as Teen Challenge and Elim Missions, which are active in my constituency.

However, this debate is about the report, which makes it clear that this is an issue much closer to home as well as one in Africa. We can relate it to our own constituencies. I understand that health is devolved to Northern Ireland—at least it is now; we will see how these talks go. The Minister might be the person making the decisions. We will have to see what happens in relation to that. With great respect, I hope she will not be making those decisions; I hope we will be making them back home, but that is by the by.

In Northern Ireland in 2015 there were 103 new diagnoses of HIV, bringing the total to almost three times what it was in 2006. Some of these figures are shocking and worrying. That is the highest number of HIV diagnoses to ever be recorded in a single year in Northern Ireland. From 2000 to 2014, a total of 557,000 HIV tests were carried out in Northern Ireland.

In Northern Ireland a total of 126 people diagnosed with HIV have died. That includes AIDS and non-AIDS-related deaths. Data obtained from the Public Health Agency showed that 114 pregnancies were affected by HIV from 2005 to 2016. Encouragingly—there is always a good message to be told—the pregnancies were managed to prevent the infection being transmitted from mother to child. That is certainly a bonus and highlights the importance of knowing about infection management at the birth of babies correctly. We have come forward with medicine and medication over the years in an innovative and very effective way.
In 2015, there were some 6,095 new cases and 88,769 people being treated for HIV across the UK. This is not an African infection; it is a problem in the UK that we must address. In setting the scene for us, the hon. Member for Finchley and Golders Green focused attention on where it should be in this debate: where we are in the United Kingdom. Some 101,200 people were estimated to be living with HIV in the UK by the end of 2015.

As with many illnesses, many people are living with the disease without knowing it. I would like to hear the Minister’s thoughts on how we can reach people out there who are carriers and perhaps do not know it. The clear fact is that, if people are not diagnosed, there is a much greater danger of them unwittingly spreading the infection.

It is estimated that 87% of people are diagnosed; 96% of those diagnosed are accessing treatment; and 94% of those accessing treatment are virally suppressed or “undetectable”—the virus will not show up on tests; it is unable to be transmitted to others. Those are some of the facts. That means that around 13% are undiagnosed and unaware of their infection—they are not able to access care to protect their wellbeing and prevent the onward transmission of HIV to others.

It has been estimated that each new infection costs the NHS between £250,000 and £360,000 in direct lifetime treatment costs. That is something we need to address, and the Minister must at least consider it. The number of new diagnoses in 2015 was slightly lower than in 2014, but new infections have remained roughly static since 2010. The fact that there are new infections each year is something we cannot ignore and needs to be addressed. I am keen to know the Minister’s thoughts on the best way of doing that.

Some 39% of people are diagnosed late, which has a potential impact on their immediate health and therefore the cost of treatment at the point of diagnosis and beyond. The fact that people are diagnosed late indicates that there was a possibility of diagnosis earlier. If that is the case and it has not been done, why? There must be a proactive approach to encourage screening and to reinforce education and learning about the prevention and spread of HIV and sexual health in general.

I tabled a question some time ago, to which the Minister responded, on the increase in sexual infection among those in the 50-to-70 age bracket. The figures indicate a rise in HIV infection among that group as well. I ask this question because it is important to do so. When people get to a certain age in life, they may not be involved in those activities as much as they may have been in the past, but there has been a rise in sexual diseases in that age bracket. I know the Minister responded to that question last year, but I would like to hear an update on her thoughts.

Some of the recommendations in the 2016 report from the all-party parliamentary group on HIV and AIDS on the impact of the Health and Social Care Act on HIV services bear highlighting. The first one that I want to mention states:

“While public health has been devolved, the Secretary of State must ensure that local authorities have enough guidance to ensure there is a minimum service requirement, which they must provide.”

The hon. Gentleman mentioned that in his introduction and clearly outlined the issue. With respect, at the moment the Act is not providing enough clarity or accountability, and it is the Department of Health’s responsibility to ensure that it does.

I look to the Minister, as I always do—she is a very responsive Minister—and ask what co-operation there has been with the regional devolved Assembly in Northern Ireland and the Health Minister there. What plans are in place for such engagement, involving the Secretary of State or Minister of State for Northern Ireland, should we return to direct rule? We cannot afford for health to suffer due to the reluctance of Sinn Féin to enter into government with the party with the largest mandate—the Democratic Unionist party. It is the responsibility of Ministers in this place to step in and step up if necessary and ensure that the people of Northern Ireland have the right strategies in place.

I was quite encouraged by the Library briefing on this debate, which has been extremely helpful. It mentions the pre-exposure prophylaxis drug Truvada, to which the hon. Gentleman referred. There are some excellent medications today, and that is one of them. It is a brilliant, new, innovative drug that can make a difference. It can save lives, stop or at least control HIV infection and give a longer life. We must welcome some of the things that are happening out there and that the NHS is providing, because it is tremendous news.

Lastly, it is clear that the Department of Health needs to ensure there is mandatory guidance for sexual health service bidders to undertake risk assessments and produce action plans, detailing how the HIV treatment service will be transitioned and implemented. We need to have that in place. It is not enough to put a couple of adverts in the media. Although that is good and should be done, it is not enough. We must have a strategy to deal with the prevention of this disease. We must also remember that it is not something that affects only one nation; it affects us all in this nation of the United Kingdom of Great Britain and Northern Ireland, and we must deal with it effectively. I look to the Minister for an indication of how she intends that to be done.

3.7 pm

Mr Ben Bradshaw (Exeter) (Lab): I congratulate the hon. Member for Finchley and Golders Green (Mike Freer) on securing this debate, on his all-party group’s excellent report and, indeed, on all the work he does on HIV and AIDS. I draw attention to my entry in the Register of Members’ Financial Interests and declare an interest: I am a trustee of the Terrence Higgins Trust.

The hon. Member for Finchley and Golders Green is absolutely right, as is his report, on the impact of the Health and Social Care Act 2012 passed in the previous Parliament. I am sure the Minister has read not only his APPG’s report but the Health Committee report that we published last year on public health in general and the impact of that 2012 legislation on the delivery of public health, and particularly the delivery of sexual health and HIV services across the country.

The hon. Gentleman is right that, in our report, we identified a number of problems and challenges with the new landscape and commissioning structure. We heard from people up and down the country in evidence—HIV/AIDS organisations, those who work in sexual health, consultants and virtually everyone else—that
the area that has been hit most negatively by the Health and Social Care Act and the changes in commissioning arrangements are HIV services and sexual health services more generally. We all have our own ideas of why that might be the case. Although the jury is still out about the decision to pass the responsibility for public health to local authorities, there were concerns expressed at the time of the Health and Social Care Act—some of us warned the then Health Secretary, Andrew Lansley—about the potential impact of giving local authorities the responsibility for HIV support and other sexual health services, but I am afraid those concerns were not listened to. I hope the Minister will explain to hon. Members and to the country at large what monitoring the Government have been doing on the impact of the Act on services and what measures or action the Government will take as a result of anything they find.

Mr Bradshaw: I completely agree with that point. The different commissioning responsibilities for different bits of sexual health and HIV and AIDS are all over the place. On top of that, although the Government can, with some justification, claim to have protected NHS spending in cash terms if not in real terms, they cannot claim to have done that when it comes to public health, which has taken significant cuts and will continue to take significant cuts over the next few years. Of course, those cuts are being imposed on local government. As the hon. Gentleman and other hon. Members know, local government faces huge financial challenges across the piece. There is also the threat of the withdrawal of the ring fence on public health funding in the next two or three years. In our report we made it clear that we thought that was a risky move indeed.

I do not want to repeat a lot of what was said by the hon. Member for Finchley and Golders Green, who made a comprehensive and excellent speech, but I hope the Minister will explain to us what monitoring the Government are doing on the impact. What will they do in response both to the concerns raised and the recommendations of the all-party group report and our Select Committee report to address the problems? We have known about them for some time—our report is now more than a year old.

The news about PrEP is very welcome, but will the Minister clarify the timing of the commencement of the trial? While we are on the subject, another potentially welcome development is the big fall-off in HIV presentations or positive tests at some of the London clinics in the past few months, which some people suggest may be to do with the availability of PrEP. Can the Minister tell us whether she has made an assessment as to whether that is the case, in which case it is a promising development indeed?

Finally, one of the things that concerns me is the plight of older people living with HIV and AIDS. Around a third of the people in Britain now living with HIV and AIDS are over 50. About 60% of them live or below the poverty line. When many of them were originally diagnosed, they did not expect to have a long life expectancy, but they are still here thanks to the fantastic treatment and care that has been invented and developed, which has not only helped to keep people alive but enabled them to lead lives of reasonable quality. Back when they were diagnosed, they may have been less cautious about spending their money to get by at that time, and now they find themselves hopefully with many years stretching ahead and no more means at their disposal, so there is a particular challenge when it comes to older people living with HIV and AIDS. That will require the Department of Health to work more closely with the Department for Work and Pensions. Some of the people that my charity—the Terrence Higgins Trust—deals with face problems when it comes to benefits and benefits sanctions. Those sorts of things add extra pressure and misery to the challenges that people living with HIV already face.

3.14 pm

Peter Kyle (Hove) (Lab): I apologise for arriving late and missing the start of the debate, Mrs Main, but I was waiting to speak in the Prime Minister’s statement. It is a pleasure to serve under your chairmanship again. I long for the day when I can get called as quickly as my right hon. Friend the Member for Exeter (Mr Bradshaw), who gets called with such speed and alacrity.

Mr Bradshaw: You have to be here for 20 years.

Peter Kyle: I long for that day as well, but that is in the lap of the electorate. I also thank the hon. Member for Finchley and Golders Green (Mike Freer). He heads up some incredible work by the all-party group, which has provided remarkable and concise information that is usable not only within the sector, but by a great number of people, to advocate for the challenges of people living with HIV and AIDS and to help to explain the broader issues people face. The reports are read by a great many individuals, and not only by experts in the subject, which is a credit to him. His wide-ranging speech—the last three quarters that I caught—was exceptional, and I am grateful to have been here for it.

I represent the city of Brighton and Hove, which has more than four times the national average HIV contraction rates and people living with HIV. That places an additional onus on me to give voice to both the sector and the individuals who live with this long-term condition. I am a representative for that city and for the gay community. When I was on the board of Pride, I spent a lot of time trying to understand the fabric of the support services going to people living with HIV, and I have done so with even more enthusiasm and dedication since being elected as an MP.

I am proud that we have incredible preventive work in Brighton and Hove. THT, Stonewall and local groups, co-ordinated through the LGBT Forum, have done remarkable work on prevention. It is a sadness that they do not have all of the tools that they call for, including PrEP, at their disposal. I know that the issue has been aired by other Members today, so I will not go into any more detail on that, but the grassroots and the people working on the frontline in Brighton and Hove are absolutely enthusiastically calling for that.
Thangam Debbonaire (Bristol West) (Lab): I, too, wish to add my thanks to the hon. Member for Finchley and Golders Green (Mike Freer). Does my hon. Friend agree that having such a confusing and complex mix of commissioners and authors of standards for prescribing does not help to establish the consistent commissioning of drugs such as PrEP, which he has mentioned and which would help so many people not only in his own constituency, but in Bristol West?

Peter Kyle: Bristol and Brighton share many of the same characteristics in terms of demography and the numbers of people living with the long-term condition of HIV/AIDS. I agree with my hon. Friend wholeheartedly. The hon. Member for Finchley and Golders Green made the point very well about the split that was created in the Health and Social Care Act. It is having an impact on communities and I hope Ministers will finally realise that that needs to be prioritised.

In the work I have been doing with the people who deliver frontline services, I have learnt that the people who live with HIV/AIDS often have complex needs. The landscape for provision is also complex and moves from prevention to treatment. As my right hon. Friend the Member for Exeter mentioned, people are living into old age with HIV—that is not entirely new, but it is a fairly recent development. We should celebrate the fact that people now live into old age with HIV, but it presents us and our health service with very complex challenges.

I too have met people living into their 70s and 80s with HIV, who, when they were first diagnosed pre-1996, were given just weeks to live. There is an additional challenge for such people, as hinted at by my right hon. Friend. Many of those people are not only vulnerable because of the comorbidities and complex health challenges that they may have, both physical and emotional, but many of them spent all of their money when they thought they had a very short time to live, so they are additionally vulnerable because of their financial position. That means those individuals need the holistic care that they deserve.

The hon. Member for Finchley and Golders Green spoke well about the split created by the Health and Social Care Act 2012. I have seen its direct impact on people living with HIV. Some people are failing to get the comprehensive care that they need. That is leading, first, to individuals with complex needs not getting the comprehensive care they need, and, secondly, to providers of comprehensive care not getting the funding they need to provide the services. That is causing a terrible ruction in the provider landscape for HIV. Specifically with regard to Brighton and Hove, I am referring to the Sussex Beacon—I shall talk more about that in case the Minister is not aware of its fantastic work.

First, it is important to describe the general health landscape in the city of Brighton and Hove, which is in crisis. We have a hospital, a clinical commissioning group and an ambulance trust in special measures, as well as patient transport services whose privatisation was botched, and which were then renationalised, all within six months. On top of it all seven GP surgeries have closed in the past 12 months. The service is comprehensively in crisis. However, there is one jewel in the crown—the Sussex Beacon, which was established as a hospice in 1992, to provide end-of-life care for people who were dying because of HIV and AIDS. It has flourished and evolved as the needs of the client group have changed and evolved over time. It is a remarkable organisation, providing preventive, outpatient and inpatient services, and more than 2,000 bed nights a year.

Last year the Care Quality Commission said that the Sussex Beacon is outstanding. It is one of the true beacons of health in the community, and I am proud that it exists to provide comprehensive, holistic and tailored care for individuals living with HIV. It is incredibly important to the community. Because of the split, however, no one agency is taking overall responsibility for funding the Sussex Beacon any more—not the local authority, and not any of the funding agencies designated to do so by central Government. As a result, its statutory funding has fallen by £400,000 a year. That funding gap is bringing an extraordinary organisation to its knees.

In Brighton and Hove politics there is a rainbow coalition. The three MPs are each from different parties, but last year we united in writing, along with the leader of the council, to the Health Secretary, to point out how extraordinary the work of the Sussex Beacon is, and what the dangers are. We pointed out what would happen if all its client group—people with extremely complex needs who were used to and are deserving of specialist care for the special challenges they face—were to be transferred from somewhere rated outstanding to somewhere in special measures, such as a hospital struggling to cope with the patients it has at the moment. Before the general election, the Health Secretary took time to come to Brighton and visit the Sussex Beacon for a photoshoot, as did the Prime Minister when she was Home Secretary on another occasion. Sadly, neither had time to respond to the letter about the dangers that the service will face in future. It was passed on to another agency in the Department of Health for a response.

Perhaps people felt that we were crying wolf, but we were not. The trustees of the Sussex Beacon have issued a warning that they will start to shut services from June this year unless the funding gap is closed. Staff have been put on notice of redundancy. We are in the last chance saloon for that fantastic organisation, which is celebrated beyond Brighton for the services it provides. I urge Ministers to consider the specific challenges it faces. The Minister will know what an achievement it is in today’s health environment to get an outstanding rating for something so complex, meeting such complex needs. Because of the nature of the debate, she will know that the people who use the services count on them in a heartfelt, emotional and dependent way. It is an extraordinary service and I urge her to look directly at the challenge and see what the Government can do. Once the service is lost it will be gone forever, and will not be coming back.

I labour the point for two reasons: because I am a Member of Parliament for the area that the Sussex Beacon serves and one of its patrons, but also because it speaks to the challenges that comprehensive providers face in an environment in which funding has become very specialised and very narrow. Comprehensive providers are struggling to find their feet in the new environment. What is happening to the Sussex Beacon is relevant to the broader challenges faced by the sector in the broader health environment.
3.26 pm

**Martyn Day** (Linlithgow and East Falkirk) (SNP): It is a pleasure to serve under your chairmanship, Mrs Main, and to take part in today’s debate. I am grateful to the hon. Member for Finchley and Golders Green (Mike Freer) for securing the debate, and for his detailed and informative speech, as well as for the work of the all-party group on HIV and AIDS in producing an excellent report, “The HIV puzzle”. The report notes, on the basis of evidence from charities, civil society groups and the pharmaceutical industry, significant upheaval to HIV and sexual health services since the Health and Social Care Act 2012 was implemented.

The findings of the report are very worrying. A joined up, multi-sector approach to support and care for those at risk of or living with HIV is crucial to its prevention. The UK Government should reflect seriously on how they can improve HIV services in the light of that body of evidence. The report is concerned with HIV services in England, but its findings will be of interest throughout the UK. Communicable diseases do not, after all, recognise administrative or national borders. The report recognises:

“In Scotland sexual health sits under Blood Borne Viruses in the health system, which Dr Gordon Scott argues makes it easier to set priorities.”

In that spirit, and given that the issue is devolved, I hope that the comments of a Scottish Member about HIV in Scotland will also be of interest to Members from other parts of the UK.

There were 6,095 new diagnoses of HIV across the UK in 2015, and 300 of those were in Scotland. The latest figures for NHS Lothian, which covers the West Lothian part of my constituency, tell us that there are 1,589 people diagnosed and living with HIV, and that 70 of those were diagnosed in the past year. At the other side of the country, Glasgow has experienced its biggest rise in HIV infection for three decades. The issue will affect every community in the country. We all have our challenges, especially when we consider that it is estimated that about 13% of people may be undiagnosed, with all the consequent risks of onward transmission, as well as the impact on those people of being unable to get access to care and treatment.

Lifetime treatment costs the NHS between £280,000 and £360,000 per patient—a not insignificant amount. Prevention of HIV infection remains a priority for the Scottish Government. There is no room for complacency on communicable diseases such as HIV. We continue to provide funding to NHS boards for HIV prevention, as well as supporting organisations such as HIV Scotland, with £270,000 in funding this year. There is of course no one-size-fits-all approach to HIV prevention. That is why in Scotland we are providing Waverley Care with £45,000 in funding this year for its HIV prevention and support work with African communities.

A joined-up approach to HIV care is vital to ensuring that infected people can get the care they need to live life as independently as possible. The Scottish Government’s sexual health and blood-borne virus framework 2015 to 2020 is continuing to build on achievements made under the original framework document of 2011. The HIV Testing Kits and Services Revocation (Scotland) Regulations 2014 lifted the ban on the sale of instant-result testing kits in Scotland. In the light of that change, and following leadership on the issue by HIV Scotland, a subgroup of the executive leads group published a questions and good practice document on instant-result self-testing in March 2014. The good practice document was the first of its kind in the world and has since been recognised internationally as an example of good practice by the World Health Organisation.

All NHS boards in Scotland have protocols in place in relation to HIV post-exposure prophylaxis—PrEP—for sexual and non-sexual exposures. The framework makes clear the importance of a multi-agency approach to sexual health and blood-borne viruses. Truly delivering on the framework outcomes in the long term will require the involvement of patients and service users, NHS boards, local authorities, the third sector, academics, the media and, indeed, the general public. The integration of health and social care in Scotland is one of the most significant reforms since the establishment of the NHS. We are the only UK nation to have legislated to put NHS boards and local authorities under statutory duties to work together. That is helping to tackle priorities in the framework to work towards as joined-up an approach as possible to caring for people with long-term conditions and disabilities, such as HIV.

Evidence generated in late 2014 and early 2015 indicates that the HIV infection is being transmitted among a small population of highly chaotic, vulnerable and often homeless people who inject drugs. These transmissions reinforce the importance of prevention work with such populations. The Scottish Government are working with health boards, schools and the police service to ensure that vulnerable groups can get the right support to prevent and treat infection. The framework update includes commitments on development of care services with local authorities; tackling social stigma through education; encouraging HIV testing to be regarded as routine; and NHS boards and partners offering testing to vulnerable groups using innovative approaches such as delivering testing in the communities themselves.

The Scottish Government are also considering the recommendations of an independent review of PrEP. The European Medicines Agency has granted a licence for Truvada as PrEP for HIV in adults at high risk. The Scottish Government’s chief pharmaceutical officer has written to its manufacturer to ask it to make a submission to the Scottish Medicines Consortium. The Scottish Government’s position is that all medicines must be licensed before they can be made routinely available on the NHS, but we recognise that some people are already buying PrEP drugs privately in Scotland. It is important that people who are doing so receive appropriate advice from and are monitored by clinicians. The executive leads network for the sexual health and blood-borne virus framework is considering the findings of the PrEP short life working group, which considered a range of issues associated with the use of PrEP. I look forward to hearing about the outcomes.

In conclusion, I commend the work of the APPG and its report on this issue. There are undoubtedly lessons for us all within it.

3.32 pm

**Mrs Sharon Hodgson** (Washington and Sunderland West) (Lab): It is a pleasure to serve under your chairmanship, Mrs Main. I thank the hon. Member for Finchley and Golders Green (Mike Freer) for his excellent
I therefore want to push the Minister on what she is doing to look into the APPG’s recommendations, especially about joint commissioning for support services by NHS England and CCGs, along with co-commissioning of HIV and sexual health services by local authorities and NHS England. Another issue that the Minister must look at—I raise this repeatedly with her—is public health funding. The cuts to services further exacerbate the problems that HIV services face because of commissioning responsibilities being unclear, which is pushing services to walk away from their responsibilities.

I know that the Minister will reference the funding going into regular HIV testing and the promotion of safe sex, along with the HIV innovation fund, but the impact on funding cannot be ignored. Last week, the National AIDS Trust published a report showing that in England, there has been a 28% decrease in the expenditure between 2015-16 and 2016-17. That is on top of the cuts to HIV support services, or decommissioning of said services, in Lambeth, Southwark, Oxfordshire, Portsmouth and Bexley. Although public health budgets are only one part of the funding streams for HIV support, treatment and care, they are nevertheless an important part of the pathway, as cuts to sexual health services more broadly are detrimental to HIV care. The £200 million in-year cut and 3.9% cut year on year will only have a negative impact on the future of all sexual health services, including those for HIV. The Minister must seriously address that false economy, or risk seeing a public health crisis that could easily have been avoided.

I also thank the other hon. Members who have contributed to the debate. I thank the hon. Members for Strangford (Jim Shannon) and for Linlithgow and East Falkirk (Martyn Day), my right hon. Friend the Member for Exeter (Mr Bradshaw) and my hon. Friends the Members for Hove (Peter Kyle) and for Bristol West (Thangam Debbonaire) for their excellent and knowledgeable speeches and interventions. They will all have given the Minister much to think about.

The number of people receiving HIV care in 2015 in England was just over 81,000. That is a 73% increase in the number of people accessing HIV care since 2006. In part, that is welcome, as it means that more people are accessing care that can improve their lives, but it also provides us with reasons to ensure the future quality of care provided, and that is the crux of why we are here today to debate this issue.

As the APPG highlighted, it is understood that since the passing and implementation of the Health and Social Care Act 2012, there have been growing complications with the commissioning and provision of HIV services across the healthcare system. In the rest of my contribution, I will touch on the Health and Social Care Act’s impact on HIV services, but I will also expand into other areas, such as the cuts to public health budgets and the worrying trend of decommissioning of HIV services, and finally I will touch on issues regarding PrEP.

Since the passing of the Health and Social Care Act, there has been a significant fragmentation of our NHS and wider health services. During the passage of the Act, Opposition Members felt that it was an unnecessary top-down reorganisation. The case of HIV services proves exactly how that fragmentation is causing consequences for the future of vital services. The creation of CCGs and the devolution of public health to local authorities have fragmented HIV services across various bodies, with no coherent commissioning and oversight. Currently, services are failing to maintain the standard that patients expect. That is down to commissioning responsibility not being clearly defined under the Health and Social Care Act. Although the coalition Government argued that the Act would ensure the streamlining of services, the opposite has clearly been the case for HIV services.

Thangam Debbonaire: I thank my hon. Friend for the excellent speech that she is making. I want to add my support for what she has just said, and perhaps go a bit further. Does she agree that the Minister needs to address the fact that the failure to address preventive services will only store up costs and problems further down the line, and that when there are cuts to public health grants, those services need to be ring-fenced or protected in some other way so that we are not storing up problems for the future?

Mrs Hodgson: I thank my hon. Friend for that helpful intervention. I agree with her absolutely. The whole point of preventive services—HIV and sexual health services are preventive—is to save money, and lives, further down the line. We regularly debate preventive measures for other health issues with the Minister in this Chamber.

There is still a question mark over the future of HIV services, not only because of the cuts that we are seeing now, but because the future of public health budgets after 2018 is not guaranteed. There are also issues with the devolution to local authorities of business rates, which will be used to fund public health spending. The Government have still not published details of how they aim to ensure that public health will continue to be prioritised when that comes into effect. I hope that the Minister will be able to offer clarity today.

PrEP is a highly effective way of protecting someone who does not have HIV from contracting it. As the UK PROUD study showed, it was 86% effective in preventing HIV transmission and, if taken correctly, it has closer to a 100% success rate. That is why it is important that this drug treatment is supported as much as possible. While the announcement on the feasibility study is welcome, questions remain that the Minister must answer. Nearly four months since the trial was announced, we are still none the wiser as to when it will begin, other than that it will begin early in the 2017-18 financial year. I welcome that in her letter to the APPG yesterday the Minister...
said that the trial would begin in the summer, but I hope she will offer further clarity on when we will know more. There remains an issue with the drug Truvada, which is used in PrEP. For the trial to reach the 10,000 people that it plans to, a generic version of Truvada will need to be used. I am interested to know what conversations the Minister has had with Gilead, and how co-operative it has been to ensure the success of the trial.

Finally, I want to ask the Minister about the concerns that many PROUD participants will run out of their supply of PrEP this week, and that between 350 and 4,000 individuals at the highest risk of HIV will run out of supplies. That is a matter of urgency, and the Minister must address it as a matter of priority. We cannot allow the people who take this drug treatment to be put at risk. Therefore, I hope the Minister will go away today and look at the matter immediately.

These issues are highly important to many people who live with HIV or within those communities where infection rates are more common than in others, as we heard from my hon. Friend the Member for Hove and for Bristol West. I was shocked and surprised to hear that there is four times the normal rate of those people in the community of my hon. Friend the Member for Hove. I am well aware why he is here today to speak for his constituents.

The Government’s mismanaged approach to the NHS’s structures and to wider health services is seeing services fall through the gaps and people’s lives affected, which is exacerbated by short-sighted cuts. It is important that we recognise the work that has already gone into addressing HIV in our society, but accept that we still have a long way to go. We cannot squander these opportunities, as we could see yet another public health crisis due to complacency and failure to step up and address this issue. I hope the Minister has listened carefully to all the contributions to the debate and the seriousness of it, and will go away and do the right thing by the tens of thousands of people living with HIV or at those risk of contracting it, and support them. They should not be let down.

3.42 pm

The Parliamentary Under-Secretary of State for Health (Nicola Blackwood): It is a pleasure to serve under your chairmanship, Mrs Main. I congratulate my hon. Friend the Member for Finchley and Golders Green (Mike Freer) on securing this important debate, and all Members who have contributed to what has been a highly informed discussion. I welcome the opportunity to discuss the findings from the recent and interesting report “The HIV puzzle”, which was produced by the all-party parliamentary group on HIV and AIDS. I pay tribute to my hon. Friend for his work on HIV innovation, and to all the members of the APPG for the work they do to champion HIV within Parliament.

Preventing the spread of HIV and supporting those who already have the disease remains a Government priority. As colleagues present will have heard me say before, and as the shadow Minister, the hon. Member for Washington and Sunderland West (Mrs Hodgson), also said, when we look back at the HIV epidemic in this country we can be proud of our achievements so far. In particular, we have made considerable progress in recent years towards meeting the UN 90-90-90 ambitions to eliminate HIV-related mortality and transmission by 2020. We have already met two of the ambitions, with 96% of people diagnosed with HIV receiving antiretroviral treatments and 95% of those treated virally suppressed. We have made significant progress on the third goal—to reduce undiagnosed HIV so that diagnosis is over 90%. The proportion of undiagnosed cases was 13% in 2015, which means we have seen a fall of almost half, from 25%, in just five years. However, that is still too high and we need to redouble our efforts to ensure that those who are positive receive a timely diagnosis.

The right hon. Member for Exeter (Mr Bradshaw) was right that we must have robust monitoring to ensure that we understand what is happening. He identified some particularly encouraging reports from London; there were some encouraging reports during 2016 from London clinics, particularly Dean Street. Those trends are welcome. Public Health England is actively investigating the trends, and whether the reduction has also been seen in other parts of the country and in other risk groups. It will report on that when the 2016 HIV data are published later this year, and I shall be happy to notify him if he would find that helpful.

Many Members today have reported concerns about how public health funding in the future might affect the provision of HIV prevention and support services. In line with recommendation 6 in the report, we have decided, in relation to this aspect and wider public health funding, to retain the ring fence on the public health grant for a further year, until 2019, as we move towards the implementation of local business rates retention. This is a step on the way to a more locally owned system, but that will help to smooth the transition by providing certainty for the next two financial years. It means that grant conditions will continue to apply and Public Health England will have a clear assurance role in relation to grant spend. I recognise that local authority funding remains tight and that councils have tough decisions to make to ensure that vital public services remain sustainable. Returns from local authorities have identified that more than £82 million was spent on sexual health.

Dr Poulter: I thank my hon. Friend the Minister for the constructive approach that she is taking in replying to this debate, as indeed she does in all debates on health matters. Does she recognise that there are areas with very high demographic change, that some of them have high rates of people living with HIV and that the funding formula is beginning to be out of date and needs to be reviewed? There are some parts of the country that need more money than that funding formula makes available for public health purposes.

Nicola Blackwood: I am going to come to what we are going to do in the future. The current situation will remain in place for one year, but we have identified the public health spend. A significant proportion of the funding will be allocated to HIV testing and prevention activities. We also recognise that there are reasonable concerns about the practicalities as we move towards business rates retention, and how it will work in practice, in particular in relation to health. The fact is that the only way we are going to get the scale right is if we continue to engage closely with Members. One thing we are looking at is how we manage the move towards mandation and how we look at transparency and accountability in public health spending. We will be doing that in a very consultative way.
Thangam Debbonaire: I am sorry to interrupt the Minister. I think she mentioned a minute ago something about protecting public health funding for two years until the change to business rates. I am so sorry, but I missed that point. Could she clarify it? Does she mean that this is a new announcement of new protections?

Nicola Blackwood: The public health ring fence will remain in place until 2019.

We also recognise, as recommendation 1 makes clear, that HIV support services are an important part of the overall care that people diagnosed with HIV receive to support their health and wellbeing. I have heard hon. Members’ concerns today about such services being decommissioned because of budget pressures. We are increasing our focus on supporting and improving place-based commissioning, and will work to provide the right opportunities for all commissioners and providers involved in a care pathway to work together to secure the right service response for the needs of the local population, taking into account each partner’s responsibilities.

In line with a number of the recommendations, we also need to ensure that we make the most effective and efficient use of the resources available. We are already seeing some really effective examples of that in the Public Health England HIV innovation fund, which supports voluntary sector-led projects across the country that are focusing, as my hon. Friend the Member for Finchley and Golders Green knows only too well, on HIV prevention and testing. That includes the OutREACH project in Cumbria, which is using community pharmacists to provide HIV testing in a rural area with very high rates of late HIV diagnosis, and the MESMAC project in Yorkshire, which is providing HIV awareness training and testing at a hostel housing migrants who are claiming refugee status in the UK. We are also encouraging innovations such as home testing. Our aim this year is to see 50,000 tests for HIV carried out at home. They are already starting to make a difference. The introduction of compulsory relationships and sexuality education will, as my hon. Friend says, have an important role to play in prevention.

I was very sorry to hear the comments made by the hon. Member for Hove (Peter Kyle) about the Sussex Beacon. I am sure that, given his account of the clear local need and the quality of the service, he is holding local commissioners to account for their decision making. I am afraid that my recollection is that I had responded to him on that matter, and not an arm’s-length body. I am very sorry if there has been confusion, but I am happy to continue the discussion following this debate, so that we can clear it up and ensure that we make progress on it. I would not like him to think that we do not take it very seriously indeed.

As we all know, delivering high-quality HIV services is about not just funding, but getting the commissioning right. As the report highlights, a lot of work still needs to be done to ensure that the commissioning landscape for the services supports effective collaboration and co-operation, so that we can continue to see improvements in these and other outcomes. That is exactly why Public Health England commissioned a sexual health commissioning survey, which very much supports the findings of both the Health Committee and APPG reports.

I recognise that commissioning sexual health and HIV services is complex, given the range of services and the different population needs that are covered under the broad umbrella of sexual and reproductive health and HIV. We are very alive to and are working to address the risk of fragmentation damaging the progress that we have made, so I am particularly pleased to announce that, shortly, Public Health England will launch an action plan to support commissioners and ensure that they can provide the sexual health and HIV services that their populations need.

As its first priority, Public Health England will look for ways in which to reduce the fragmentation of commissioning and address the barriers that stop effective collaboration and co-operation between commissioners. That will include encouraging the development of a model of lead integrated commissioning in each locality, including developing models for out-of-area tariffs and other issues that can slow down contracts and increase costs. PHE will also identify system leaders across the country to lead local sexual health, reproductive health and HIV commissioning in an agreed locality and form a national network of commissioning leads to promote the effective national development of commissioning.

To test out how that might work in practice, PHE will pilot local delivery models working with local authorities and CCGs to help to build on effective models of commissioning. We will announce the names of the pilot sites shortly—the work is still in the early stages of implementation—but I take this opportunity to urge any areas that are interested in working with us to get in touch with PHE and to take part in developing the work as it takes shape.

Mr Bradshaw: I warmly welcome what the Minister has just announced. When the pilots are up and running and have delivered results, if it is necessary to revisit some of the structural and commissioning changes that were made under the Health and Social Care Act and which caused the problems in the first place, would she be open to doing so? On the ring fence, if she is going to delay its removal by a year, she might as well have a proper review of that, given the concerns out there about the impact of removing it on public health funding and spending in general.

Nicola Blackwood: I think the right hon. Gentleman slightly misunderstood me on the ring fence. We have kept it because we believe that transparency and accountability measures need to be put in place, so that local authorities move to business rates retention, their decisions can be made in an appropriately accountable way that can be scrutinised properly. We do not feel as though we have that yet, so we have moved the date back a bit. We want to do that effectively and to have proper consultation on the mandate. On his other point, I think it is a bit early in the process to start discussing that.

Given the time, let me move on to service specifications. During the debate we have heard examples of contracts for sexual health services becoming divorced from the provision of HIV services. A key recommendation from the APPG report was to create a joint service specification for sexual health and HIV services. We recognise that the existing service specification for sexual health needs strengthening, which is why it is now being updated. PHE has committed to building on existing commissioning
guidance to provide more focused advice and examples of locally designed systems to support the commissioning of HIV and sexual health services.

NHS England is responsible for the service specification for HIV treatment and care, and we think that that remains a sensible division. However, the development of a new integrated service specification for sexual health services will allow us the opportunity to join up our advice to produce a more integrated offer.

I want to recognise the continuing priority of PrEP, which many colleagues mentioned, and the trial that was announced last year by PHE and NHS England. Up to £10 million has been set aside to fund the trial, which is anticipated to include at least 10,000 participants over the next three years. We expect the trial to be under way this summer. It has the potential to change the lives of thousands of people who are at risk of contracting HIV.

Jim Shannon: I asked about where the older generation featured in things, as did the right hon. Member for Exeter (Mr Bradshaw), but the Minister has not touched on that yet. If she is not able to do so now, perhaps she can come back to us in writing.

Nicola Blackwood: The whole point of developing a much more systematic process and having a commissioning programme that does not allow the fragmentation of services, but instead is much more integrated, is that it will take into account more ageing people living with HIV. We believe that that will deal with the issue.

The hon. Gentleman also asked how we will tackle the issue of undiagnosed people living with HIV in the community. We believe that the strategy of increasing education and introducing compulsory sex and relationships education will be part of that, as will improving our performance, testing and early diagnosis. The work being done through the innovation fund is a key plank of that. Having clear specifications in commissioning guidelines so that we have coherent services for all who seek them is the strategy. We think that is a coherent response.

Mike Freer: Could the Minister write to hon. Members to clarify what will happen to those who are currently on the PROUD trial? What will happen while there is a gap between the drug stopping and the new trial starting? That would be appreciated.

Nicola Blackwood: I shall be happy to provide that very important clarification.

We should not underestimate our progress on testing and diagnosing HIV. That is down to the campaigning and the very hard work of many people in this Chamber, and by the many campaign groups out in the community that are the bedrock of the service in this country and provide world-class services for people who live in the UK with HIV. However, as today’s debate shows, our way forward is not free of challenges, and we must continue to reflect on how we can best deal with and meet those challenges. I hope that the commitments I have announced today go some way towards reassuring Members that the Government take these issues very seriously. However, the Government cannot do it alone. I am sure that we can continue to rely on the wisdom and support of all those in this room and the incredible work of voluntary organisations, so that we can finally achieve our goal, which we have all been working towards for so many years: a world free from HIV/AIDS.

3.57 pm

Mike Freer: I thank right hon. and hon. Members for their time this afternoon. This has been a constructive debate, and I thank the Minister specifically for the commitments on extending the ring fence, for recognising that work needs to be done on the commissioning model and with regard to the work that PHE will be doing on a new action plan to support the pilots in addressing fragmentation and specification. Those announcements were all very welcome.

We have come a long way from HIV/AIDS being a death sentence. It is now a manageable condition. That is largely to do with drug breakthroughs but, importantly, it has been delivered through a co-ordinated response both from Public Health England and the NHS. I hope that this debate will help to avoid undoing the progress that we have made.

Question put and agreed to.

Resolved,

That this House has considered the all-party parliamentary group report Impact of Health and Social Care Act on HIV treatment.
Luke Hall (Thornbury and Yate) (Con): I beg to move.

That this House has considered the West of England’s joint spatial plan and green space in Thornbury and Yate.

It is a pleasure to serve under your chairmanship today, Mr Turner. I requested this debate because of the unprecedented levels of concern in my constituency about the West of England’s joint spatial plan, especially in the communities of Thornbury, Charfield and Coalpit Heath.

I completely support the Government’s plan to deliver 1 million more homes by 2020. I welcome the recent housing White Paper, which is clearly an ambitious plan to fix a broken housing market and build the homes that we need in this country. The four West of England councils—Bath and North East Somerset Council, Bristol City Council, North Somerset Council and South Gloucestershire Council—are working together to produce a West of England joint spatial plan and joint transport study, which is supposed to be setting out a prospectus for sustainable growth, to help the region to meet its housing and transport needs until 2036.

I support a thought-through, locally led, long-term plan for development in the West of England. I thank the leader of my local authority, Councillor Matthew Riddle, for his work so far. I also thank local town and parish councils and community groups such as TRAPPD—Thornbury Residents against Poorly Planned Development—and VALID, or Villagers against Local Intended Development, for their tireless work on behalf of our community.

I want to outline a number of serious concerns about the joint spatial plan. First, it is clear that the currently proposed infrastructure will not be sufficient to alleviate the proposed developments or to link the areas being developed to areas of employment. The second serious concern is about relying on satellite locations in the West of England when the demand is so clearly in Bristol and Bath. The third is about the lack of affordable housing, the fourth is about the difficulties surrounding the deliverability of the plan, the fifth is the proposed development on the green belt, and the sixth is the complete lack of local support.

The joint spatial plan should focus on integrating workplaces in the region with homes and transport, because the economic growth areas will provide jobs for the additional residents who will be living in the new homes. Unfortunately, it is clear that the joint spatial plan focuses on providing more housing, not on integrating that housing with employment and businesses. The developments proposed in rural areas simply lack the employment opportunities that will be necessary for local people. There appears to be an emphasis on developing the economy and jobs in south Bristol but promoting house building north of Bristol. Like other local people, I understand that that may be because of a desire to protect the green belts, but it will have huge consequences for other aspects of the environment. It will eat into the countryside that is not designated as green belt and create the prospect of inadequate and highly polluted transport corridors. That view was reinforced by the joint spatial plan consultation, which concluded that “the majority of responses...did not agree that the strategy makes adequate provision to address economic and employment needs”.

If building is not concentrated nearer to large employment areas in more sustainable locations closer to Bristol, Bath or Weston-super-Mare, we will see a dramatic increase in congestion, with more and more people commuting into Bristol and Bath from satellite locations such as Buckover. The Institute of Directors South West stated that “there is a lack of a proper consideration of future employment needs”.

Business West pointed out the “imbalance between employment and housing provision.” A representation from the development industry highlighted that “creating a new settlement in a location away from any sort of urban area may induce further levels of out-commuting.” The University of Bristol noted an “obvious lack of connection with the wider housing spatial strategy and JTS”—the joint transport study—and a “clear disjoint between the housing and economic development strategies which cannot reasonably endure.”

My second point is about one of the elements of the joint spatial plan that has caused most concern: relying on satellite locations or strategic development locations in the West of England when the demand is so clearly in Bristol and Bath. The proposal to build a garden village at Buckover of up to 3,000 houses, divided straight down the middle by the A38 and less than 600 metres from Thornbury, is a prime example of the flaws in plans to prioritise satellite developments coming together to form a completely unsupportable development. It is clear that there is no serious proposal to deal with the extra traffic that would be directly funnelled onto the A38, a road that already has more than 22,000 daily car movements on to the nearby motorway junction. There is next to no local support for the expansion of Buckover: more than 92% of the more than 10,000 residents whom I surveyed in Thornbury and Alveston were opposed to it. The Government rightly rejected South Gloucestershire Council’s application for support for a garden village at Buckover earlier this year, because it was clear that Buckover did not meet a number of the criteria. I thank the Minister and his Department for that extremely wise decision.

The consultation report readily admits that there is significant concern in the development industry that “there is no clear evidence as to how the Joint Authorities have adopted the methodology, assessed the range of potential development locations and chosen the Strategic Development Locations.”

Highways England expressed concerns about “the location of these developments and their impact on the SRN”—the strategic road network—“particularly the M5.” The University of Bristol stated the need for “a thorough assessment of the environmental impacts of all the SDLs.”
Satellite developments are one of the core planks of the plan. That extremely brief overview of some of the problems associated with the proposal to build a garden village at Buckover, despite its having been rejected for Government support, is a good example of why the joint spatial plan needs to be fundamentally reconsidered.

There are problems associated with the deliverability and sustainability of the West of England joint spatial plan. There are serious concerns that the JSP is not deliverable, primarily because of the pressure that it would put on the transport infrastructure. The infrastructure that would be needed is simply undeliverable—that is clearly the case in Charfield, Coalpit Heath and Buckover. The JSP would also put too much pressure on other local infrastructure, such as schools, recreational facilities and medical services. Further concerns have been raised that it would not meet the tests of environmental, economic or social sustainability.

I have mentioned the significant concern in the development industry that “there is no clear evidence as to how the Joint Authorities have...chosen the Strategic Development Locations”.

Welsh Water has now raised serious concerns about deliverability, especially around Thornbury, Charfield and Buckover, particularly in respect of drainage and erosion prevention. Highways England has also raised concerns about the deliverability of the strategic site locations, including the sites at Charfield and Buckover, and has suggested that “their identification should be revisited to identify sites which would have less adverse impact.”

Business West states: “The process undertaken by the West of England Authorities in producing this Plan has failed to take into account the overriding principle of achieving sustainable development. The implications of sustainable development have failed to guide key decisions on spatial location”.

Those are damning words on the joint spatial plan.

The community does not believe that the plan is deliverable. Only 3.7% of respondents to the consultation report believed that the strategy could be delivered; over 96% stated that it could not. The most common reasons given included pressure on transport and associated infrastructure and the fact that strategy “would not meet the tests of environmental, and/or economic and/or social sustainability.”

There are also problems associated with the deliverability of affordable housing. The consultation report noted: “The National Housing Federation and several others were concerned that the plan does not meet objectively assessed housing need and would fail to meet the tests set out in national planning policy. The Federation stated that they did not agree with the approach that has been taken to set the target at a significantly lower level than the number identified through the objectively assessed needs exercise...The Home Builders Federation...considered that the calculation of affordable housing needs has been under estimated and that the actual affordable housing need is considered to be significantly above 32,500 dwellings”.

There is concern in the development industry that the affordable housing target should be higher. A number of local residents and some local parish and town councils also believe there is a need for more affordable housing. Mendip District Council is concerned that the current approach to affordable housing is “likely to have an impact upon housing demand in Mendip as the district generally offers lower cost housing than many areas in the West of England.”

The proposals to build in the green belt in Coalpit Heath are also misguided. South Gloucestershire Council’s strategic green belt assessment designated Coalpit Heath’s green belt as serving all five of the policy objectives for inclusion in green belt, and the southern part as serving four out of the five. Why the joint spatial plan considers that there are exceptional circumstances or why the location is of strategic importance are not demonstrated.

On local support, I have surveyed more than 14,000 residents, asking for their views on this plan. More than 92% of them are opposed to the expansion at Buckover, more than 93% are opposed to the development in Charfield and almost 96% are opposed to the development on the green belt in Coalpit Heath. When we compare those figures to the results of the 2016 British social attitudes survey, in which only 45% of people opposed more homes being built in their area, it becomes easier to understand the scale of local concern about the plans in south Gloucestershire.

In summary, the need for housing in our area is predominantly in Bristol and Bath, but the joint spatial plan is prioritising satellite town growth far from where the need for housing actually is. There is too much of a focus on providing housing and not enough on integrating those houses with employment, which will result in more commuting from the north of our area and increased congestion.

That is echoed by voices in business, academia and the development industry. The development industry, the local town and parish councils, the business community and more than 96% of consultation respondents believe that the plan is not deliverable. The National Housing Federation, the Home Builders Federation, parish and town councils, local residents and Mendip District Council have all raised concerns about affordable housing. The business community, Highways England and the local academic community have all raised serious concerns about the strategic development locations, and there is no clear evidence as to why they were chosen. It is also clear that the proposed Buckover garden village, which is still being advocated internally within the local authorities despite being rejected by the Government, would put immense pressure on the surrounding infrastructure. As for public support, there simply is none.

I have written today to the Minister asking him to use the powers under section 21A of the Planning and Compulsory Purchase Act 2004 to issue a holding direction on the West of England joint spatial plan. I would be grateful if he could give me the following assurances today: first, that he will consider putting a holding direction on the West of England joint spatial plan; and secondly that he will agree to meet me to discuss these issues in more detail, and especially to ensure that the Government do not support any future applications for financial support to develop Buckover. Considering the glaring and obvious flaws in this joint spatial plan, and the level of concern about it in the community, I urge the Minister to reassure the residents of Thornbury, Charfield, Coalpit Heath and south Gloucestershire, and intervene over this unsustainable, undeliverable and unsupportable plan.

4.12 pm

The Minister for Housing and Planning (Gavin Barwell): It is a pleasure to serve under your chairmanship, Mr Turner.
I congratulate my hon. Friend the Member for Thornbury and Yate (Luke Hall), both on securing this debate on a subject that is clearly very important to him and, more importantly, to his constituents, and on the eloquence with which he set out his case. I have listened carefully to his concerns about the adequacy of infrastructure, the location of some of the proposed development, the provision of affordable housing and deliverability.

My hon. Friend asked me to consider and discuss with the Secretary of State whether to issue a holding direction on the emerging West of England joint spatial plan. I should say at this stage, as he probably anticipates, that propriety considerations prevent me from commenting on the detail of the plan. My quasi-judicial role in the planning system means that I have to remain impartial. The plan could—certainly if he has his way—at some point come across my desk or that of the Secretary of State. Likewise, I cannot comment on individual planning applications, in case they are ultimately appealed or a request to call them in comes across my desk or that of the Secretary of State.

I welcome my hon. Friend’s support for the Government’s plans to deliver 1 million homes in total by 2020 and for our recent housing White Paper, which sets out how we aim to fix the broken housing market and to build the homes that we so desperately need. In addition, I welcome his support for a locally led, long-term plan for development in the West of England. However, I recognise that, although he may support that principle, along with other people, he has serious concerns about the nature of that plan in its current form.

In the recent housing White Paper, the Government reiterated our strong encouragement for local planning authorities to get plans in place and to keep them up to date. We have been very clear that local planning authorities are best placed to prepare plans that address the strategic priorities of their area, in consultation with their local communities. Up-to-date plans are really important because they provide clarity both to communities and developers about where homes should be built, where employment opportunities should go, where community facilities should be located, and where not. That means that development is planned, rather than the result of speculative application by developers.

Planning is a very democratic process and rightly so. Local people should be involved at the heart of decisions on how their areas are developed, particularly in respect to some of the issues that my hon. Friend referred to. The national planning policy framework, which is the master document for Government planning policy, sets out that early and meaningful engagement and collaboration with neighbourhoods, local organisations and businesses is essential. In addition, there is a statutory right for any person to make representations about a plan that the local planning authority proposes to submit for examination. A wide section of the community should be proactively engaged, so that local plans, as far as possible, reflect a collective vision and a set of agreed priorities for the sustainable development of the area, including those contained in any neighbourhood plans that have been made.

As well as the statutory duty to co-operate, we are keen to encourage collaboration between planning authorities, so that strategic priorities, particularly for housing, across local boundaries are properly co-ordinated and clearly reflected in individual local plans. A joined-up plan-making process, whereby local planning authorities work together and key decisions are taken together, will provide communities with certainty, clarity and a plan for delivering the housing and other development and infrastructure that they need.

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From the Government’s point of view, I welcome the fact that the four West of England councils—Bath and North East Somerset, Bristol City, North Somerset and South Gloucestershire—have been consulting on the emerging joint spatial plan and joint transport study. More recently, there was a public consultation on that plan and study, which set out a prospectus for sustainable growth to help the area to meet its housing and transport needs for the next 20 years. I understand that that consultation ran from 7 November until 19 December 2016, and that nearly 1,600 responses to the consultation were received.

How many homes are needed in a particular area is a matter for local decision, based on comprehensive evidence, and to simplify that process we will shortly consult on a standard methodology to help local planning authorities to assess housing need. However, my hon. Friend is right to say that we need to ensure that we maximise the contribution of land for new housing from brownfield and surplus public sector land, and that local planning authorities should have a strategy to maximise the use of such land, for example, through minimum densities. As he argued so powerfully, that is vital to ensure that the development we get is sustainable and is as close as possible to where the employment opportunities are. I thought that he made powerful points in that regard.

My hon. Friend was also right to say that councils need to ensure that there is sufficient infrastructure, such as roads, schools and surgeries, available to accommodate the proposals that they bring forward in their plans. That is an integral part of the evidence base behind a plan and I assure him that it is one of the things that will be thoroughly tested at examination.

I understand that the four councils will now take the next few months to consider and evaluate the responses that they have received and, as appropriate—clearly, my hon. Friend believes that it is highly appropriate—to revise their draft proposals. That will include potential schemes to tackle existing issues on roads and other infrastructure to help to meet the increased demands that will come with growth in population and economic activity.

I believe that, after that, the councils aim to publish an updated draft in the summer of 2017, ready for a further round of public consultation in the autumn of 2017. The feedback from that consultation will be considered and incorporated into a final draft joint spatial plan, and then a further consultation will be held before the submission of the plan to the Secretary of State in 2018. Therefore, further opportunities—indeed, I might say extensive further opportunities—for representation on the detail of these plans can be requested during the examination process and during the hearings that will be held by an independent inspector.

Therefore, my hon. Friend should take some comfort that the planning system allows ample further opportunities for his voice, and the voices of the constituents he so ably represents, to be heard on this plan, before it comes anywhere near being adopted by each authority. If it is
I understand that the individual councils will keep control over how development is permitted in their areas, but the demand and approach to meeting that demand will have been decided collectively and with extensive consultation.

My hon. Friend raised the proposal for a garden village known as Buckover in his constituency, at Thornbury. I am pleased to be supporting 14 locally led garden villages from Cornwall to Carlisle with exciting proposals to deliver new communities with up to 48,000 homes. As he made clear, Buckover is not one of the schemes we have accepted on to the programme. Community support was one of the criteria we took into account in assessing the expressions of interest we received, and I recognise that there is a strong sense locally that Buckover is a proposal that does not have that support. I reassure him that that will remain an important criterion in assessing future decisions about further garden towns and villages that we may want to add to the programme.

I welcome the fact that four areas in South Gloucestershire are pursuing neighbourhood plans, and I understand that includes Thornbury, which was designated earlier this month. Neighbourhood plans mean communities can have a real say over the detailed location of development, and its design, phasing, mix and appearance. Communities can also use their plan to help to provide for local employment, to protect important local green spaces and to engage in the area’s wider planning strategy. We strongly encourage communities to consider the benefits of neighbourhood planning, which is why the recent housing White Paper announced further funding for neighbourhood planning groups for 2018 to 2020 and gives communities a greater role in housing design.

In conclusion, as we move towards greater flexibility in plan making, it is as important as ever that local communities are given the opportunity to participate in the process and to make their views known to their local authority. I hope that my hon. Friend and his constituents will take every opportunity to participate in consultation on the West of England joint strategic plan as it moves forward, and I hope the authorities will listen to the views expressed as they develop their plans. Nevertheless, subject to the propriety considerations that prevent me from commenting on the detail, I am more than happy to meet with my hon. Friend to discuss his and his constituents’ concerns.

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The framework expects local authorities to recognise the character and beauty of the countryside and the benefits of the best and most versatile agricultural land. Local plans should include strategic policies for the conservation and enhancement of our natural environment, including landscape, whether that is designated landscapes or the wider countryside. The framework empowers communities to use their local plan or neighbourhood plan to designate smaller areas as local green space. Designation rules out new development there, other than in very special circumstances.

In conclusion, as we move towards greater flexibility in plan making, it is as important as ever that local communities are given the opportunity to participate in the process and to make their views known to their local authority. I hope that my hon. Friend and his constituents will take every opportunity to participate in consultation on the West of England joint strategic plan as it moves forward, and I hope the authorities will listen to the views expressed as they develop their plans. Nevertheless, subject to the propriety considerations that prevent me from commenting on the detail, I am more than happy to meet with my hon. Friend to discuss his and his constituents’ concerns.

I will of course discuss with the Secretary of State my hon. Friend’s specific request that I issue a holding direction. There are issues around timing, because the plan is still at a relatively early stage in the process and the inspector appointed by the Secretary of State to assess whether the plan meets national policy has not had the chance to do that work yet. However, I would be more than delighted to meet my hon. Friend. I commend him for securing the debate and for raising with passion and eloquence the concerns his constituents have expressed over the plan. I look forward to discussing the matter with him further.

Question put and agreed to.
Breathing Space Scheme

4.30 pm

Kelly Tolhurst (Rochester and Strood) (Con): I beg to move.

That this House has considered the Breathing Space scheme to help families in debt.

It is a pleasure to serve under your chairmanship this afternoon, Mr Turner. I am grateful to have secured my first Westminster Hall debate since my election to the House and I am thankful that so many Members have turned up to support me.

As many Members will know, issues of fairness are close to my heart, and in particular, fairness for children and young people. Personal debt problems can have profound consequences on those groups, yet the system we have means that creditors are again and again hassling and hounding families and young people for debts in an aggressive and harmful way. The breathing space scheme would deliver respite from those threats in two ways: through introducing a breathing space so that people in financial difficulties get the help they need to stop their debts from spiralling, and through achieving a safer way for families to make agreed debt repayments with creditors. The scheme is about ensuring that families doing the right thing about their debts are properly protected.

I am delighted that the Government are actively considering whether a breathing space scheme, such as I have proposed in my private Member’s Bill, should be introduced. I want to ensure that families who are repaying their debts have a legal guarantee against poor practices, ultimately protecting the children in those households. People often have debts with multiple creditors. Unfortunately, at the moment, what we see so often is councils reaching for bailiffs instead of looking to work on affordable payment plans, or a bank adding punitive charges to a family’s account, sending their debts out of control.

Dame Caroline Spelman (Meriden) (Con): I am sure my hon. Friend is aware that the Children’s Society data show that 20% of families in council tax debt are visited by bailiffs, and that more than 30% of those families have to cut back on essentials such as food. Does she agree that a breathing space would give those families an opportunity to work with charities such as Fair for You to have planned expenditure for household items, or a bank adding punitive charges to a family’s account, sending their debts out of control.

Kelly Tolhurst: I agree with my right hon. Friend. My Bill and this campaign seek to give people exactly those opportunities to work with charities to come up with a structured payment plan and to give them safety in that period—I completely agree.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): I congratulate the hon. Lady on securing this debate and on her private Member’s Bill. In my constituency alone, 3,348 children are living in families with problem debt. Those children are five times more likely to have low wellbeing than those in families who are not in such debt difficulties. Does the hon. Lady hope, like me, that the Minister will take into consideration that family debt problems can have a significant impact on children’s mental health and wellbeing?

Kelly Tolhurst: I agree. As I outlined at the beginning of my speech, one of the reasons I am behind the campaign is that I have an interest in the wellbeing of children and families. Debt can have a major impact on the young people in those families.

People working on a plan with an independent debt adviser should not be forced into an ever-worsening situation when they are doing their best to recover. The Government have a proud record on moving people into work, and the latest employment figures show that we now have the highest levels of employment that have been recorded. In my constituency of Rochester and Strood, hard-working families are sometimes bringing up their children and getting on with life, paying mortgages or rents on low incomes, sometimes with insecure jobs. However, while we have good news on employment, it is worrying that Bank of England figures show that household debt is at its highest since the financial crash in 2008.

Problem debt is when that debt gets out of control. Sometimes, it is small sums of money that push families into that situation. Credit can be a good thing, helping people smooth their finances and make purchases today to be repaid out of future income. When things are good, that can be managed and provide benefits, yet the rise in personal borrowing has led to mounting concern that households who get into debt need safer ways to manage when they get into difficulties.

According to figures from the Children’s Society, an estimated 2.4 million children live in families in problem debt in England and Wales. In my constituency of Rochester and Strood, more than 2,700 children are living in more than 1,500 families who are suffering with problem debt.

Problem debt often strikes when people experience a sudden change in circumstances, or, more usually, an unexpected income change. For example, if a boiler breaks down or hours are cut at work, parents, and particularly those on low incomes, sometimes find themselves forced to rely on credit to make ends meet. That is the reality for many families in the UK, and we often do not hear about the struggles that working families face. Sometimes the debt is not through any fault of their own. That is backed up by the fact that the vast majority of people seeking help from charities such as StepChange or Citizens Advice have fallen into debt as a result of a job loss, a reduction in income, illness or a relationship breakdown that affects their income and ability to cope.

When problem debt grows, keeping up with repayments can demand ever increasing proportions of monthly income. Families in problem debt are spending, on average, 18% of their income on repayments, and more than 600,000 families are spending more on debt repayments every month than they are on food for themselves and their children. I would argue that, in many cases, that is a temporary financial difficulty that could be resolved with the right help and support, given time.

We know too well the devastating impact that debt can have on people’s lives. Debt makes people ill. Half of the clients seeking debt advice from independent debt charities such as StepChange said that debt-related mental health problems or physical health problems were so bad that they needed to get treatment from hospital or from a GP. Debt can also cause families to break up. It can stop people from working and make them much less productive at work.
Paul Blomfield (Sheffield Central) (Lab): The hon. Lady is rightly talking about the consequences of debt. In Sheffield this week, there has been a crackdown on the growth in illegal money lending. It has revealed a world in which physical violence and rape is used to intimidate those who are not paying back money. Does she agree that there is a depth and unpleasantness to the options that are available to people who do not have the opportunities that an initiative such as breathing space would provide?

Kelly Tolhurst: It was truly terrible to hear of those practices in Sheffield this week. I completely agree: an opportunity to implement a breathing space will allow a regulated, clear way to enable people to go to legal credit agencies and deal with charities, so that they can borrow and deal with debt in a managed way, without having to seek help from organisations such as the hon. Gentleman refers to.

Greg Mulholland (Leeds North West) (LD): I join others in commending the hon. Lady for securing this debate, for her Bill and for her leadership. The Liberal Democrats are delighted to work with and support her. I also commend the volunteers in my constituency and others who have raised this very important campaign. I am sure the Minister will be very sympathetic, but as a society we need to understand that the costs of debt can be far bigger than we realise. The hon. Lady has mentioned the health costs. When it affects children, holding them back at school and meaning they do not get the qualifications they might otherwise do—that is quite common—it can have a lifelong impact on their earning potential, so the economic costs of debt of this nature are really devastating.

Kelly Tolhurst: The hon. Gentleman is absolutely right. We can look at these things in silos, but this is actually about the whole of society. Debt is just one factor, and if we look only at debt we sometimes do not recognise or take account of its effects. I completely agree with his point.

As hon. Members said, debt has a profound effect on children. Children in households that are struggling with debt problems are twice as likely to say at school that they are being bullied. Adding up all the social impacts that are endured—the loss of health, the broken families, the loss of production and the hardship—there could be an £8 billion cost to the state and society, which would fall on all of us. Those unthought-of issues have an impact on families. My Bill would enable us to look at those issues further.

I want to dwell for a moment on the damage that problem debt does to families and children living in such households. Unfortunately, the presence of children in households corresponds with a rise in debts. One in five parents said that they have faced problem debts in the past year, compared with one in 10 adults without children. Geographically, families and children are more likely to have debt problems in the north-west, the midlands and Wales, where at least a quarter of households have struggled in the past year. That compares with Scotland, which has a form of breathing space scheme, and where only 10.9% families with children suffer debt problems.

Research from the Children’s Society shows that families trapped in problem debt are also more than twice as likely to argue about money problems, leading to stress on family relationships and causing emotional distress for children. It found that children living in families with problem debt are five times more likely to be at risk of having low wellbeing than those without debt difficulties. More than half of parents in council tax debt polled for research carried out by the charity said that they thought their children suffered anxiety, stress or depression as a result of that debt. The Children’s Society research shows that is not the amount owed by households that directly impacts on children’s wellbeing but the number of creditors to whom they owe money.

StepChange Debt Charity clients typically take between six and 12 months to stabilise their finances. It estimates that, in just six months, a typical StepChange Debt Charity client would have an extra £2,300 added to their debts if creditors applied default interest and charges to all their accounts. John Kirkby, the founder and international director of Christians Against Poverty, said that even three months could be a sufficient period to enable a stabilisation of finances.

The debt trap and the direct impact it has on children in the household brings me to why this scheme is needed. There are two main problems with the current system. First, this House has given people who need to go bankrupt legal protection against spiralling debt problems, but we have simply failed to deliver for people repaying their debts more manageable over time. Our laws have focused on people with the most intractable problems, who need debts written off and the chance of a fresh start. However, there is a cost for families who go down that route—bankruptcy is not free. It is the right solution for many people and undoubtedly meets an important need, but fewer than one in 10 people seeking debt advice enter into an insolvency option. For the majority of families who are likely to recover from a temporary setback and repay their debts in an orderly way, there is no equivalent protection. We all know about the issues associated with bankruptcy. They are often a step too far for those families.

Secondly, the voluntary approach to breathing space fails far too often. We know that creditors agree with the general principle, because it is in industry and Government codes, yet sadly there is a widespread failure to abide by those codes. According to StepChange, between a third and a half of people who contacted creditors for help said they were not given any kind of temporary breathing space. Without such protection, pressure to repay debts at an unaffordable rate and threats of enforcement can leave households cutting back on everyday essentials, or falling even further behind on other bills. The benefits of a breathing space scheme go across the board. Indeed, Martin Lewis of MoneySavingExpert, who spoke at the launch event for my Bill, called it a “win, win, win—for the creditor, the state, and the individual.”

The evidence is clear: 60% of StepChange clients said that their finances stabilised once further interest, charges and collection actions on their debts were frozen voluntarily. However, not one client who received no such help reported that their finances had got back on a steady footing. That is not all. Many firms that provide that
sort of support when their customers have a temporary financial difficulty say that the repayments they receive are higher in the long term.

We need a scheme on a statutory footing that enables families to recover. That is what breathing space sets out. It will help more families to recover and repay their debts. It will reduce the social cost of debt, which affects us all. Ultimately, breathing space will benefit the wider economy. I want to propose the introduction of such a scheme, with two key protections. The first would provide a guaranteed period of time—breathing space—without additional interest, charges, collections and enforcement action. First, that would stop the spiral of worsening debt while people gain control of their financial situation, for example by moving into new employment or recovering from ill health. Secondly, it would give people who need more time to repay their debts through an agreed affordable payment plan the same statutory protection from further interest, charges, collection and enforcement action that the law currently gives to people who need an insolvency option.

I am delighted that a breathing space scheme has had support from across this House, including from the Work and Pensions Committee, the all-party parliamentary group on debt and personal finance and the many Members who have supported my Bill. It is important to stress that we are not starting on this endeavour from scratch. A comparable scheme—one we seek to improve on—is already in place in Scotland. The debt arrangement scheme has been in place in Scotland since 2004, and in 2015-16 £38 million was repaid through it. Over time, the number of people using the debt arrangement scheme has increased. Crucially, its use has increased as a proportion of the available debt options. At the start of available data in 2009-10, over half—57%—of debt options were bankruptcies. That number has now shifted significantly down to 36% bankruptcies and 22% for the debt arrangement scheme. That means that more people are paying back their debts and are being supported to do so, rather than having their debts written off.

The scheme works for all. It works for creditors, which get back the money owed to them rather than seeing it written off through bankruptcy. It works for the state and services who support families. Most importantly, it works for families and children, who can repay their debts free from enforcement action, rising fees and charges and spiralling interest repayments.

I welcome the Prime Minister’s announcement in January that she will review the unfair practice of charging people with mental health problems up to £150 to fill in crucial debt help forms. I pay tribute to the Money and Mental Health Policy Institute and MPs across the House for campaigning to end that unfair practice, which prevents people with mental health problems from getting the help they so desperately need, but we need to tackle the causes, drivers and consequences of mental ill health in all services.

Addressing the impact of debt on children’s mental health is central to the breathing space scheme. This week, we launched the all-party parliamentary group for young people’s health, which seeks to look at ways in which we can improve the health, and particularly the mental health, of young people, and seek to understand all the reasons for the increase in mental health issues that we see in our young people. Working with families and helping families thrive is a way of improving the health of our young people. As I have outlined, debt is a factor. We now have the ideal opportunity to introduce a comprehensive breathing space scheme to give people in debt a guarantee of protection from the escalating pressure that blights families’ lives and affects the wellbeing of children and families who are trying hard to do their best and work their way through life. I hope we do not miss this opportunity, and I hope the Minister will agree that this is a sensible way forward in improving outcomes for families who are just managing.

Several hon. Members rose—

Mr Andrew Turner (in the Chair): Order. Three Back Benchers have caught my eye. I will call the Scottish National party Front Bench at 5.10 pm, the official Opposition at 5.15 pm and the Minister at 5.20 pm.

4.50 pm

Yvonne Fovargue (Makerfield) (Lab): It is a pleasure to serve under your chairmanship, Mr Turner. I congratulate the hon. Member for Rochester and Strood (Kelly Tolhurst) on obtaining the debate.

I will not go over the figures, because we have heard many times about the problems and the numbers of people in debt. Most of us have taken out credit and it is not a problem until it becomes debt—unaffordable debt. As I know from my previous role at Citizens Advice, that often happens because of a bump in the road, whether it is a reduction in hours of work, illness or a relationship breakdown. The problems are often temporary, but people need time to recover. Moreover, they need space to recover from the illnesses, mental health issues and stress that can be caused, and which are contributed to by threats from creditors and pressure to repay debt at unaffordable rates. I therefore support a statutory breathing space.

I will not go into all the reasons for such a scheme or for the debt payment programme in Scotland, but I will stress that a breathing space is a temporary measure. A breathing space is not permanent and it is only available when people are working to get back in control of their debt, with assistance, and as long as they engage with a provider of regulated debt advice. I will, however, spend some time on how long the breathing space should be.

R3, the Association of Business Recovery Professionals, has said that 28 days is sufficient for a breathing space. Frankly, when I worked on debt problems I never even got a response from a creditor within 28 days. People would come in; I would write to their creditors, who would then respond to me with how much they owed; I would get people back in and they would give me their income and expenditure; and I would write to the creditors again with an offer—28 days is a completely unacceptable amount of time for all that.

Twelve months is a reasonable period, and six months would be a minimum. Often I got a letter within six months, but people’s incomes and circumstances change and so we had to write back. The Financial Conduct Authority’s rules ask all the lending firms it regulates, and that period is extendable by another 30 days. The R3 proposal would extend that to other creditors, but 28 days is simply not enough.
The R3 proposal is the exact opposite of giving people the space and time they need to get back on their feet. It does not even give them access to the necessary paperwork, let alone give people in difficulties the time they need to concentrate on their debt and to take in the fact that they are getting to grips with it and a solution is in sight. For those recovering from illness—if they have had a cancer diagnosis, for example—going through a relationship problem or trying to find a new job, things do not happen within 28 days, I am afraid. The R3 proposal is diametrically opposed to what debt advice agencies say is necessary. People need a chance to recover. Twelve months is reasonable.

The breathing space is not for everyone. It is not a catch-all or a get-out for people in debt. It needs to be conditional on a full assessment of their circumstances and needs by a regulated debt advice provider. I cannot stress the word “regulated” enough. Continued engagement with the process is necessary by the individual in debt.

The breathing space is not simply a way of putting off paying, and it needs continued engagement. Were the debt advice provider immediately able to recommend another statutory debt remedy such as bankruptcy, an individual voluntary arrangement or a debt relief order as the best option, people would not be advised to enter the breathing space scheme, other than for temporary protection while an application was going through. It is not a way for people to get out of paying.

In 2015, the Government accepted the recommendation of an independent review of the future of the Money Advice Service. They said that they would look at introducing a breathing space. The consultation was expected to be opened and completed before Christmas 2015, but I am still waiting for the consultation document and the terms of reference. I ask the Minister when that consultation will come through. I have my response ready—it is there and ready to go.

Can we have the statutory consultation? Can we help people who are in debt and have had a bump in the road? Let us help them to smooth it out a bit. Let us help the creditors get their money, let us help people in debt to pay off their debt and let us help the state as well as the families, because the state is dealing with the debt to pay off their debt and let us help the state as well. It does not even give time for the necessary paperwork, and needs by a regulated debt advice provider. I cannot stress the word “regulated” enough. Continued engagement with the process is necessary by the individual in debt.

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Families on low incomes need far more certainty. Current policies attack low-income families and just add to their huge burden.

As I said, I agree wholeheartedly with the proposals, and I share the concerns of the Children’s Society about the long-term effects of growing up with problem debt. My hon. Friend the Member for Newcastle upon Tyne North (Catherine McKinnell) mentioned young people’s mental health. Debt stigmatises and isolates families and can reduce young people’s chances of developing into confident human beings who can contribute. It is devastating. I have worked with many families whose children’s confidence has gone because the family has ended up in debt—often, as several hon. Members said, through no fault of their own. If someone suddenly loses their job or is taken ill—there are terrible diseases that can render people totally unable to work—a happy family that has had a secure life for 10 years can suddenly be faced with the devastating need to deal not only with the illness that has hit the family but with the impact of losing their income. Often, those families just do not know where to turn. It is important they have support and breathing space to help them try to get their lives back on track.

We must also recognise the high level of insolvency, particularly among small businesses, which can leave people with debt from money that they invested in their business. People can suddenly be left with no business but a huge debt.

I back the scheme but, as I said, I do not believe it goes far enough. I welcome it as a starting point, but I would like some reassurance from the Minister that he will consider the wider impact of political decisions on low-income families, particularly in places such as Blackburn.

5.3 pm

Mr Philip Hollobone (Kettering) (Con): I commend my hon. Friend the Member for Rochester and Strood (Kelly Tolhurst) for her initiative in bringing forward these proposals. She is clearly at the forefront of this worthwhile campaign, and she is ably supported by hon. Members from across the House, in particular by my hon. Friend the Member for Eastbourne (Caroline Ansell), who made a powerful speech.

Debt is a terrible problem among households. Like the hon. Member for Makerfield (Yvonne Fovargue), I was a debt adviser in a citizens advice bureau some years ago. Far too many families in Kettering have their lives blighted by taking on too much household debt.

Part of the problem is the language we use to describe these issues. At its most fundamental, it comes down to the word “credit”. Everyone thinks that credit is a good thing, and creditors like to use that word because it attracts people to take out their products, but let us call it what it is—it is not credit; it is debt. They are not credit cards; they are indebtedness cards, or debt cards. People love to have a credit card but, for hundreds of thousands of our fellow citizens, a credit card is a passport to a life of misery. They get themselves completely out of their depth when it comes to managing financial products and, as hon. Members so ably described, their lives and the lives of their children are blighted in so many ways as a result.

R3, which was mentioned, did a survey in February and found that just over two fifths—41%—of British adults are worried about their current debt and that 40% say that they often or sometimes struggle to get to payday. Those figures are true for people in the Kettering constituency, and the proposals of my hon. Friend the Member for Rochester and Strood would really help to address that.

There is also a woeful lack of financial education at school. If we are struggling now to manage household budgets, things will be even worse for future generations.

Dame Caroline Spelman: I would like to encourage my hon. Friend with the information that the Church of England’s schools—even the primary schools—have rolled out a programme of teaching financial literacy so that the next generation of children will be better equipped to cope with money and the pressure that is put on them at a tender age to borrow money.

Mr Hollobone: Thank God for the Church of England—that’s all I can say. I hope that that scheme, which my right hon. Friend is right to highlight, is rolled out across the country into non-Church schools, too. We need to take advantage of best practice, and it sounds to me like the Church of England is doing that. There must be lenders out there that are examples of best practice and already give their customers breathing space, but we have not heard mention of them today. I would like to see their names up in lights as examples for others to follow. I close by commending my hon. Friend the Member for Rochester and Strood for her sterling efforts on the issue.

Mr Andrew Turner (in the Chair): The first two Front-Bench speakers may now have an extra minute each. I call Kirsty Blackman.

5.7 pm

Kirsty Blackman (Aberdeen North) (SNP): It is a pleasure to serve under your chairmanship, Mr Turner. I do not imagine that I will take six minutes, but we will see—I sometimes wander off track.

I really appreciate the hon. Member for Rochester and Strood (Kelly Tolhurst) securing this important debate. It is key that we continue to discuss this issue and keep the pressure on until solid action is taken, so I appreciate being able to talk about it.

Several Members mentioned the percentages involved and the effects of debt on families. We do not talk enough in this House about the low savings that many families have. A quarter of families have less than £95 in savings because they are just not able or do not have the financial knowledge to save. If someone has only £95 in savings and their washing machine breaks down or their children need new shoes, their only option is to go into debt to fix those things, which are necessary. A lot of families just do not have an option; they have to rely on debt. It is not something that people get into intentionally to get nice shiny new sofas; it is a way that people finance their daily lives. I would like us to get out of that cycle, but that is where we are, and we need to help people whose debt becomes unmanageable.

The increased price of food was mentioned, and I think that that will come more to bear. We have seen rather high food inflation, particularly in the first part of this year, and that will really impact family budgets.
The other thing about families is that children really are pretty expensive. On top of everything else—clothing and things like that—childcare costs are massive, especially when children are young. When you are having to work less because you have just had children, it is a very difficult time for families to manage their finances. For me, that is key point at which families should get the most support, rather than the little support they seem to get in some of these situations.

The hon. Lady mentioned the debt arrangement scheme in Scotland. As was said, that has been in place since 2004 and we have seen really big benefits from it. Scotland now has the lowest proportion of over-indebted individuals in the UK, which is probably a good measure to judge the scheme on. In advance of the debate, I looked up debt arrangement schemes. It struck me that a huge number of people who provide advice said, “If you are really struggling with debt, it’s very likely that a debt arrangement scheme will be the best type of scheme for you if you live in Scotland.” It seems to be held up as the go-to one. The quote from Martin Lewis about it being a “win-win-win” was mentioned by a number of Members. The people who are owed money get their money, which is key. That is why we have managed to get them on board and to bring in that regulated scheme.

In relation to the point made by the hon. Member for Makerfield (Yvonne Fovargue) on the length of time, in Scotland, it is six weeks, rather than 28 days. She might not think that is long enough, but that is what we use. If she were to be looking at the Scottish scheme and thinking about importing it to England and Wales, it might be good to look at whether six weeks has worked.

The debt arrangement scheme we have in Scotland has provided protection from enforcement by creditors across the time the money is being paid. People pay back the money over four or five years, instead of the one or two years in which they would have been expected to pay it back. It has also provided them with protection from bankruptcy; they do not have to go bankrupt. Yes, their names are placed on a register and stay on there for six years, but that does not have all the issues associated with bankruptcy. For us it has been hugely positive to have that scheme. I am sure the Minister will look at what has been done in Scotland and the effect that it has had. I am not saying in any way that it is perfect, but it has had a positive impact and changed the lives of families in Scotland.

5.12 pm

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I congratulate the hon. Member for Rochester and Strood (Kelly Tolhurst) on securing this debate, which is critical to many individuals and families. I also recognise her commendable work in initiating and progressing the Families with Children and Young People in Debt (Respite) Bill, which has the potential to form part of a much needed solution to the escalating levels of personal debt.

As several hon. Members have already outlined, we face a growing crisis with the levels of unsecured household debt. In January, the TUC released a report that showed that it reached record levels in 2016, according to data provided directly by the Office for National Statistics. Total unsecured debt, which does not include mortgages, reached a record level of £349 billion during the third quarter of 2016. Unsecured debt per household increased to an average of nearly £13,000 in that quarter, which was an increase of more than £1,000 on the previous year and according to the TUC was the largest annual increase since 1997. As a share of household income, that represents an average of 27.5%, the highest figure for eight years.

It is clear to Opposition Members that the Government’s policies have created a perfect storm for those conditions to worsen. Weak wage growth has left many households struggling to get by as the cost of living continues to increase and the poorest continue to bear the brunt of Government cuts. It is therefore hardly surprising that personal borrowing has increased to fill the gap. As we have heard, sometimes people have no other option as a means of putting food on the table.

As we have said previously, the Government need to reassess their policy programme urgently, with specific consideration for the impact it has on the most vulnerable in society. However, in the interim, some sort of remedial approach is needed to give a helping hand to people who find themselves in a vicious circle of debt.

There is currently too great a gap between struggling with debt repayments and formal bankruptcy proceedings. Insolvency proceedings are typically suitable for only a small number of unmanageable personal debt cases. In particular, as my hon. Friends the Members for Makerfield (Yvonne Fovargue) and for Blackburn (Kate Hollern) said, a single event can often serve as the trigger for a spiraling into debt problems. That is typically a change in circumstances such as family breakdown, redundancy or bereavement. The individual suffering from such problems can often be back in employment or have support from the welfare system arranged in a period of six months to a year, but at present the challenge of having to deal with the initial personal problems alongside that mounting debt can have an adverse effect on getting back into employment and cause serious mental health issues, which slows the process down. Those factors combined demonstrate that a breathing space scheme would help to alleviate the pressure on individuals while they get back on their feet.

Kirsten Oswald (East Renfrewshire) (SNP): Does the hon. Gentleman agree that schemes such as the debt arrangement scheme that my hon. Friend the Member for Aberdeen North (Kirsty Blackman) spoke of are hugely important in alleviating the stresses and strains that impact on not only the family members who are dealing with the debt but the children themselves? If we do not put steps in place to try to deal with that, the impact on the children could be long standing; it could have a lasting effect on their life chances.

Jonathan Reynolds: I endorse those remarks in terms of what the objectives of such a scheme should be. We believe that, for it to be as effective as possible, the Government must undertake some further exploration of the technical details. In current versions of the scheme under way elsewhere, I understand that public sector debts such as council tax debt are excluded as well as self-assessment fines, benefit overpayments and so on. Those debts can often cause the most serious stress to individuals, so it is important to include those obligations alongside consumer credit.
Yvonne Fovargue: Does my hon. Friend agree that, as recent research from StepChange has shown, local authorities and Government agencies are worse than payday lenders in how they enforce debts?

Jonathan Reynolds: I am afraid that is my experience. I want to stress that that has been a serious problem for my constituents. In preparing for the debate I recalled that in recent months in my surgeries there have been three individuals who have all been pushed into dire financial situations specifically by the recovery of benefit overpayments, including one situation in which someone had to borrow money from family to feed their children. I have also found one of the fastest growing problems is council tax arrears, which affected 36% of the clients helped by the charity StepChange in my constituency in 2015, up from 20% of its client base in 2012.

As per previous announcements confirmed in the spring 2017 Budget, the Government intend to shift collection of certain overpaid tax credits from Her Majesty’s Revenue and Customs to the Department for Work and Pensions, with its enhanced collection programme projected to collect £520 million by 2022. The recovery of that sum is likely to have a substantial impact on the individuals concerned in the next few years, so a breathing space scheme that includes that type of debt would be enormously helpful in alleviating some of that pressure.

Paul Blomfield: I wonder whether my hon. Friend would echo the concerns raised by my hon. Friend the Member for Makerfield (Yvonne Fovargue) that the Government have indicated some sympathy for the proposals but seem to be kicking the issue into the long grass. If the Minister says nothing else in his response, will my hon. Friend share my hope that he will give a commitment of a date for when a review could be undertaken and completed?

Jonathan Reynolds: I agree entirely with my hon. Friend, and in my closing remarks I will ask for exactly that commitment.

There needs to be clarity over how participation in a debt arrangement scheme will impact on an individual’s credit rating. The rationale behind avoiding bankruptcy is partly down to the future impact of that on an individual’s borrowing capacity and financial position, particularly when their financial affairs may stabilise in a matter of months. Individuals struggling with debt in the short term may be hesitant to enter into a scheme if they feel that would damage their long-term ability to secure finance or if it would serve as a black mark on their credit history, should they wish to obtain a mortgage in future.

The key priority now is to see some progress and movement. The Government initially promised to put forward the review of the scheme—[Interruption]

Mr Andrew Turner (in the Chair): Order. I understand that there may be more than one consecutive Division in the House. Please could all Members return here as soon as possible after the final Division so that we can conclude the sitting? If there is only one Division, Members should return immediately after that.

5.55 pm

On resuming—

Mr Andrew Turner (in the Chair): The sitting will conclude no later than 6.7 pm.

Jonathan Reynolds: Before the sitting was suspended, I had begun to reach my conclusion. The key priority now is to see progress and movement on this issue. The Government initially promised to have a review of the scheme by December 2015, as we have heard today, but we are still waiting for that. Since then, according to the debt charity, StepChange, 1.3 million people have sought debt advice from the major debt advice charities. That shows the urgency of the situation and the real need for the scheme.

In a December 2015 report, StepChange also estimated that problem debt was costing the economy £8.3 billion, through knock-on effects such as lost productivity and the strain on health services. I ask the Minister to agree about the importance of minimising the harm caused by personal problem debt, the costs of which evidently affect all parts of the country. Will he also commit to a timeline for producing a detailed proposal for a breathing space scheme?

The issue of growing personal debt will not go away. Indeed, evidence shows that it is getting worse. The Government need to respond to this debate by promising clear and comprehensive action on how that can be tackled. Opposition Members believe that, although the scheme would not be a total solution for the public, it would be an excellent starting point.

5.56 pm

The Economic Secretary to the Treasury (Simon Kirby): It is a pleasure to serve under your chairmanship this afternoon, Mr Turner. I congratulate my hon. Friend the Member for Rochester and Strood (Kelly Tolhurst) on securing this important debate. There have been many thoughtful contributions and I am particularly pleased that they are on the record.

We all share an interest in helping people who have fallen into serious debt. We have heard some very distressing stories from hon. Members today. Debt can have a devastating impact on the lives of people in our communities, and people can fall into debt at really hard times in their life. Whether it follows the death of a loved one, a separation, or being made redundant, they are difficult times, so we must do what we can to help people who are in that situation to get back on their feet. That is all part and parcel of making a society and an economy that works for everyone. It is important that financial services work for everyone, too.

We have done some really good things to help, particularly on the role of the consumer credit market. The Financial Conduct Authority, which we set up in 2013, now regulates the market to give people much more protection. For instance, firms must provide forbearance—a period of respite—if their customers are unable to make their repayments. They must treat customers fairly and lend money responsibly. Crucially, they must lend money only to those whose affordability checks have proved that they can afford to repay it.

Those measures have had a real effect. Since the introduction of the payday loan price cap, the number of payday loans has fallen by more than 50%, from
4.2 million in 2014 to 1.8 million just a year later. Regulation alone is not the answer, so we are taking direct action to support people who are struggling with their debts, such as through the Money Advice Service, which last year funded more than 380,000 free advice sessions for people in debt. We have also been resourcing our illegal money lending teams to tackle those who seek to exploit and abuse vulnerable people. We are helping to ensure that there is a genuine alternative to ruthless illegal lenders with our support for the credit union sector, which includes £38 million of funding for the credit union expansion project.

We have been exploring carefully whether we could introduce a breathing space scheme to give people time to find a way to deal with their debts. I thank all those debt advice charities and creditors that have given their time and expertise to help us to look into this. It is clear that such a scheme has the potential to help people to get their finances back on track. We are looking at it carefully. I am pleased to say that we entirely support its principles of better debt management and lower problem debt.

However, we have also found that introducing such a scheme could mean costs to the public purse and could have an impact on local authority finances. With the national debt nearing 90% of GDP over the next few years, and while we are still forecast to borrow more than £50 billion this year, we have to assess any new spending proposals carefully. That is why we will continue to look into the various options for implementing a scheme such as this, and will consider closely its costs and benefits.

The Government are committed to tackling illegal money lending, which the hon. Member for Sheffield Central (Paul Blomfield) mentioned. In last year’s autumn statement, we announced that all funds from convicted loan sharks would be used to scale up credit union incentives.

My right hon. Friend the Member for Meriden (Dame Caroline Spelman) mentioned council tax debt. It is important that councils, which are best placed to make judgments about collecting council tax, act proportionately and fairly, and take into account the impact of non-collection on the broader population.

My hon. Friend the Member for Rochester and Strood made a number of very important points during her speech. The Government agree that it is important to ensure that people in financial debt get the help they need. That is why, for example, we are creating a new single financial guidance body. We are keen to address the impacts of debt, including on mental health, and we are working closely with the Money and Mental Health Policy Institute to review practices.

I thank the hon. Member for Makerfield (Yvonne Fovargue). Clearly, she has personal experience of this important area. My hon. Friends the Members for Eastbourne (Caroline Ansell) and for Kettering (Mr Hollobone), the hon. Members for Blackburn (Kate Hollern), for Aberdeen North (Kirsty Blackman) and for Stalybridge and Hyde (Jonathan Reynolds), made thoughtful contributions. I thank them for being strong voices not only for their constituents, but for the vulnerable people we are discussing.

As I said, we have been carefully exploring the option of introducing a breathing space scheme, working closely with the debt advice and credit sectors. So far, the work has demonstrated that a period of statutory protection from creditors has the potential to give indebted customers the chance to get their finances back on track by giving them time to seek debt advice and move into existing debt solutions. Officials have found that a breathing space could stop consumer paralysis in the face of multiple creditor letters and enforcement action. It could encourage more people to come forward for debt advice earlier.

We will continue to look into the various options for implementing such a scheme and will consider closely its costs and benefits. We are looking carefully at what is happening in Scotland. When we are in a position to consult further, we will do so. I understand that many people, including those struggling with debt, would like to see such a scheme sooner rather than later.

In short, we have to do all we can to ensure we are helping people to get out of debt. We have done a lot already. My hon. Friend the Member for Kettering mentioned financial education. He may be pleased when reading Hansard to learn that I had a meeting last week with the all-party parliamentary group on financial education for young people—indeed, I am in the process of writing to the Secretary of State for Education on this matter. The hon. Member for Blackburn (Kate Hollern) mentioned financial shocks. We are providing £45 million of levy funding a year via the Money Advice Service to fund, for example, the 380,000 free-to-client debt advice sessions that I mentioned had taken place last year. We are also working with the Financial Conduct Authority to ensure that the lending sector is better regulated.

We have been looking closely at the idea of a breathing space and will continue to explore its potential. I will do my best to work with my hon. Friend the Member for Rochester and Strood, and indeed anyone and everyone else who has an interest, because this is important and I would like as many people as possible to be involved as we move forward.

We will keep examining all the ways in which people in serious debt can be protected and supported as they get their finances under control. We want them to build happier, more secure futures for themselves and their families. I understand that the costs of debt are bigger than just the financial costs—for some, they have a lifelong impact. I want an economy that works for everyone, and will be doing all I can to move this forward.

6.6 pm

Kelly Tolhurst: I thank all Members for their contributions and for supporting my debate today, and thank the Minister for his positive comments.

6.7 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).
Westminster Hall

Thursday 30 March 2017

[M.R. DAVID NUTTALL IN THE CHAIR]

BACKBENCH BUSINESS

Local and Regional News

1.30 pm

Helen Goodman (Bishop Auckland) (Lab): I beg to move,

That this House has considered the future of local and regional news providers.

Kevin Brennan (Cardiff West) (Lab): On a point of order, Mr Nuttall. Is it in order for the debate to proceed without a Minister present on behalf of the Government, or is it simply a gross discourtesy to the House?

Mr David Nuttall (in the Chair): It is in order for the debate to proceed. [Interruption.] The door opens, but there is no Minister. The debate will proceed, so there is no need to adjourn the sitting.

Kevin Brennan: Further to that point of order, Mr Nuttall. On the second part of my point of order, is it considered a discourtesy by the Chair?

Mr David Nuttall (in the Chair): It is always considered best practice for the mover of the motion and the Minister who will respond to be in their places when the debate begins. I am pleased to say that the Minister is now in his place.

Helen Goodman: It is very nice to see you in the Chair this afternoon, Mr Nuttall.

I begin by thanking the National Union of Journalists for helping me to prepare for the debate, which forms part of its week of campaigning on local news, called Local News Matters. I must also point out that I chair the NUJ’s parliamentary group. The arrangements for the group’s secretariat are set out in my declaration in the Register of Members’ Financial Interests.

I am sure that all hon. Members agree that local news is essential for our democracy. It is through local news that people like us get our messages across to our communities, but more importantly, it is the way that communities hold us to account. However, local news is not only about democracy and boring council meetings or boring court reporting, important though those are; it is about the way that communities are bound together. It is through local newspapers and radio stations that people know what is going on and identify with their local communities.

As it happens, my experience of the local news media in my constituency and in my part of the country is extremely positive. My local newspapers have not only covered issues that national outlets would not have been interested in covering; they have made a significant difference to the community. For example, in my constituency is the palace of the Bishop of Durham. When the Church Commissioners wanted to flog off its paintings by Francisco de Zurbarán, it was a campaign that I ran with The Northern Echo, which put the paintings on its front page for several days in a row, that pushed the Church Commissioners back and made them realise that people wanted and loved those paintings. The upshot has been far greater than we could ever have imagined. The story came to the attention of a philanthropist, Jonathan Ruffer, who put £50 million into the castle, and we now have a whole regeneration project. That would not have happened without the initial support of The Northern Echo.

At the other end of the scale is a newspaper, owned by the sister of Lord Barnard, called the Teesdale Mercury. It has a small circulation of 10,000, but it has been running campaigns to save local village schools. In effect, it saved the Forest of Teesdale Primary School.

Margaret Greenwood (Wirral West) (Lab): My hon. Friend makes a compelling case for our local press. Over the past year, the Liverpool Echo and Wirral News have movingly told the story of the Hillsborough campaign for justice. The Liverpool Echo has been a campaigning newspaper on that issue, it has highlighted the local crisis in the NHS and it has mounted a food poverty action campaign called “Share Your Lunch”, which has raised thousands of pounds from the generosity of local people and raised awareness of that important issue. Does she agree that, as she mentioned in her opening remarks, it is crucial for our national democracy that we have local papers that shine a light on the impact of what we decide here in Westminster and how that rolls out across the country?

Helen Goodman: My hon. Friend is absolutely right. I was about to point out the role that Bishop FM, the local radio station, is currently playing in the campaign on the sustainability and transformation plan and the possible closure of Darlington memorial hospital’s A&E, which is a matter of great concern to my constituents. Bishop FM and the local and regional news outlets were also the only outlets to cover the potential closure of Teesdale Radio, was forced to close. Will the Minister comment in his response on whether it is fair that community radio stations are not allowed to advertise? Every parish magazine has advertisements, but community radio stations do not. That does not seem right.

Local news outlets make a reality of localism. Communities are very diverse and different; they are not homogenous. This country is extremely diverse, which is reflected in our local newspapers. They are the voice of people, but they also reflect back to people what their community is like.

The NUJ has commissioned, and this week published, a piece of research, “Mapping changes in local news 2015-2017”, by Dr. Gordon Ramsay, who is part of King’s College London’s excellently named Centre for the Study of Media, Communication and Power—something I am sure we would all like to get hold of. He was supported in his work by the Media Reform Coalition,
the Political Studies Association and colleagues from Goldsmiths University. The research shows a continuing, if not accelerating, decline in the number of local newspapers. Some 200 local newspapers have closed since 2005. In the past 18 months, 22 have closed and 13 have been set up, which is a net loss of nine. Unfortunately, that involved the loss of 418 journalists’ jobs.

Margaret Greenwood: The mayoral election for the Liverpool city region takes place on 4 May. Does my hon. Friend agree that the decline she so clearly describes takes place on 4 May . Does my enterprise; it is also a public service. It is not purely a commercial one. Enterprise, it is also a public service. It is not purely a commercial one. We need to get back better control of the way newspapers are run and the closure and redundancies to newspapers are being bought up by smaller publishers. Such journalists also suffer significantly from low pay. This is a profession, and they need to be properly rewarded for their skills, energy and efforts.

Helen Goodman: My hon. Friend makes another very good point. It is a matter of concern that 58% of people in this country have no local daily newspaper. That hollowing out is dangerous. Newspapers are not really local if they are run by such a small number of journalists that, in effect, they are four pages of local news wrapped around centrally-produced content, which is mainly lifestyle articles and listicles.

Where real journalists are involved in the production of local newspapers, they are becoming exhausted. I had a meeting with people from the South London Press before Christmas who were busy campaigning against reductions to their numbers. Such journalists also suffer significantly from low pay. This is a profession, and they need to be properly rewarded for their skills, energy and efforts.

It is a vicious circle. If we hollow out the quality of the local newspapers, they become more boring, so of course the readership will fall, whereas if we maintain the quality, people will want to keep reading them. The absence of local newspapers is dangerous too. As my hon. Friend the Member for Wirral West (Margaret Greenwood) said, people will lack information and will not be able to hold local institution to account. Communities will suffer a loss of identity. That creates an environment in which fake news can flourish, because there is no real news. What we need, across the board, is good-quality information and journalism.

Another very interesting thing that came out of the research by Dr Ramsay is the growing concentration in our local newspapers. That, too, is dangerous. I do not suppose many people are aware that four publishers are responsible for three quarters of the local newspapers in this country: Trinity Mirror, Johnston Press, Newsquest and Tindle. One of the absurdities is that they take over local newspapers and then either close them or shed more jobs. Of the 400-plus jobs that have been lost, 139 were cut by Newsquest and 102 by Trinity Mirror.

While I do not wish to appear not to be a true socialist internationalist, foreign ownership in this arena is becoming more dangerous. It means that decisions are taken about the way newspapers are run and the closure of newspapers in boardrooms in New York by people who have no idea that Sunderland and Newcastle are two different places. We need to get back better control of the way newspapers are run and restore the idea, most recently voiced by Harry Evans, that journalism is a sort of public service. It is not purely a commercial enterprise; it is also a public service.

Why have we got into this mess? Obviously technology is part of the reason. More things are moving online, and more advertising is moving online. There is a change in the readership and habits of the public. However, that is not the whole explanation. The problem from the newspapers’ point of view is that 80% of their revenue comes from their print editions and some 12% from their online work. Facebook and Google are expected to have a three-quarters share of the advertising market by 2020. I wonder whether the Competition and Markets Authority ought to look at that, and whether it can look at the behaviour of these big international corporations after Brexit. It would be interesting to know whether the Minister has any insight into that.

Technology is not the only explanation for what is going on. Some people might call it greed, and others might call it unrealistic expectations, but too much money has been taken out of local newspapers. By way of contrast, Tesco—one of the most successful supermarkets in this country—makes a 7% return on its capital each year. These publishers are extracting between 20% and 30% each year. That is what they expect. If they cannot make that, they say the papers are uneconomic. Of course, the papers are not financially unsustainable; they are perfectly financially sustainable. They are making enough money to keep going and even to expand: they are just not making whopping profits of 30%. If these people were content to make the kind of profits that our supermarkets are making, we could have a flourishing of local news across the nation.

Let us look at what has been done so far about local news. We continue to require local authorities to put statutory notices into local newspapers. That is very positive, both financially and in terms of providing people with information. Newspapers have a VAT exemption as well.

The Government have done two things to try to provide direct support. The first was the initiative by the previous Secretary of State for Culture, Media and Sport to set up local television franchises. I am sorry to report that the research shows that three quarters of those licensed areas sought a relaxation of the requirement for news provision. On every single occasion that relaxation was granted, so the initiative is not having the positive effect that was intended.

Now we have a new initiative: democracy reporters. The licence fee is being top-sliced, and the BBC is providing 150 local democracy reporters across the country. There is a question mark here. It is really important that there is a system to ensure that those posts are genuinely additional. We do not want the BBC to send two people into a local newspaper and for the managers of that paper think, “Fantastical! We can sack two of the people we were paying.” We absolutely cannot have that, and we need a system to prevent it from happening.

The Minister must also ensure that the Government initiatives and all the things we want to do are not sucked up by the big four publishers. What we want is more variety, more diversity and more new ventures. We need to ensure that the things we do reach those people, not just the big multinational chains.

In addition, more measures can be taken. The Government introduced the Localism Act 2011, which enables people to deem an asset an asset of community value and run it themselves for the benefit of the
community. Normally that is done with pubs, but it would a good idea if, before a newspaper closed a title, it was required to offer it to the local community as a community asset. As I have said, many local papers, such as the Camden New Journal, could be run on a financially sustainable basis—for example, by co-ops of journalists—and we need to put that option on to the statute book.

Many of us think it is reasonable, in the current climate, to tax the large social media organisations such as Facebook and Google, and others as well. I know everybody wants to tax them because they are evading their taxes and everyone has schemes for spending the money that would be raised, but I think some direct read-across to the very industries that those companies are undermining would be reasonable.

The House has taken a considerable amount of time over the last six months to consider the proposed Fox takeover of Sky. That is extremely important, and we are all very worried about it. However, we have not taken the same amount of time and care to look at what is going on in local newspapers. The concentration in local newspapers is also very serious. The final suggestion I would like to make is that we have a short inquiry that looks specifically at what is going on in local media.

1.49 pm

Jason McCartney (Colne Valley) (Con): It is an absolute pleasure to serve under your chairmanship, Mr Nuttall, and a pleasure to follow the hon. Member for Bishop Auckland (Helen Goodman). I had a fantastic season, while I was at BBC Radio Cleveland, reporting on the fortunes of Bishop Auckland football club. At the time, there was no ISDN line at the ground, so to report goal updates, I had to go into the clubhouse and on to a landline and wait for two minutes. Sometimes there would be a big cheer from outside while I was on air, and once the presenter back in the studio said to me, “Jason, has there been a goal?” and I said, “No, Joe has just dropped the jackpot on the one-armed bandit.” That really is local news and local reporting at the heart of the local community—and I cannot remember whether Joe bought a round or not.

I thank the Backbench Business Committee for granting our request for a debate on the future of local and regional news providers. We are in a great time of change. There are great challenges ahead, but there are also great opportunities. Therefore, it is more important than ever that as many people as possible have access to quality, trusted news sources. That means a big role for local and regional news.

I must declare that, as I have just suggested, I am a former BBC local radio reporter. I went on to work for ITV television as a broadcast journalist. I am now chairman of the all-party parliamentary ITV group and—just for balance—I am one of the vice-chairmen of the all-party parliamentary BBC group. I am a former National Union of Journalists member. I was father of the chapel at ITV Yorkshire and I took my former National Union of Journalists member. I went on to work for local and regional news.

I am a keen consumer of local news. I wake up in the morning with Liz Green on BBC Radio Leeds. I get a paper edition in my constituency office of the Huddersfield Examiner and follow it online—I also follow the Yorkshire Post online. When I am with my girls in the car, we are listening to Capital radio. It is great that that independent radio station has a news team. They often ask me and fellow Yorkshire MPs to record clips and send them via our iPhones. That is a good use of innovative technology. We have two excellent regional TV news programmes: “Calendar”, which I used to work on, and “Look North”. Sometimes, if there is a big local news story, I make a point of trying to watch both—one at 6 pm and the other at 6.30 pm—to see the different ways in which they cover their news stories.

We have a very local free newspaper, the Holme Valley Review, which has been around for about two years. Again, I have to declare an interest: I have a monthly column in the Holme Valley Review. It has an excellent reporter, Olivia, who is always ringing me and other people, asking for local news stories.

I would like to focus on local newspapers for a moment. As I said, I am very lucky to have in my town the Huddersfield Examiner, with its dedicated band of locally based journalists. They produce six editions a week, Monday to Saturday, and they are very good at holding Kirklees Council to account—it is run by Labour, by the way—whether the councillors are parking illegally while they go on holiday for a few weeks or damaging town centre trade with their disastrous bus gate scheme.

However, it is with their campaigns, as the hon. Member for Bishop Auckland said, that local newspapers come to the forefront of their communities. My local paper has also been backing an NHS campaign, the Hands Off HR1 campaign, which is trying to prevent the accident and emergency department at Huddersfield royal infirmary from being downgraded and moved to Halifax to fund the disastrous private finance initiative deal that was signed there. That campaign is led by local campaigner Karl Deitch and, with the support of the Examiner and the community, we are still hopeful of getting our clinical commissioning group to listen.

More positively, the Huddersfield Examiner puts on two fantastic awards ceremonies every year. The Huddersfield Examiner community awards celebrate the best in our community—campaigns, charities and volunteers—and in the autumn the Huddersfield Examiner business awards celebrate the best in local small and medium-sized enterprises and bigger businesses, connecting up the business community. That means that we have an unemployment rate that is below the national average, and textiles and engineering are doing well in our part of the world. I commend the excellent coverage by the Examiner of my beloved Huddersfield Town. As we chase promotion to the premiership, every bit of injury news is followed closely by Huddersfield Town fans.

One big challenge that local newspapers face is changing technology—the changes in the way people get their news. However, the Examiner is responding to that. It is now very much a digital newsroom, producing strong stories not only for the print edition but for the website, which now posts regularly with videos. That is surely the future—print supported and enhanced by digital output, not replaced by it. The Examiner is recruiting a video production editor, but of course its big challenge is
providing engaging and challenging content for two very different audiences. With that in mind, the Examiner is also embracing social media.

The debate has been triggered by a worrying trend for local and regional newspapers. There was a net loss of nine regionals between November 2015 and March 2017. As Opposition Members have said, the number of UK local authority districts with no daily local newspaper coverage has risen to 273 out of 406. There is also the loss of plurality, which we are concerned about. The five largest publishers, including Trinity Mirror, which owns my local newspaper, now account for more than 77% of all UK newspapers. We need to halt the decline and to look at new models.

As a member of the Select Committee on Culture, Media and Sport, I have been questioning BBC bosses on their development of the plans for 150 local democracy reporters. I echo many of the excellent questions that the hon. Member for Bishop Auckland asked. Those reporters will be funded by the BBC and employed by qualifying local news organisations to cover councils and local public services, but will they enhance and be an addition, or will newspapers be tempted just to use them as a cut-price replacement for their existing services? The BBC has also announced the formation of the NewsBank, which will give online media organisations access to BBC video and audio. In total, that will be an investment from the licence fee of up to £8 million. I and others will be following those developments very closely.

For the vast majority of adults, their main source of news is still television, and we need a plurality of providers. I have talked about the BBC. I welcome ITV—as I said, I chair the all-party group—investing £100 million a year in national, international, regional and nations' news. As I said, in Yorkshire we are lucky to have two quality regional TV news programmes: “Look North” on the BBC and “Calendar” on ITV Yorkshire, which I used to work on.

Kelvin Hopkins (Luton North) (Lab): I am listening with interest to the hon. Gentleman and support what he is saying. Does he agree that local radio and local television are not the same, that they cannot provide the same detailed coverage as local newsprint, and that we need local newspapers as well as local television and radio?

Jason McCartney: The hon. Gentleman makes a good point. I am saying that we need all the different news sources. We have talked about Sky and about the strength of the BBC in the regions, but we need plurality. We need different local newspapers—we need dailies and weeklies. We need them online, but we also still need the print editions. Obviously, many hon. Members are au fait with social media, but a lot of our constituents are not and they still need to know what is happening in their community—that is happening with charities, with their hospital and council, and with planning applications and so on.

Having worked in both the BBC environment and an ITV newsroom, I know that there was healthy competition between the two. There was an eagerness to be first with the story and to cover it best, which increased the quality of journalism and drove up audiences. We need that kind of healthy competition.

I will bring my comments to an end to allow other Members to speak. I began by talking about challenges. One big challenge is accurate and trusted news sources. We are in an era of fake news and I am pleased to say that my Culture, Media and Sport Committee is starting an inquiry into it. By the way, I remind everyone that fake news is false news with false facts, and not just news that someone does not like—that gets banded around a lot.

Finally, I echo the thoughts of the NUJ general secretary on the Localism Act 2011. Former council buildings in my patch are being taken over as community assets and I would certainly support ideas and developments on that model for taking over local newspapers. I am very open to innovative ideas for new local journalism models. I would look at levies on social media and online companies—the internet—tax breaks, investment funds and community trusts, because after all, for the sake of our democracy and our constituents, local news really does matter.

2.1 pm

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Diolch yn fawr iawn, Cadeirydd. As always, it is a pleasure to serve under your chairmanship, Mr Nuttall, and I thank my colleagues and the Backbench Business Committee for granting us this debate.

The uncertain future of local news providers is particularly significant in Wales. Unlike Scotland and Northern Ireland, the Welsh national press is relatively limited, confining Wales to getting much of its broadcast news and its newspapers from London. I am proud to say that I am a former news reporter with the Holyhead & Anglesey Mail, the Caernarfon & Denbigh Herald, Herald Mo’n and Herald Cymraeg. I, too, have memories, for example of putting photographs on the bus to get them to the head office.

Historically, Wales has a strong national and local press tradition. In 1966, the people of Wales could turn to a plethora of news publications, with 1 million morning, evening, weekly and bi-weekly local newspapers in circulation—that is, the total circulation. By 1990, that had fallen by a third, and now there are only six daily papers in any shape or form—morning or evening papers—in the country. The people of Wales have become increasingly reliant on the London-based media for their everyday news. To illustrate that, despite the Daily Mirror seeing a 50% fall in circulation between 2008 and 2015, it still has a daily readership of over 700,000 in Wales. However, the daily national paper of Wales, the Western Mail, sells only 17,815 copies a day. That gives hon. Members an idea of the newspapers’ reach and the impact on democracy.

Despite the widespread readership of London titles, interestingly, those newspapers no longer produce Welsh editions and there has been a steady decline of journalists based in Wales for London newspapers. There is the question of how the stories that are relevant to the people of Wales reach them. Perhaps they are seeing stories that give them a different perception of what affects their lives.
Interestingly, Welsh-language journalism is experiencing a revival in the form of online content, with BBC Cymru Fyw and Golwg360 attracting over 57,000 readers a week between them. However, only two national Welsh-language newspapers are now in circulation: Y Cymro is based in Porthmadog in my constituency, although it was announced last week that that is at risk of closure based in Porthmadog in my constituency, although it was announced last week that that is at risk of closure. Y Cymro is in circulation. Cymru Fyw and Golwg360 attracting over 57,000 readers a week. Honoured to record the hard work of teams of volunteers and dedicated individuals who work monthly to produce—forgive me, Hynsard—Llanw Lly'n, Y Ffynnon, Yr Wylan, Llafar Bro, Llais Ardalwv, Y Dydd, Daile Dysynm, Y Blewyn Glas and Pethy Penlynn. Those are all in one constituency. We also have a weekly newspaper in Welsh, Y Cyfnod, although that is up for sale—it is looking for owners—so hon. Members can see the vulnerability.

Clearly, with the decline in commercial print media, Wales urgently needs redress through broadcast media. The UK Government have committed to having a “Scottish News at Six” programme, without considering making similar commitments in Wales. The media provide a crucial role in holding Government to account for their actions and flushing out weak policy, corruption and self-interest. Wales's democracy and our national institutions will not flourish in darkness. Politics is strengthened by the light of scrutiny and grows stronger in weathering the storm of public interest. It is always a temptation for Governments to avoid the awkwardness of public accountability—it makes for an easier life—but the long-term cost is disengagement from democracy, which is a far greater threat. A “Wales Six” should be just the beginning. We need more opportunities to hear our own stories, and to celebrate and mourn with the world through our voices in both the national languages of Wales.

On the significance of local journalists and publications in representing the lives and needs of the communities they serve, Wales has seen its local newspaper groups being bought out by giant multinational companies, as has been mentioned of the UK as a whole. Our communities deserve better. Local newspapers play a fundamental role in keeping people on top of the issues affecting their communities. The Cambrian News—the local weekly bilingual newspaper distributed in mid-Wales—has managed more or less to remain an independent voice. Certainly, journalists such as Alex Jones do not shy away from posing awkward questions, and Arwyn Roberts, of the Herald newspapers, has portrayed the communities that he loves in his photojournalism over the years.

As a local MP and a former local news reporter, I recognise the democratic value of a regional newspaper to hold politicians and local councils to account. The local journalist, by recalling campaign promises and doing the mill work of attending council meetings, makes politicians accountable to the communities they purport to represent. Despite the Daily Post being the best-selling regional newspaper in Wales, it suffers from the perpetual problem of dwindling staff numbers due to “continuing tough business conditions”, to quote one of its reporters. Cuts have become the default business strategy to survive amid the falling revenues and print sales and the boom in free online media. Its newsroom has been stretched thin, with journalists having to work longer hours under increasing pressure to keep the publication alive. I am sure that that scenario is not unique to the Daily Post.

In conclusion, I call on the UK Government to hold an inquiry into the future of Welsh print media, to assess the current levels of distribution and the state of current publications. I also ask them to review the potential of an increased role for the Welsh Government in safeguarding the existence and independence of struggling community newspapers and ensuring media plurality. We cannot let print media outlets close down and do nothing about the serious void that that would leave in our communities. Their absence would be a major loss, not only to individual readers but to our civil society as a whole. I am sure you would agree with me, Mr Nuttall: democracy needs watchdogs with a powerful bark.

2.8 pm

Rebecca Harris (Castle Point) (Con): We are having this debate because of our deep concerns about the increasing erosion and loss of local news sources, but I am very blessed in Castle Point. I have a huge number of local papers, such as the monthly Canvey & Benfleet Times; at least three weeklies that cover my patch, the Yellow Advertiser, the Rayleigh, Rochford & Castle Point Standard and Essex’s The Enquirer; a small publication called the District News, which is exclusively for Canvey Island; and, still, a daily paper, The Echo, part of the Newsquest group.

The Echo actually produces two different editions for my constituency, including a specific edition just for Canvey Island, which is incredible when we consider that it is an island of fewer than 40,000 souls. Moreover, a daily paper is a hungry beast—it is very stretched, and it is hard work to keep filling a daily paper. As a politician, people might think that I am constantly trying to get my face in the press, but actually, on several occasions I have found myself apologising that I have not given papers news stories, which is a no-brainer and would have been helpful. I therefore feel a responsibility, in speaking up in support of local newspapers, to remember to ensure I give them news.

The success of the papers that we have kept is because they have the right local and community formula. The fact that they continue to be supported might be due to the strong sense of community, but it is clearly a two-way street, in terms of the local paper helping to reinforce a sense of community spirit, which is what makes them so important. As has been said, they carry information that would not otherwise be covered.

It is sometimes easy, when looking at other people’s local newspapers, to laugh and deride the total parochialism of the “cat stuck up a tree” story or, more often, the local councilor with a lanyard and high-vis jacket pointing angrily at a pothole, but without local papers and radio stations, a lot of issues that matter enormously to local people would get no coverage at all. As the hon. Member for Bishop Auckland (Helen Goodman) pointed out, local media are often critical to important local campaigns. I have often had reason to be extremely grateful to my local media. I am indebted to them for their support of...
local public campaigns with which I have been involved, including saving the Deanes secondary school in my constituency. Although the suspension of postal deliveries on unmade roads affected few people, it was incredibly important locally. It would never have got any coverage except in the local paper, but that helped hold Royal Mail to account.

Local media are unbiased compared with some of the nationals. I have rarely read anything in a national paper about which I have known the inside track that has been accurate in every respect, but I have often been quite pained by the accuracy of my local paper, as have local residents. I do not understand why they want to report accurately the age of everyone mentioned in the paper, but they seem to get those ages right, which we do not always appreciate. That also relates to the issue of clearing up misleading rumours—fake news has been mentioned—which can easily prosper in online forums. If not for investigation by honest, trusted, dedicated local journalists who can be relied on to put the facts straight, there would be a lot of misinformation out there and a lot of harm caused by rumours.

I return briefly to the community function. In my experience, the value of local papers cannot be stressed enough. They keep democracy thriving, keep local organisations and businesses under proper scrutiny, support local charities and community groups, and provide a platform for issues and organisations that otherwise would not have one. Elderly residents find them incredibly important to countering the risk of loneliness and a sense of isolation. It would be an enormous loss if we did not have thriving local media in this country.

I thank the Backbench Business Committee for allowing this important debate, which has given us the opportunity to highlight how valued, valuable and appreciated the work of our local newspapers and press is. After this debate, I will be able to go back to complaining about them.

2.12 pm

Kelvin Hopkins (Luton North) (Lab): It is a great pleasure to serve under your chairmanship, Mr Nuttall. I will not speak for long, because I know that others wish to speak.

I support the National Union of Journalists in its campaign. I am a member of the NUJ parliamentary group and, as a strong trade unionist, I think it is important to support it. I am concerned about the suffering of many NUJ members who have lost their jobs or the possibility of career advancement due to the decline of local newspapers, but I am equally concerned about the decline and loss of local news outlets and reporting. I am amazed by what the hon. Member for Castle Point (Rebecca Harris) said. In my town, which has 200,000 people, newspapers have declined, been squeezed and disappeared. They are not all gone, but they have certainly declined dramatically over a long period.

I was first a councillor in 1972, which makes me quite elderly. I remember those days well. It was typical for the local newspapers to send reporters along to council committees. I would be chairing a committee, and there would often be journalists there from multiple competing newspapers. I knew them well. They were often highly skilled and knew their politics. I tried to ingratiate myself with them occasionally by saying nice things about them, but they said, “Don’t trust us. We’re all just the same.” It was a good, humorous, robust relationship with high-quality journalists who saw a future for themselves in journalism. One of them was Larry Elliott, who started at the local evening paper that we had in those days and went on to become economics editor at The Guardian. Not everybody reads The Guardian, but Larry Elliott, a very fine journalist, started his days at the Luton Evening Post.

Those were the career possibilities for journalists in those days. I suspect it is not like that anymore. However, local democracy is what I am really concerned about. It is important to have newspapers with different owners in the same town, so that they compete with each other. They are more truthful and accurate and try harder to get stories right if they know that another newspaper is covering the same issue.

Interestingly, all those years ago, we had an evening newspaper, which was very good, a weekly paid-for newspaper and a weekly free newspaper. The weekly free newspaper was owned by a wealthy proprietor who happened to be a member of the Labour party. I am not saying that our newspapers should have a political bias, but it was interesting. He was not just a token member—I do not want to upset my colleagues in the party—but leaned to the left as well, so we had a lot in common. Having a left-wing millionaire proprietor of a giveaway newspaper was an interesting experience. We got a genuine spread of opinion across the town. Democratic views were expressly, which was healthy.

That has changed. The free Sunday newspaper recently merged to become Bedfordshire-wide, with hardly any Luton coverage at all. We have a paid-for newspaper, but even there, the number of journalists has been squeezed and squeezed, so we do not get as much in the way of reporting. As my hon. Friend the Member for Bishop Auckland (Helen Goodman) said in her excellent opening speech, there is a small amount of local news surrounded by national articles and massive amounts of advertising.

During the first 15 or so years of my time in this place, every five weeks, local MPs—Conservative and Labour—were given a column to themselves. That is all gone—doubtless the newspapers have no time to sub-edit our articles, or whatever they do—and local democracy has suffered tremendously from the narrowing of news. Fortunately, we have an excellent local BBC news station and very good local radio.

I support the NUJ in its campaign to save local newspapers. We have heard a summary of its survey, but I thought I would quote in full what Séamus Dooley, the NUJ acting general secretary, said at the launch of the report this week:

“Journalism is a pillar of democracy and this survey should be of major concern to anyone who cares about local, regional or national government. The stark decline in journalism is a direct result of disinvestment in editorial resources. This survey points to a deep crisis in local and regional news provision. There is an urgent need for government and media organisations to halt that decline, to examine ways of developing sustainable models operating in the interests of democracy and the public interest. The price of a continuous decline is too high for citizens to pay.”
That says what we need to hear today and I hope the Minister takes note. I congratulate my hon. Friend the Member for Bishop Auckland on launching this debate, and other Members who have spoken for the fine speeches that we have heard, all of which have been interesting. I have never been a journalist myself, although I used to write a 1,000-word article every month for the Socialist Campaign Group News. It did not have wide circulation, but some of us, including the leader of our party, have been regular columnists for it. I have done journalism in a sense, but I was not an NUJ member, and the paper circulated among people with my opinions.

I have said what I came to say. I hope that the Government take note; that the decline in local news coverage and local newspapers is arrested; and that they will flower again in future.

2.19 pm

Rachael Maskell (York Central) (Lab/Co-op): It is a pleasure to serve under your chairmanship this afternoon, Mr Nuttall. I, too, thank the Backbench Business Committee for granting this debate, which really shows how the Committee responds to issues such as local journalism when they are at a crunch point.

I will focus on local media in York. We are well served in print by The Press and The Yorkshire Post, online by YorkMix, and in broadcast media by BBC Radio, Minster FM, ITV and BBC TV. We have already heard so much today about the ease with which local media bring local stories to the fore. Local media are where stories are broken, where research is done, where we find out what is really going on in our communities and where people are held to account. They really prove that local news matters.

Local media are part of our local democracy and local citizenship. They strengthen the bonds across local communities such as those in my city of York. I thank the National Union of Journalists, Unite and all those who support people on the print side of media and across the industry so well. It is very hard for journalists to tell their own story about what is happening to their own industry, so today’s debate is timely and important.

As we have already heard from hon. Members, it is clear that we need a proper inquiry into what is happening in the governance and structures of local media. I will return to that point shortly, but first I want to raise the importance of local media on a very practical level. In the floods of 2015, when my community was cut off—the phone lines went down and there was no means of communicating outward—BBC radio had to move location and work night and day to get out messages not only about what was happening across the community but about public safety. It made us think back to the public service ethos that Lord Reith wanted for public broadcast. I thank BBC York for the service that it provided to the community at that time; everyone said that it provided a lifeline at that crunch point.

I want to talk in particular about print and about what we are seeing in our local paper—a story that is echoed right across the country, as the NUJ report that was launched yesterday confirms. We have a great history, as so many towns and communities have. The Yorkshire Evening Press was first published in 1882. It used to have four publications a day; people used to get their papers literally hot off the press because they wanted the latest edition with the latest news. Obviously the news process has moved on, but 17,342 people read the print edition of The Press daily, which proves that it still has a strong leadership. However, media are changing, as we know. Some 54,000 people now access The Press’s digital content—the eighth highest readership in local news. The trends are changing, but the digital content is clearly not providing the revenue, because 80% of revenue comes from print. The industry is really challenged by the shift to an online presence.

We have heard about the importance of local papers and local media in providing a democratic solution and ensuring that stories are well balanced and investigated. We know that social media can often be an echo chamber for news, where fake news is often recirculated, whereas local media really work at the craft of reporting stories and getting to the heart of matters. We also know that the industry is challenged not only by digital changes but by changes in advertising: in the economic global recession, advertising in local media dried up significantly—another financial challenge for local papers—and the market has not picked up since. Advertising has moved more online, particularly because readership is higher there, but also because there are new means of operating.

We have to come back to the issue of ownership. As we have heard, the press in York is owned by Newsquest Media Group, which has 211 titles. Printing no longer takes place in York, and nor does the editorial function. That has taken away from the local community. Although there is excellent local content—community news and events, charities, political reporting, events in the city and, not least, sports news—a lot of the content is national. People do not necessarily want to read it, but we can understand why papers have moved to that model as a means of filling space. Thankfully, there is still a lot of local content, but those pressures are building.

We have seen real cuts in the number of local journalists. Since 2008, the number of journalists at The Press has fallen by 50%. They now have to work under incredible stress, trying to produce copy constantly to ensure that they get good cover in the paper. They have to churn out content at a really high level, so although they are incredibly industrious, they are more tied to their desk rather than out in the community building relationships and learning their craft. They are also constantly worried about what the future is bringing down on them. The pressure is there.

As journalists are being made redundant, trainees are losing mentors, so they are not able to learn skills or how to avoid errors. Instead of learning their craft from senior mentors, trainees are often left on their own because there is not enough time for a proper structure to bring them through the apprenticeship—if I can call it that—of learning the skills and craft of journalism.

We have also seen a cut in the number of editors. The Press has lost its subbing sub-editor and its page sub-editor. The checks and balances in producing copy have therefore been withdrawn, which puts more pressure on journalists to ensure that everything is accurate, along with the pressures of balancing news and finding time to research and dig into stories and get the other side of the story. They have to work incredibly hard, often on low pay, to get the right story into their papers.
Kelvin Hopkins: In my early life in politics, reporters went out and met people, spoke to them and interviewed them at length. They got to know the local politicians, the local community and the local areas; they were really in touch with the local community, and they were better for it.

Rachael Maskell: My hon. Friend makes an excellent point. That is exactly what journalists want—to be the people who are uncovering the stories, building the relationships and really getting that personal touch into their stories—but the limitations that are now placed on them are curbing their ability to do those things.

We are also seeing a reduction in the number of photographers—a profession that has not yet been mentioned today. The York Press, which would once have had six, seven or eight photographers, now has only one professional photographer, with others freelancing. A photograph tells a story, and there is an art in being able to get that photograph well. We are often requested to send in a photograph, so readers get the typical line-up instead of the creative story that a photographer can provide. We need to remember the essential role that photographers play and the pressure that they, too, are under when they contribute their skills to produce a paper.

We need to think about what we want for the future of our papers. We can all agree that the corporate ownership model has not delivered the local democratisation of news, and that we need to rethink it. That is why an inquiry would be so timely: it would ensure that we could look at all the options that are now open to local papers.

I have had some discussions about what a co-operative model looks like. I both agree and disagree with my hon. Friend. Friend the Member for Bishop Auckland (Helen Goodman); I think it is too late to start looking at that kind of model when a paper is failing. We need to look at it now. We need to build local co-operation from the community into papers, to ensure that there is a local eye on what is happening, not just a distant editor doing their best, possibly over a number of publications, or even just their own paper, but who is not based in the local community.

How do we bring that local voice right into the workings of a paper today? We need to raise the voices of journalists, the people working day and night on our papers, to ensure that they have real input into the shape and the future of not only their own publication but their industry, to make sure that they can use their professionalism in determining what a real community paper looks like.

I certainly support suggestions about hypothecated taxation being a means of supporting the industry in the future, ensuring that there is a real wall between content and income sources but ensuring that papers receive the injection of income that is obviously needed to keep alive the vital democracy that they provide.

We face the challenges that I have set out and we must ensure that we respond to them, because these papers and in particular their journalists, are at the forefront when things need to be put right. Essentially, a quality local paper or radio station can supply part of the glue that holds local communities together, giving people a sense of themselves. So the crisis affecting local news is one we need to address urgently.

More than half of all parliamentary constituencies, including my own constituency, do not have a dedicated daily local newspaper. The geography of my constituency means that we benefit from three excellent local weeklies. Each publication focuses on a different part of my constituency, each one caters for the different demographics of their unique area, and each one offers timely and balanced reporting of current events. However, each one faces challenges in what is now an extremely difficult marketplace.

The declining circulation figures of local, regional and national papers across the country have resulted in editorial cuts, job losses and office closures. As more people move online for their news, the decline in the printed press has been partially offset by website growth. However, competition for advertising means that most UK local newspapers are seeing a fall in their overall revenue, and the impact of the BBC’s expansion in online local news coverage is being felt by many local publications.

We have seen job cuts throughout the sector. The National Union of Journalists has highlighted surveys that show that journalists have been put under considerable pressure as a result of staff cuts and mergers. Some journalists have confided that they are being stretched more and more, and consequently mistakes are made and quality suffers.

In such challenging times, many local papers face the choice of shutting up shop or allowing themselves to be subsumed by a larger media group, and, as has been mentioned previously, just four publishers now account for almost three quarters of local newspapers across the UK. In my own constituency, two local papers are owned by Newsquest, one by Johnston Press, and one
by Trinity Mirror, with all the tabloid news values that come with that. That brings me to a personal gripe. I do not know about others in this Chamber, but when I arrive in a part of the country that I am unfamiliar with, I turn to the local paper to give me an idea about the area. Local papers are often a great way of finding out what is going on in an area, and what local events and attractions I can visit, and they can provide a taste of what the area is like. So, when a local paper focuses almost exclusively on a combination of crime and incompetence, scandal and conflict, and when it does little more than highlight all the negatives of the community it serves, the effect is to talk the area down. Local people can start to feel negative about their community and the visiting reader is left wondering how quickly they should leave the area.

I recently spoke to a friend who had been considering moving to a new town, but scouting around the local paper left her thinking that underneath the façade of what seemed like a nice enough area there lurked a dark underbelly of crime and corruption. Quality local news reporting should highlight problems, but it should also illustrate what is good about a community and indirectly promote the area to tourists and locals alike. However, if a paper’s ownership has no vested interest in the community it serves and is only concerned with shifting product, it is inevitable that some publications will do more harm than good, and cease to be an asset.

Concern about the steadily increasing amount of news production accounted for by large corporations is nothing new, as it dates back to the rise of press barons in the days of Queen Victoria. Not only did the press barons own chains of newspapers but some of them had no qualms about using their papers to promote their pet cause or to dismiss ideas and people they disagreed with.

However, the rise of multimedia conglomerates that have significant stakes across a range of central communications sectors means that it is no longer just a simple case of owners intervening in editorial decisions or firing personnel who fall foul of their world view. News production is now strongly influenced by commercial strategies, which are built around the overlaps between a company’s different media interests, and there is a growing trend whereby different publications in a group share resources. There is a high degree of co-operation between editorial units and the implementation of group-wide policies on many issues. The general effect of the monopoly of media ownership can be seen in research that concluded that those who work for large chains are less likely to have an attachment to the community in which they work. Editorial staff can be moved around a news group, flitting from one publication to another, and failing to put down roots in any one place. For some, the media organisation takes precedence over the local community.

There is a widespread debate in Scotland about the relationship between the media and democracy, but there is a strong belief that critical and well-supported journalism is essential to a thriving democracy. We need a media environment that values, respects and promotes quality news reporting.

Finally, in a contracting industry the economies of scale take over, but it is the duty of both the free media and the Government to ensure that the local media sector delivers robustly evidenced and well-balanced news. Merging titles and laying off good journalists has an impact on local media’s ability to support democracy and high-quality debate, but we all have a vested interest in supporting this vital sector.

2.37 pm

Marion Fellows (Motherwell and Wishaw) (SNP): It is a pleasure to serve under your chairmanship, Mr Nuttall. I thank the hon. Member for Bishop Auckland (Helen Goodman) and the Backbench Business Committee for tabling this debate, which has proven to be passionate and interesting in its discussion of all the social media, local newspapers and so on that everyone has talked about. It is a matter of some interest to me, in trying to sum up the debate, that I have heard the same issues being repeated from across the entire UK. Members will have to forgive me if I do not pick up on the particular points they made.

The hon. Member for Bishop Auckland referred to the National Union of Journalists and said that local news is essential for our democracy. I think everyone here would agree with that. MPs need to get messages out—we need to let our constituents know what is happening—and our constituents need to be able to hold us to account. The hon. Lady local newspapers have run campaigns that helped her to help her constituents, and I think all of us in this Chamber have had the same kind of experience.

The main issue seems to be that local newspapers are no longer as local as they once were, and I say that from my own experience. I have two—I should say two and a half—local newspapers. The Motherwell Times and Bellshill Speaker are run by Johnston Press and the Wishaw Press is run by Trinity Mirror, but those local papers no longer have local newspaper offices. The Wishaw Press sends a journalist to the Wishaw library every week and asks people to contribute stories online by email, and Johnston Press has an office at the very top part of North Lanarkshire that runs our local paper, whereas Motherwell is very much in the southern part of the county.

There has been a lowering of both quality and pay, which has helped to drive down readership and led to the growth of fake news. Most local newspapers are owned by one of four publishers, as all Members who have spoken in the debate have said. It drives a wedge between newspapers and their communities when they do not have a footprint in the local area. The hon. Member for Luton North (Kelvin Hopkins) referred to his time as a councillor. I, too, can remember when local journalists reported from local council meetings. That has stopped being the case, even since I was a councillor a few years ago. Journalists simply do not have the time.

Facebook and Google’s advertising revenue is expected to grow, and that may need to be looked at, because if they are not taxed properly they do not go back into the newspaper industry or local media in all their forms, we are all much the poorer for it.

The hon. Member for Colne Valley (Jason McCartney) regaled us with his experiences as a local radio journalist and as father of the chapel. It is pretty obvious that with fewer and fewer news journalists, the quality of news goes down. He also talked about a drop in the number of newspapers and staff in his area. He spoke...
about how he uses his membership of the Culture, Media and Sport Committee to question how BBC local democracy reporters will be used. That is also an issue in Scotland, where we will have 80 of them. My hon. Friend the Member for Ayr, Carrick and Cumnock (Corri Wilson) has already touched on how difficult the situation is and how they should not be used to replace locally based journalists.

The hon. Member for Colne Valley also talked about local TV. In Scotland, we are getting to the stage where we have local TV stations run by Scottish Television and the BBC. The hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) spoke about the Scottish Six. It will not be on the main BBC Scotland channel. It will be broadcast on a second channel that will only be on from 7 pm to 11 pm. It will therefore not necessarily get the viewship figures that we would want, especially in these times of constitutional debate and interest in Scotland, with Brexit and how it will affect our people. There is also interest in how the BBC will spend the money it raises in Scotland itself. The BBC only spends about 55% of what it raises in Scotland in the country. In other areas, the figure is 75% or 80%. That is a real problem. The hon. Lady also talked about Welsh language media. In Scotland, there is an issue with the funding of Gaelic programming. I do not want to beat the drum for Scotland all the time, because what is happening there is happening across the UK.

It is important, as many Members have said, that local media are prevalent, as they are a bastion for local democracy. Local media really understand what is going on locally and can be a good force for local campaigning and fundraising. How many of us look at our children and our grandchildren in the weekly newspaper and sigh and feel very proud? I am really proud of my local papers. Last week, there was a local rally welcoming refugees to Wishaw, and the Wishaw Press turned up in force and had it on the front page. That is local democracy in action. The paper will also cover the proposed Scottish Defence League rally, and I hope it gives that the same amount of coverage, because what is happening there is happening across the UK.

I may not agree with what local newspapers write, but their right to write it has to be preserved. The NUJ has highlighted that in its mapping exercise. We need to preserve and protect what we have. The Government should consider an inquiry into local media. I hope the Minister will listen to the calls that Members have made. I am not going to stand here and repeat everything that everyone has said, because although these things bear repetition, I do not think it would advance what has already been said this afternoon. This industry is vital for all of us and all our constituents, and we have to look at it in that light.

2.45 pm

Kevin Brennan (Cardiff West) (Lab): It is a pleasure to serve under your chairmanship, Mr Nuttall. It is also a pleasure to sum up for Her Majesty’s official Opposition. I congratulate my hon. Friend the Member for Bishop Auckland (Helen Goodman) on her speech and on persuading the Backbench Business Committee—I thank it, too—with other colleagues to grant this debate. She made an extremely passionate case for local media. Her proposal about the importance of treating local media as a community asset was echoed by others. She also talked about models and ways that we can take that forward in the future.

The hon. Member for Colne Valley (Jason McCartney) told us about his career as a local journalist. I am surprised he did not get a Pulitzer prize for his reporting of the football in Bishop Auckland, but he made some sensible suggestions on the way forward for local media, and his speech will bear careful study by the Minister following the debate.

We also had a very good speech from the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts). She listed Welsh language titles during the course of her speech. Fortunately for Hansard reporters, the Welsh language is highly phonetic, unlike the English language, so they will have no problem whatever in spelling all the names of the publications she mentioned in the course of her speech.

We also had a very good speech from the hon. Member for Castle Point (Rebecca Harris), who said how blessed she was with the richness of local media provision in her constituency. She castigated the local press for their accurate reporting of age, and I think we all had a tinge of sympathy with that pertinent point.

My hon. Friend the Member for Luton North (Kelvin Hopkins) made a strong case for local papers and told us about his column in a socialist publication. It did not sound like it had a mass circulation, but he did have the consolation that he was trying to form a mass movement.

Kelvin Hopkins: My hon. Friend is absolutely right. The paper did not have a mass circulation. It had a rather limited circulation, but it was not a commercial paper, so it was not in any way undermining journals across the country.

Kevin Brennan: I am sure the press barons of this country are mightily relieved to hear that.

My hon. Friend the Member for York Central (Rachael Maskell) spoke with a great deal of wisdom about the role local media can play in local emergencies. She described how in the floods, the local media were a very important public service and not just reporting organisations. She was also the first Member today to mention the importance of photographers. She emphasised the value of adopting a co-operative model for local media not just when they get into trouble, but before that so that it is not just a response to a crisis. I thought that was an interesting point.

The hon. Member for Ayr, Carrick and Cumnock (Corri Wilson) expressed concerns about the monopoly of media ownership, about which she made some good points. Speaking from the Scottish National party Front Bench, the hon. Member for Motherwell and Wishaw (Marion Fellows) spoke about the “Scottish Six”, BBC funding and the new channel that will be on the BBC in Scotland. I am on record being highly critical of the amount of money given to Wales in that same announcement. Scotland got £20 million and Wales should have got £12 million, but we only got £8 million. Additional investment is nevertheless important. She also mentioned Gaelic language provision. I am an avid
watcher of BBC Alba when it covers the Guinness Pro12 rugby matches. Despite the commentary being in Gaelic, I think I can pick up enough of it to understand what is going on. She made a useful contribution to the debate.

I was quite surprised that we were not joined by the right hon. Member for Tatton (Mr Osborne) this afternoon.

Jason McCartney: He is too busy.

Kevin Brennan: Perhaps he is too busy, as the hon. Member for Colne Valley says—we know that he has many jobs that he has to perform. I understood that the right hon. Gentleman’s purpose in taking the editorship of the Evening Standard was to bring that experience from outside the Chamber into Parliament. I would have thought that this afternoon’s debate might have afforded an appropriate opportunity for him to allow us the benefit of his wisdom and knowledge on this subject.

Kelvin Hopkins: My hon. Friend is making a very good point. I wonder if he might inquire if the right hon. Gentleman has joined the NUJ.

Kevin Brennan: I think it is more likely that he has bought the NUJ rather than joined it, having looked at his entry in the Register of Members’ Financial Interests. Nevertheless, we miss him. I hope that the Minister, who I know is very friendly with the right hon. Gentleman, will send him our warm regards and our regret that he was unable to join us. I am sure he is very fruitfully engaged elsewhere, rather than being here in this debate in Westminster Hall this afternoon in our House of Commons.

I should also thank the Minister for kindly gracing us with his presence, albeit slightly late. I am sure there was a very good reason why he was not able to be here. As a man known for his humility, I am sure he will explain that to the Chamber when he gets up to address us after I sit down.

Since other Members have given us the benefit of their experience, I will do the same. I started off after university as a news editor of a local community paper in my home town of Cwmbran. It was a fairly humble publication called Cwmbran Checkpoint, but nevertheless we did a lot of journalism of the kind that Members have talked about—reporting on local council meetings, holding the local council to account and publishing stories of local interest.

Of course, the media have been transformed in the 30 or so years since I performed that humble role—much more humble than that of the right hon. Member for Tatton, obviously. We had golf ball typewriters, we laid out the text using wax rollers and we had Letraset to make headlines. It was very different back then in the analogue world—the Minister is far too young to know anything about that, but he can read about it in the history books. It was a very different world than we have now. Hon. Members have rightly pointed out that the technological revolution that has taken place over the last few decades has transformed media and had a big impact on local media in particular.

We have all agreed this afternoon that regional and local media are crucial to the strength of our communities and the health of our democracy. It is, therefore, a pleasure to speak in this debate in the week celebrating Local News Matters. Whether on paper or on screen, local news has a wide readership, reaching 40 million people a week. People continue to trust local journalists, perhaps a bit more than they trust national journalists. In some ways, perhaps there is an analogy with politics: people are generally in favour of their local MP but not necessarily in favour of politicians in general. The same impact is seen sometimes in local journalism.

I am sure that every hon. Member—we have heard from many this afternoon—is able to name local papers, news websites, radio stations and even, these days, local TV stations in their constituencies that help create a sense of local pride and identity, and inform residents about local issues. In my city of Cardiff, there are many outlets, including Radio Cardiff, Wales Online, the Western Mail and the South Wales Echo, not to mention the local BBC productions and Welsh-language publications such as Y Dinesydd, all of which make an important contribution at a local level.

However, as we have heard, research by the Press Gazette suggests that local and regional news provision is reducing. Since 2005, 200 newspapers have ceased circulation and the number of journalists has more than halved. We can all wax lyrical about our constituency’s local news provision and its contribution to our local communities, but the reason we are having this debate is that the future of those outlets is far from secure. There are fewer local papers, fewer local journalists and fewer local editorial teams, being run by an ever smaller number of conglomerates. As we have heard in the debate, about three quarters of the local press is owned by a mere four companies.

It is not just about the number of papers and reporters. There is also the issue of independence and the resources available to journalists and editors to hold authorities to account at a local level. Research by Cardiff University that followed the trends in local journalism in Port Talbot from 1970 to 2015 found that over time, as hon. Members have mentioned, fewer and fewer stories were informed by journalists attending meetings in person, while the use of managed media sources, such as press releases, rose to more than 50%. Journalists increasingly quoted high status sources, with less input from members of the public. Naturally, that affects the ability of local media to scrutinise those who make decisions about their communities.

I do not think anyone is suggesting that we can turn the clock back to the days when I and others started out—to an analogue age when local newspapers were pretty much the only source of local information. Modern technology, starting a long time ago with TV and radio and now with online media sources, social media and so on, offers huge opportunities for the democratisation of news and the diversification of views, but also for the potential proliferation of fake news, as hon. Members have mentioned. Even though we cannot turn the clock back, we need to ensure that current and future technological developments are working to benefit everyone.

Local and regional news provision is transferring from one format to another, but local and regional services on TV and radio need support too. The National Union of Journalists has been mentioned several times
in the debate. It undertook a survey of the closures of BBC district offices covering local TV and radio. I would like to share the results of that with the House today. Pointing out that the BBC is due to announce another round of cuts to the regions in the near future of perhaps £15 million out of a budget of £150 million, the survey’s results show that, over the past 10 years, more than 20 district offices have closed, and that, once the district office closes, the designated reporter is often close to follow. In many towns, the nearest BBC reporter is now over an hour’s drive away, which makes localised news coverage increasingly difficult.

For example, 10 years ago, BBC Radio Gloucestershire had three reporters: one for Gloucester and Forest of Dean, one for Cheltenham and Tewkesbury and another for Stroud and the Cotswolds. Now, only one reporter covers all six constituencies in that area, and the post has been vacant since the end of September. There is no longer a day reporter covering drive-time stories. Instead, there is only an early reporter working from a satellite car for the breakfast show and a late reporter covering stories for the next day. Likewise, 10 years ago in Lancashire, there were four district studios. Now there is only one, and only two full-time and two part-time reporters. The Newcastle, Durham, and Sunderland offices all closed in 2011, as I am sure my hon. Friend the Member for Bishop Auckland is fully aware.

News services that have moved or begun online often have issues too. Companies are struggling to replace lost print revenue with new profits generated online. A News Media Association survey found that 81% of media organisations’ revenue comes from print readership and only 12% from digital. However, the industry continues to close its newspapers in favour of digital formats. When one visits a modern local newsroom, as I am sure many hon. Members here today have done, one is struck by the extent to which stories and deadlines are driven by online clicks, with advertising revenue related to those trends. That sparks fear of a genuine danger that clickbait journalism will be encouraged and will replace real local reporting. It would be a genuine shame if all our local news outlets eventually mirrored the Mail Online sidebar of shame in their approach to reporting. That is the fear and the potential danger of that approach.

Be it in print or on screen, the trends that I and others have outlined are of course long term and have been developing over decades. I mentioned the NUJ’s survey of the closure of BBC district offices. Other public service broadcasters are also crucial to regional and local news. The Welsh language TV channel, S4C—Sianel Pedwar Cymru—focuses on Welsh issues and consistently features local news and views from around the country. Again, rather than wholeheartedly supporting the channel, the Government’s policies are creating uncertainty about its future. In my letter to the Minister on St David’s day, I asked the Government at least to freeze S4C’s funding until the independent review of the channel is completed, and to announce the review’s terms of reference. Instead, they have offered only a six-month freeze and further talks mid-year, and they still have not launched the review. I am afraid the UK Government are dragging their feet on setting up the review, and we want to know why. S4C and Welsh audiences deserve better.

This gives me the opportunity the right to put the Minister right on his somewhat ludicrous rewriting of the history of the establishment of S4C, which we have heard him rehearse several times in the Chamber recently. Yes, it was established under Mrs Thatcher’s Government, but only after a long and bitter campaign by Labour and Plaid Cymru, which forced them to withdraw proposals that would have breached their own manifesto.

The Minister for Digital and Culture (Matt Hancock): Oh, give over!

Kevin Brennan: The Minister says, “Oh, give over!” from a sedentary position. Given that he has decided to challenge my assertion, let me read him the Cabinet note from 18 September 1980. The then Home Secretary, Willie Whitelaw, said “that the Government would withdraw its plans to share Welsh language programme, between two television channels. Instead the programmes would, for an experimental period of three years, be broadcast on one channel, as had been proposed in the Party Manifesto. He still thought that the previous plans were preferable but he had agreed to change them in response to representations, put to him by Lord Cledwyn and others, of the views of informed and responsible opinion in Wales.”

Lord Cledwyn was, of course, Cedwyn Hughes, the former Labour Welsh Secretary. I forgive the Minister, because he probably was not even born at the time of that great struggle, but it is wrong for him to glibly assert that S4C was established without a bitter fight, which some of us remember well.

Helen Goodman: Just to reveal how old I am, my first job was working for a Labour Member of Parliament in 1979-80, Phillip Whitehead, who was on the Committee for that Bill. What my hon. Friend says is absolutely right: there was a significant Labour campaign to achieve that.

Kevin Brennan: There was, and I acknowledge Plaid Cymru’s contribution to that campaign. It is only right to put the historical record straight, rather than allow the hares that the Minister set running—

Matt Hancock: Will the hon. Gentleman give way?

Kevin Brennan: My dream has come true!

Matt Hancock: I am always very happy to contribute to the hon. Gentleman’s dreams. To deal with this one right now, I am absolutely delighted that the hon. Gentleman has welcomed the Conservative Government’s establishment of S4C and has accepted that, in fact, it was introduced by a Conservative Government. We, as Conservatives, welcome the cross-party support for it.

Kevin Brennan: Let me quote from another document from 1980. Wyn Roberts, the then Parliamentary Under-Secretary of State to the Welsh Office, said: “I travelled home yesterday with Lord Garonwy Roberts who told me that the Shadow Cabinet last week—”

Kevin Brennan: That was the Labour shadow Cabinet—

“decided to put forward an amendment to the Broadcasting Bill in the Lords to concentrate all Welsh language programmes on the Fourth Channel...If the Lords were to carry the amdmt. it would clearly weaken our position very considerably.”
It was that pressure that led to the Government having to fulfil their commitment, which they wanted to renge on at the time.

I will not test your patience any further, Mr Gapes. As a former history teacher—[Interruption.]

Mike Gapes (in the Chair): Order. I would be grateful if the Minister confined his remarks to his winding-up speech.

Kevin Brennan: I accept your ruling, Mr Gapes, although I enjoy the Minister’s sedentary remarks. They liven things up considerably.

That is evidence that S4C is not a priority for the Government. Meanwhile, the Welsh Government are providing a grant to it and supporting Welsh-language papers—the papurau bro, as the hon. Member for Dwyfor Meirionnydd called them. That is because that Government understand the importance of local news to communities.

I do not want to paint too gloomy a picture. Regional and local news outlets continue to break very important stories, often of national significance, while both entertaining residents and informing them of community events and developments, but they do that despite rather than because of the Government’s action. I encourage the Minister to do more after this debate. He has had encouragement from both sides of the Chamber to do something.

The BBC has announced the local democracy reporter programme, which hon. Members have referred to, and which is going to cost £8 million of licence fee money. BBC reporters will work with local papers. Superficially, that is a welcome initiative, but in effect the Government are outsourcing a complex issue to another body rather than taking charge of the situation. Against that background, we support the call for the Government to carry out a national review into local news and media plurality. Will the Minister confirm that the Government will commit to undertake such a review? Other hon. Members have also called for one.

The NUJ’s research, “Mapping changes in local news 2015–2017: more bad news for democracy?”, which was published this month, shows a net loss of nine regional papers since 2015, and a loss of more than 400 local journalism jobs over a 17-month period. In 2015, two thirds of local authority districts, encompassing more than half the UK’s population, no longer had a local daily newspaper. Between November 2015 and March 2017, the number of local monopolies rose to 170 out of 380 in Wales, England and Scotland.

The Government are in a unique position to pull together views from across the industry—from multinationals to trade unions, civic society groups and the mutual sector—to judge the effect that these changes have on society and to discuss potential solutions. I would be interested if the Minister can tell us how he will respond to the demands set out in early-day motion 1109. Will the Government undertake to launch some kind of national review into what is going on? Setting party politics aside, we are all in agreement about the importance of local news in all its formats. It is crucial to safeguard these precious community assets into the future. The Government have a role to play, and we would be interested to hear from the Minister what role he will play in achieving that.

Kevin Brennan: I do not want to labour the point too much, but while the Minister is in the mood for apologising, perhaps he could apologise to the House for being late to the debate.

Matt Hancock: Of course I am very sorry. I am glad that we managed to begin appropriately at the start of the debate.

The many Members who contributed to the debate have a clear direction of travel, which is to underline the importance of journalism and local media—especially newspapers, but also broadcast and online media. As the hon. Member for Bishop Auckland said, quoting Harry Evans, journalism is a public service. The point that was made about devolution meaning that there is need for more, rather than less, local scrutiny, which journalism obviously helps to provide, is important in this context. More decisions are being taken at a local level, and it is really important to ensure that they get appropriate scrutiny.

I thank the hon. Lady for raising a point during the passage of the Digital Economy Bill about the importance of ensuring that whistleblowers and journalists are protected from the tightening-up of the enforcement of data protection rules. The Digital Economy Bill is a very positive step, in terms of data protection. The hon. Lady and a couple of other Members rightly raised the important matter of ensuring that the law is explicit, rather than implicit, in the protection of journalism and journalists, and I am very grateful to her for bringing that to my attention.

As MPs, we all understand the importance of local newspapers in bringing communities together and providing a local voice to communities, as well as holding us and others in positions of responsibility to account. I am going to follow the trend in this debate. In my constituency, I am fortunate that the local press is widespread. There are 13 local titles that cover my patch, including the East Anglian Daily Times; Eastern Daily Press; Newmarket Journal; Newmarket Weekly News; Haverhill Echo; Haverhill Weekly News; Thetford and Brandon Times; Brandon Life; Ely News; Bury Free Press; Bury Mercury; and Cambridge Evening News, which just covers the corner of my constituency. That is just the press. I also have local radio stations, local BBC radio and TV, ITV, and Heart FM. So there is no shortage of high-quality local journalism in West Suffolk, but absolutely there is pressure, which is what has been highlighted by this debate.

Everybody has had a chance to mention their local newspapers. Mr Gapes, I am sure that if you were to speak, you would mention the Iford Recorder, too. It is appropriate that the debate is this week because this is Local News Matters week, spearheaded by the NUJ. I welcome its report, published earlier this week, into this matter, some of which was referred to by the hon. Member for Cardiff West (Kevin Brennan), and which...
highlights the importance of local news to communities across the country. Many important points were in the review, including how we get investment into good quality local journalism. One of the new ways to do that has been the initiative by the BBC to put in place 150 local democracy reporters.

Questions were raised about how the reporters were going to operate, and there was a lot of work and consultation by the BBC to develop criteria for the local democracy reporters, including making sure that they had a previous track record in public service journalism, with content provided in lots of different ways, and that the operation could work locally in practice. I heard the point about additionality clearly, and it is important that the 150 local democracy reporters are genuinely additional. I am sure that the BBC has also heard that point. Alongside that, the NewsBank will allow BBC video and audio material to be available shortly after transmission. Local newspapers have complained that they cannot use BBC material that is freely available on their websites to enhance their own material, but the NewsBank will enhance the online offering.

A data journalism hub will be created, with staff seconded from the local news industry to make data journalism available to news organisations across the media industry. The first wave of recruitment will start in the spring. So the BBC is playing its part, and I am glad that that has been welcomed. We should thank my predecessor as Secretary of State, my right hon. Friend the Member for Maldon (Mr Whittingdale), who at the time of the charter review ensured that that happened.

We are about to bring in a different initiative: business rates relief for local newspapers to help with cost pressures. In our manifesto we committed to consult on a business rates relief for local papers. In the Budget in March last year we announced that that would be introduced from 1 April this year, so it will start in a couple of days’ time on Saturday. Local newspapers in England with an office space will be eligible for a business rates discount. I am eager to see the impact of the scheme. I urge any of the titles that we have discussed today, and other local papers, to take advantage of it.

On the concentration of ownership, plurality of media ownership is an important consideration. Legislation was introduced to relax the cross-media ownership requirements, allowing local newspapers to be involved in local TV as part of our attempt to ensure that local newspapers are sustainable. Local TV has a role to play. Some £25 million of funding was set aside in the previous BBC funding agreement to set up local TV. Some stations, such as London Live and Notts TV, have close links with local newspapers, and a Kent local TV service is forthcoming. STV in Scotland has taken advantage of the local TV licences and is launching its STV2 services forthcoming. STV in Scotland has taken advantage of the local TV licences and is launching its STV2 services to bring together a network of its current services with localised news content as well. We have to look at local media and journalism in the round.

Commercial radio was also mentioned. Obviously, commercial radio is incredibly important and in many areas is thriving. It reaches a very high proportion of people. What is currently concerning on reducing some of the burdens on commercial radio. I was involved in a commercial radio station, Oxygen 107.9, when I was a student—I was minority sports correspondent. It attempted to be a commercial radio station, but in fact it folded shortly after I left. It was more fun making the radio than it was listening to it. At least, that is what our advertisers must have thought.

Community radio has an important part to play. Several hon. Members mentioned its importance and we have taken action on it. The hon. Member for Bishop Auckland raised the question of community radio being able to raise money from advertising. Two years ago, in April 2015, we increased to £15,000 the amount that a community radio station can make without the limits on that being in place. There is a reason why there is a limit. Community radio station licences are genuinely for community purposes. We would not want them to be used for commercial radio squeezing out community providers. We increased the limit to £15,000, and I hope community radio stations will take advantage of the fact that they can now raise £15,000 of advertising revenue before any of the other limits kick in.

I want to stress some additional facts. The fact that 58% of people do not have access to a daily local press was raised, but if we take local press in print and online into account, 95% of the country is covered, according to NMA industry figures. Although clearly under stress, there is availability of local reporting, whether in print or online, right across the country. The challenge of new technology is to find a way to ensure that it provides a sustainable business model for local journalism. We cannot hold back the tide of technology. The key is how we can harness it in a way that provides for a sustainable business model, and allows citizens to access their news more readily than they could before when there was only print available. That is the big challenge we face.

The hon. Member for Bishop Auckland also asked about treating newspapers as assets of community value. The legislation on such assets, however, refers only to the land and buildings. That might potentially cover the physical assets of a local newspaper, but her point is that there is more to the assets of a local newspaper than the physical asset. I will therefore have a conversation with Ministers at the Department for Communities and Local Government, the lead Department, to see whether we can make any progress. We will have to look into the practical questions, but I understand her thrust.

Many other very good points were made in the debate. My hon. Friend the Member for Colne Valley (Jason McCartney) not only enlightened us with his experience, stressing again the importance of plurality and that the BBC proposals need to be an enhancement of and addition to what is already on offer, but raised the issue of fake news. The Select Committee on Culture, Media and Sport is investigating fake news and I very much look forward to the results of its inquiry. In Government, we are well aware of it, as one might imagine, and it engages many interested parties, but we will wait for the report of the ongoing Select Committee inquiry before we come forward with anything.

The hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) was clear about the importance not only of English-language but of Welsh-language newspapers. That is a good point to take into account. As she said, democracies need watchdogs with a powerful bark—whether that bark is in English or Welsh, it must provide for the local audience.
Liz Saville Roberts: I emphasise that, although Plaid Cymru is expected to talk about Welsh-language matters, we need to bear in mind that 20% of Wales speaks Welsh and 80% of Wales speaks English. In terms of plurality of media in Wales, it is equally significant to look at the accountability of democracy in English as in Welsh.

Matt Hancock: I could not agree more with the hon. Lady. I am a strong supporter of the Welsh language and of S4C—I love it so much I even had an unnecessary argument about who came up with it. It is incredibly important that people are held to account in a language that is understood by local citizens. That is what democratic accountability is all about, and that includes in Welsh. I take her point. I thought that the additional support we have announced for S4C would get a warmer welcome from the hon. Member for Cardiff West. The millions of pounds extra for S4C underlines the Government’s support for the Welsh language.

My hon. Friend the Member for Castle Point (Rebecca Harris) and others made the point that local papers are often more unbiased, and are certainly perceived to be. They have to cater for the whole community to survive. She mentioned that they also campaign on behalf of local communities, whether about local deliveries on unadopted roads or elderly residents. In my case, a few years ago the Haverhill Echo campaigned to bring the Olympic torch to Haverhill. The paper also campaigned alongside the Thetford and Brandon Times to save the Brandon day care centre, which we successfully did this year. Engaging in campaigns of value to the local population is a classic role of the local newspaper.

The hon. Member for Cardiff West mentioned new technology. Indeed, many hon. Members have rightly pointed out that this industry is changing at dramatic speed. We need to ensure that the technology works for the public interest of journalism, and initiatives are under way to ensure that. Google’s Digital News Initiative was launched with £150 million to support digital local news journalism. A number of UK publishers, including publishers of local media Trinity Mirror, Johnston Press and The Ferret, are receiving funding from that. However, we have to see how the market develops and keep a close eye on it to ensure that it is sustainable, because local accountability matters.

On the call for an inquiry, we have to see how the BBC initiative beds down and how the business rates support, which comes in only on Saturday, works in practice. We keep this question under constant review. This area is of great significance and is of importance to the Government. Of course, I am happy to debate it in the House at any point. Rather than having a single fixed inquiry, we will keep it under constant review, and I will be surprised if the hon. Member for Bishop Auckland does not ensure that that is the case.

3.25 pm

Helen Goodman: We have had an excellent debate, and I am grateful to all right hon. and hon. Members who took part. This is a significant issue. There was consensus today about the significance of local news for democracy and communities, and agreement that we need to keep a watchful eye on this matter. Some positive action has been taken but more might be needed. I am grateful to the Minister for responding positively to the assets of community value idea, and to the Backbench Business Committee for giving us the opportunity to look into this issue in more detail.

Question put and agreed to.

Resolved.

That this House has considered the future of local and regional news providers.

3.26 pm

Sitting adjourned.
Westminster Hall
Tuesday 18 April 2017

[MR Peter Bone in the Chair]

Child Maintenance Service

11.30 am

Mr Peter Bone (in the Chair): We start with a debate on the Child Maintenance Service. It is good to see so much media interest in this today at Westminster.

Marion Fellows (Motherwell and Wishaw) (SNP): I beg to move,

That this House has considered the Child Maintenance Service.

It is a pleasure to serve under your chairmanship, Mr Bone. I want to thank the Backbench Business Committee for giving us the opportunity to discuss this extremely important issue affecting families across the UK. I would also like to extend my thanks to my colleagues present, who may have had to cut short their Easter weekend to attend today. The fact that they are present highlights the importance of this debate.

Many constituents have approached my office regarding issues with the Child Maintenance Service. In their experience and mine, it is an extremely frustrating and inefficient service to deal with. When it is responsible for something as important as financial support for children, and quite often single-parent families, it must execute its duties properly and get it right. That is not happening.

The Child Maintenance Service is under-resourced, unfit for purpose and failing families across the UK. It has disregarded historical maintenance arrears. It allows non-resident parents to renege on their responsibilities by failing to collect current maintenance, and it imposes a tax on parents who desperately require its services. It fails to provide a service of the decent standard that should be expected of any Government agency.

Despite the length of time I get to speak, when writing this speech I was not thinking about which issues to speak about; I was thinking about what things I would have to leave out, as the maintenance system is so rife with issues. The CMS needs a radical overhaul to ensure that parents and their children can access the support they are entitled to. That support is not optional.

Mr David Burrowes (Enfield, Southgate) (Con): I congratulate the hon. Lady on her experience and mine, it is an extremely frustrating and inefficient service to deal with. When it is responsible for something as important as financial support for children, and quite often single-parent families, it must execute its duties properly and get it right. That is not happening.

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The support that the CMS gives is not optional; it is a legal right for children. The Child Maintenance Service is failing to secure children and their parents with care their rights, or it is taxing them to gain access to what is theirs. Maintenance payments have had both a current and historical problem with underpayment, people not paying and arrears. To date, the outstanding arrears for child maintenance stand at an astonishing £4 billion. That figure alone shows the extent to which the Child Support Agency and the Child Maintenance Service are failing people. At this point, I should add my thanks to the charity Gingerbread, because I am drawing heavily on its work in its recent report. It is likely that that figure does not represent the full picture, as paying parents under direct pay are assumed to have paid their maintenance in full unless the CMS is told otherwise.

According to Gingerbread, which has been doing fantastic work to raise this issue and support families, during the transfer process from CSA to CMS many parents have been pressured into not transferring their historical arrears over to their new claim. The Department for Work and Pensions calls that a fresh start. However, no equivalent letter is sent to paying parents to encourage them to pay off their arrears. In 2013, the UK Government issued “Preparing for the future, tackling the past”, in which they outlined their strategy of disregarding past debts and instead focusing on the payment of current maintenance. In line with that strategy, between December 2015 and March 2016, debt collections per case dropped from £35 to £22.

The DWP has calculated that as little as 12% of CSA debts on both the CSA and CMS systems will actually be collected. Current arrangements are allowing parents to renege on their responsibilities. Even though these debts were accrued in the past, parents should still be held responsible now. Collecting historical arrears should not mean a trade-off with current arrears; both are a priority.

Stephen Timms (East Ham) (Lab): I agree very much with what the hon. Lady is saying. I want to mention one of my constituents, who first approached me in September 1999 and the father of whose child has steadfastly refused to contribute anything. He has spent a great deal on lawyers in the intervening almost 20 years to avoid paying maintenance. Today he owes £55,000, of which £15,000 is owed to my constituent. Does the hon. Lady agree that it is absolutely vital that the money is collected and that the parent receives what is owed to them?

Marion Fellows: The right hon. Gentleman makes an absolutely valid point. That is exactly what I am trying to argue. We should chase arrears; not to do so seems to fly in the face of common sense and natural justice.

Members of the public, and indeed Members of this House, may not be aware that during the switch from CSA to CMS case history is not transferred, leading to a loss in accumulated knowledge that wastes resources and could allow a non-resident parent another chance to renege on their payments. Despite waiting years for an effective service that will proactively seek to collect owed maintenance, these parents with care and their children are being forgotten, with no option for recourse. If debts are uncollectable or unlikely to be collected, parents must be made aware of that. Additionally, if the
UK Government are unwilling or unable to take the steps to secure children their rights, they must compensate receiving parents for their failings.

Although the CMS is taking the approach of focusing on current maintenance, it is also failing in that regard. Most arrears were accumulated under the CSA. However, since the launch of the CMS in 2012, nearly half of paying parents have been allowed to accrue arrears. As I have said, those in direct pay are assumed to have paid the full maintenance. Given that 70% of CMS cases come under direct pay, compared with just 33% of CSA cases, the magnitude of the problem under CMS is likely to be far larger than the numbers show.

Just because parents agree to pay, it does not mean they will fulfil their obligations. Under the CSA, between January and March 2016, one quarter of paying parents did not pay the full amount due. Of that number, two thirds paid less than half or nothing at all, which demonstrates that the priority of focusing on the payment of current maintenance is not being met. This Government’s strategy is failing.

Stringent criteria must be fulfilled before CSA debts will even be considered for collection under the Child Maintenance Service: a parent must open a CMS case, and CSA arrears payments must have been received in the last quarter before moving to the Child Maintenance Service, or the parent must explicitly ask for those arrears to be collected.

The Child Maintenance Service process is extremely difficult to understand and is often not communicated properly to parents. For example, DWP figures show that 17% of those using direct pay whose payments stopped or never even started were not aware that the CMS could even pursue payments for them. Similarly, 15% did not even know about the collect and pay service. Shockingly, a recent report from PayPlan found that more than half of single parents did not even know their child was eligible for support from their absent parent. Communication with parents about services available to them and their rights is lacking; they need to be informed.

The CMS needs not only to take action to collect historical arrears, but to make parents aware of their rights and of what the CMS can do to assist them. A variation claim—the main tool for receiving parents to ensure that their ex-partners’ proper income is taken properly to parents. For example, DWP figures show that 17% of those using direct pay whose payments stopped or never even started were not aware that the CMS could even pursue payments for them. Similarly, 15% did not even know about the collect and pay service. Shockingly, a recent report from PayPlan found that more than half of single parents did not even know their child was eligible for support from their absent parent. Communication with parents about services available to them and their rights is lacking; they need to be informed.

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Taking simple measures such as providing written breakdowns of arrears, how they were accrued and what options are available to people would go a long way towards improving parents’ interaction with the service and awareness of their rights.

Ms Margaret Ritchie (South Down) (SDLP): I congratulate the hon. Lady on securing this very important debate. Is she aware that in Northern Ireland, 40 members of staff in the Department for Communities who deal with child maintenance are apparently to be laid off? The Department will find itself without experienced staff when it should be ensuring that money goes from absent parents to the children who urgently require it.

Marion Fellows: I thank the hon. Lady for her intervention. She is absolutely correct. Indeed, what she refers to ties in with the whole DWP agenda of closing offices. I will come on to the under-resourcing of that Department.

Even if parents have an understanding of what the CMS can do to assist them, there is a hesitance on the part of the CMS to take enforcement action. That is a major reason why arrears have been allowed to accrue historically and currently.

Antoinette Sandbach (Eddisbury) (Con): Does the hon. Lady agree that in effect that deprives resident parents of their rights, because they have no other means of enforcement? Their legal rights to enforce through the courts have been taken away by the child maintenance system, and that leaves them powerless to pursue what is their right: the maintenance due to them for their children.

Marion Fellows: I thank the hon. Lady for her intervention. Again, I completely agree. When I went to the Backbench Business Committee to apply for this debate, I was aware even there of the consensus across the House on the lack of action and the failings of the Child Maintenance Service, and that is being reinforced by these interventions.

Variation claims place the burden of proof on the parents with care to show that their ex-partners’ incomes are misrepresented. I have constituents who have either hired private investigators or become private investigators themselves to prove to the CMS that their ex-partner is lying about their income. That is not their job; it should be the job of the CMS.

Philip Boswell (Coatbridge, Chryston and Bellshill) (SNP): I congratulate my hon. Friend on bringing this debate to the House. Does she agree that improvements need to be made to diminish further the ways in which former partners can manipulate and use the system as a weapon of abuse and control? That was the case with one of my constituents, who, as my hon. Friend clearly states is happening commonly, had to prove her ex-partner’s financial status.

Marion Fellows: I thank my hon. Friend for his intervention. Yes, that is at the heart of what I am trying to get across today. This system is not working, and the bottom line is that children are suffering because of it.

Both parents and my staff have raised concerns about the difficulty of making a complaint. The new system makes the first complaint an “inquiry” rather than a complaint. Parents and even my staff have to be persistent in escalating their issue to a complaint to have it properly investigated. I understand that the CMS cannot utilise the enforcement actions available to it without proper cause. However, I have had through my door numerous constituents who have not received full and proper payments from their ex-partners. Despite that evidence having been shown to the CMS, there is a severe lack of urgency. Parents are required to jump through hoops to get any sort of action taken and to fight their case. That demonstrates the lack of understanding of how important it is for parents with care to receive full and timely payments. It has also contributed to a culture of non-payment, which leads to ironically named “paying parents” not paying at all.
Without wishing to sound dramatic, I believe that the Child Maintenance Service should strike fear into the hearts of parents not making their proper contributions. If the CMS took more seriously its duties to pursue maintenance, parents would perhaps not be allowed to make incomplete, late or non-payments. The UK Government have sanctioned benefit claimants and clawed back supposed overpayments. I would like to see them take an equally enthusiastic approach in ensuring that “paying parents” actually pay.

In addition, parents must pay the maintenance that reflects their income. A major difference between the CSA and the CMS is that parents cannot claim for a variation on the grounds of a “notional income” if parents have assets of more than £65,000 or a lifestyle inconsistent with their stated income. That has removed a vital option whereby parents with care can challenge their ex-partners’ claims.

Furthermore, non-PAYE income such as dividends and rental income is not automatically taken into account when calculating maintenance. I have constituents who know that their ex-partner is earning large sums from rental income, for example, but that is not taken into account, allowing parents to minimise their maintenance payments at the expense of their children. We have to see the CMS take action against non-payment, and a change in the rules is required to ensure that maintenance calculations reflect incomes and that, in particular, wealthier parents with assets support their children.

A closer relationship with Her Majesty’s Revenue and Customs would be welcomed, especially regarding data sharing. A bolstering of the financial investigation unit would also be welcomed. That would ensure thorough investigations into those who are self-employed or have complex financial arrangements, so that they pay the right maintenance. It is not enough simply to add to parents’ arrears; action must be taken to collect the money.

The Child Maintenance Service is at crisis point. So long as that continues, we are allowing parents to avoid their responsibilities to their children. It is a common misconception that it is the receiving parent who is losing out if a paying parent fails to make proper payments, but it is the children who are paying the price. Proper receipts of child maintenance have been shown to lift one in five families out of poverty. If the UK Government do not take proper action to secure children their rights, they will be allowing that to happen. The risk of poverty for children in single-parent households is almost double that for children in a household with two parents. Child maintenance is therefore a vital source of income for those families. Some single parents are working themselves to exhaustion to provide for their children while non-resident parents and the Child Maintenance Service allow them to. The Minister must publish the new maintenance collection strategy with set targets for collection; a dedicated enforcement team focused on arrears collection and the collection of current maintenance; and greater use of enforcement powers.

Before the process of coming under the child maintenance system, a parent must pay a £20 charge, and when they come under collect and pay, receiving parents are taxed 4% of their payments. Responses from Ministers have revealed that that is to raise money to fund the maintenance service and to encourage parents to make family-based arrangements—arrangements between themselves—rather than having an application to the CMS as the default option.

When I tabled a question asking what percentage of those who applied to the CMS were parents with care and what percentage were non-resident parents, I was dismayed to find that those figures were not available. It makes sense to assume that the vast majority of people who make the initial application are parents with care. Many of those parents will be applying to the CMS out of necessity; they will pay the £20 application fee and be taxed at 4% of the maintenance that is collected simply for accessing their rights.

Of those who applied to the CSA, one third had already had a failed family-based arrangement. Although charges may encourage some parents to make family-based arrangements, they can also deter people from going into the child maintenance system in general, leaving them entirely without assistance or recourse. That is particularly true for people on low incomes, who require support the most. Two fifths of receiving parents on direct pay said that they found the application fee difficult to afford; so, too, did half of those on very low incomes. One quarter of receiving parents who moved from direct pay to collect and pay said that they found the 4% collection fee difficult to afford also. Astonishingly, 16% of parents with an FBA said that being unable to afford the fees was one reason why they did not apply to the CMS. Instead of supporting families, charges are taking money out of parents’ pockets, food out of children’s mouths and clothes off their backs—through no fault of their own and all for simply accessing their rights.

Pushing parents out of the maintenance system can leave them without any money at all. Some 29% of former CSA parents with care said that the application fee was a factor in not having an arrangement, and the 4% collection charge influenced 24% of those same parents. The charges are actively deterring people from seeking any assistance at all when they most need it.

One group in particular requires special attention and sensitivity: parents who have been the victims of domestic abuse or violence. Of those who applied to the CSA, half had experienced violence or abuse at the hands of an ex-partner—a substantial group, which must be considered with great care. After a year, about a fifth of receiving parents whose direct pay arrangements had broken down or had not even started said that domestic violence was a factor. In addition, 22% of receiving parents said that domestic violence made it difficult to set up a direct pay arrangement. That shows that so many such parents need maintenance services and need them to be effective. I appreciate that the Government have removed the £20 application fee for these parents; however, the same understanding and approach must be implemented in relation to the 4% collection charge. Those parents cannot be expected to interact in any shape or form with their abusive ex-partners. For most parents, the Child Maintenance Service should not be a default starting point but for such parents it absolutely should. Taking simple steps such as allowing for anonymised direct pay could protect those victims.

When we consider that many parents on low incomes are deterred by charges, forcing those parents to deal with their ex-partners to save money is a danger to their security and wellbeing, and often, I should add, to the
children involved as well. Some parents end up not reporting unpaid maintenance out of fear of reprised attacks or worsened relations. Those parents deserve to be treated with the utmost dignity and respect, and the Government must therefore make urgent provision for that.

Charges can be a barrier for parents and their children. While I believe that parents should seek a FBA if possible, we should not exclude those who have tried and failed. While I appreciate the Government’s need to fund the service, they should not penalise children. In a worst case scenario, the 4% charge should be added on to the 20% charge that non-resident parents incur under collect and pay—they should pay the price for non-compliance, not their children, especially if it can be proven that a FBA is not working or that the paying parent is not making the contributions that they should.

Gingerbread recommends that a means test also be implemented to ensure that those who most need the service are not deterred by the £20 application charge. Taxing children and parents, many of whom apply to the CMS out of necessity because of low incomes or domestic abuse, is not just. They have a legal right to this support, and the Government should not be skimming off the top of what can be a vital lifeline. We must therefore see an end to the 4% tax on maintenance.

I do not want to portray all paying parents as villains. Many pay support for their children both inside and outside of the maintenance service, but the CMS system also penalises them. It is an imperfect system for either parent. Implementing a 25% threshold on a charge in income on paying parents can leave many lower income parents struggling, and allow higher income parents to retain more money that could be used for supporting their children. I agree that having the threshold provides payment stability and ensures that the CMS does not incur large administration costs for changes in income; however, it must be set at a level that ensures a more accurate reflection of parents’ incomes—the 25% rule must be looked at. CMS staff have also indicated to Gingerbread that there has been reluctance to move cases from direct pay to collect and pay because of the high 20% charge. Staff therefore need to utilise other enforcement measures to ensure proper payment. There must be a review of those charges to encourage staff to move cases to collect and pay if need be, and not to be deterred by placing higher charges on the payments of non-resident parents.

Both groups of parents will undoubtedly have had major issues with actually dealing with the Child Maintenance Service. That is one complaint that every parent who comes to my office has in common. The main complaint is that they are passed from pillar to post and every time they call the CMS they are given a new caseworker who has no previous knowledge of their case, requiring the calling parent to provide lengthy explanations of often complex arrangements within a complex system. Staff often provide parents with conflicting information depending on the call handler. One caseworker told a staff member from my office that due to a lack of resources, oral responses were given rather than written responses. That often leads to contradictory information being given to parents by different caseworkers. My staff have said that it is even difficult for MPs’ staff to receive a written response from the Child Maintenance Service. In one instance, it caused one of my constituents to accrue thousands of pounds worth of debts. He was not notified of that over the phone and was only informed in writing several months down the line. However, when letters are sent, and they still are, they can be misleading. The most ridiculous issue brought to my office was when a constituent received a letter outlining his maintenance for his three children. Imagine his surprise—or horror, rather—considering he had only ever fathered two children.

I have already outlined how receiving parents lack awareness as to what options are open to them to pursue maintenance, and that staff are reluctant to enforce action. However, parents who are aware have reported to Gingerbread and my office that they feel they constantly have to pursue the CMS to pursue their ex-partner. Rather than a game of cat and mouse, this is a game of dog, cat and mouse. When we look at how much is spent in total each year on the collection of child maintenance, that is not surprising. From 2013-14 to the forecasted projected spending for 2016-17, the total spent on the CSA and the CMS has decreased by 21%. That reflects what has been heard from staff—that the service is underfunded and unable to deal with its workload properly. As a result of poor customer service, satisfaction rates among both groups of parents have dropped significantly over the years.

“Dissatisfied” would perhaps be an understatement for how people feel about the Child Maintenance Service. Both groups of parents are suffering from the CMS’s administrative and operational inefficiency, which makes any dealings with it unbearable. Complaints are not taken seriously and communication on rights and actions is almost non-existent. I welcome the Government’s reviews, but the CMS is rife with problems, requiring a radical overhaul of how it operates.

With £4 billion of uncollected maintenance, and parents being allowed to renege on their current liabilities, the Child Maintenance Service is failing parents and children. Yes, implementing arrangements to deter and minimise non-compliance are welcome, so long as they do not deter parents with care. What is inescapable, however, is that the best way to secure for children their legal rights is for the Child Maintenance Service to get in there and secure those rights for them.

The Government need to take steps to strengthen enforcement teams to enforce payments and forge a closer relationship with HMRC to see parents’ actual incomes accounted for in maintenance calculations. The UK Government have taken an approach to welfare that promotes self-reliance while shrinking the welfare state. What better way to ensure self-reliance than to ensure that parents pay to support their children? If those children are not the responsibility of the state, they are the responsibility of their parents, who must pay their contributions.

The system of charges needs urgent reform. It is unacceptable for parents who turn to the CMS out of nothing other than necessity to be taxed for doing so. Children should not lose out on a single penny or pound—or shilling, in my memory—due to their parents’ non-compliance. Implementing reforms to abolish charges and collect maintenance properly would benefit parents with care by allowing them to receive maintenance in full and on time, and also provide a lifeline to lift low-income families out of poverty.
A culture of non-payment has developed. Parents are failing to make full and timely payments, because the Child Maintenance Service and the UK Government are lenient—there are no financial penalties. GPs that provide advice to living in single-parent families are at almost twice as much risk of poverty as children in coupled families. The UK Government should protect victims and survivors of domestic abuse, not punish them financially for their inability to engage with their abusive ex-partners. It is clear that the UK Government remain wedded to austerity, in stark contrast with the Scottish Government’s determination to create an inclusive, equal Scotland.

I call on the Minister to follow up on the Gingerbread recommendations. I will not go through them again, but they are easy to access, and there are not a lot of them. They would make a huge difference to parents with care and, more especially, to children. The CMS is insufficient, inefficient and incapable. Our children deserve better.

Mr Peter Bone (in the Chair): Three Back-Bench Members are trying to catch my eye. The Front-Bench speakers cannot start the winding-up speeches later than 12.30.

12.1 pm

Antoinette Sandbach (Eddisbury) (Con): I thank the hon. Member for Motherwell and Wishaw (Marion Fellows) for securing this debate. I should perhaps put on record that I have used the Child Support Agency for the last 13 years. I would liken most of that time to banging my head against a brick wall. I also spent four years as a caseworker supporting parents with their cases, particularly with the Child Support Agency, the predecessor to the Child Maintenance Service, due to my personal knowledge of the procedures.

My experience is that staff are not properly trained. CMS staff in particular, since the move to the Department for Work and Pensions, have no idea what their enforcement powers are, are extremely reluctant to use them and regularly fail to do so. Proper compensation is also lacking when the CMS makes mistakes. I appreciate that the volume of complaints to my inbox about the CMS is relatively small, but that is because the vast majority of 3 million cases are still under the CSA system and have not yet been transferred to the CMS. Given my experience, that is probably a blessing in disguise.

I know that that is not this Minister’s fault. I feel sorry for her, because she has taken over a system that has had systemic failings for years. The fact that £4 billion in arrears is outstanding demonstrates how catastrophically single parents in this country have been let down by a system that was supposed to make collections easier. The hon. Member for Motherwell and Wishaw has ably outlined some of the key problems on which Gingerbread has made recommendations: I will concentrate specifically on avoidance by self-employed parents.

As we know from the Chancellor’s recent statement, a vast number of people are moving to self-employment. Their numbers are growing, particularly among non-resident parents. Self-employment makes avoiding child maintenance easier, and published information that provides advice to non-resident parents on how to avoid paying child maintenance—and frankly, the Government have not stepped up to the plate. It is absolutely scandalous that parents whose legal rights to maintenance for their children have been taken away and given to the state find the state unwilling or unable to enforce those rights. That is not good enough, and in my view, it is discriminatory, because it operates largely against women, as 75% of single parents with care are women. The Government must examine the issue again.

I call for specific action by the Minister. In particular, I echo the calls on “lifestyle inconsistent with earnings”. It is ridiculous to suggest that a parent who might have separated from their partner 10, 13 or 15 years ago should have a detailed knowledge of their financial circumstances. Often, the only evidence available to show the Child Maintenance Service is evidence of a lifestyle inconsistent with earnings. For example, a constituent of mine who left his wife and set up with another partner had a Range Rover and foreign holidays abroad, but was £33,000 in arrears. Eventually, after a long court case, the matter went to a tribunal hearing. The evidence in that case was lifestyle inconsistent with earnings; it is vital that that clause be reinstated.

The Government must consider how much of the CMS should be used to disguise assets. In particular, if someone is self-employed or a director of their own company and makes a director’s loan into the company, that asset is owned by them, and it means that they can take a large amount of money out of the company, but it is not considered an asset for the purposes of child maintenance. That is wrong. It allows abuse of the system, and it is being used a lot. That information should be available from Companies House and Her Majesty’s Revenue and Customs. The issue needs to be examined again.

Further, I urge the Government to consider giving women an enforceable right in the courts where there is an asset threshold. Where that asset threshold is set is a matter for the Minister and her team to decide, but if there are more than £500,000 in assets, for example, that case ought to fall outside the CMS, because they are not taken into account. For example, the family home is exempt from consideration among the assets of the non-resident parent.

It does not take much looking to find past cases in the tribunal system where there have been assets of several million pounds in the form of the family home, expensive sports cars and other high-value items that the CMS cannot take into account because they do not generate an income. That is a convenient shelter allowing high-net-worth individuals to avoid paying for their children. The issue is important. The women involved in these cases have no other way of enforcing their rights. The Government have removed their rights in court, and they need to be reinstated, because so many assets have been excluded from consideration that non-resident parents’ ability to pay for their children is not being reflected.

I mentioned earlier that CMS staff do not know their rights. The CMS is completely unwilling to request data from the Land Registry, for example. I support co-location of HMRC and CMS staff. HMRC should automatically notify the CMS if a non-resident parent’s claim for tax relief increases. If they put in a tax return and are claiming up to the tax-free allowance in income, the CMS should automatically be notified. We should have much more effective data sharing across Government to enable enforcement.
I fought the system as a single mum for eight years. As a lawyer, I thought that I would be able to understand and work the system, but even now that I am a Member of Parliament, we still cannot get it to work. It is really a scandal and a disgrace that lone parents are being let down so badly by a system that allows non-resident parents to manipulate it.

I am grateful for this debate. If, as a Government, we are to be there for everybody, we must support those who are least able to enforce their rights. The fact that their legal rights have been taken away means that the burden and responsibility on the Government are that much greater. Having practised as a barrister for 13 years or more, I know that a judge in the courts would look at these things very differently from the Government. Quite frankly, it is time to give women more rights to take their legal rights have been taken away means that the burden and responsibility on the Government are that much greater. Having practised as a barrister for 13 years or more, I know that a judge in the courts would look at these things very differently from the Government. Quite frankly, it is time to give women more rights to take their legal rights have been taken away means that the burden and responsibility on the Government are that much greater. Having practised as a barrister for 13 years or more, I know that a judge in the courts would look at these things very differently from the Government. Quite frankly, it is time to give women more rights to take their legal rights have been taken away means that the burden and responsibility on the Government are that much greater. Having practised as a barrister for 13 years or more, I know that a judge in the courts would look at these things very differently from the Government. Quite frankly, it is time to give women more rights to take their legal rights have been taken away means that the burden and responsibility on the Government are that much greater. Having practised as a barrister for 13 years or more, I know that a judge in the courts would look at these things very differently from the Government. Quite frankly, it is time to give women more rights to take their legal rights have been taken away means that the burden and responsibility on the Government are that much greater. Having practised as a barrister for 13 years or more, I know that a judge in the courts would look at these things very differently from the Government. Quite frankly, it is time to give women more rights to take their legal rights have been taken away means that the burden and responsibility on the Government are that much greater. Having practised as a barrister for 13 years or more, I know that a judge in the courts would look at these things very differently from the Government. Quite frankly, it is time to give women more rights to take their legal rights have been taken away means that the burden and responsibility on the Government are that much greater. Having practised as a barrister for 13 years or more, I know that a judge in the courts would look at these things very differently from the Government. Quite frankly, it is time to give women more rights to take their legal rights have been taken away means that the burden and responsibility on the Government are that much greater. Having practised as a barrister for 13 years or more, I know that a judge in the courts would look at these things very differently from the Government. Quite frankly, it is time to give women more rights to take their legal rights have been taken away means that the burden and responsibility on the Government are that much greater. Having practised as a barrister for 13 years or more, I know that a judge in the courts would look at these things very differently from the Government. Quite frankly, it is time to give women more rights to take...
nothing against taxi drivers, but their earnings are all cash in hand and they can declare their own figure after their expenses. We need to look at this.

There are also delays in the system. I am now in direct contact with the manager of the system in Northern Ireland. To be fair, contacting him seems to initiate a response, but what about all the other people who are not MPs? What about the mother who is at her wits’ end because she does not have the money to look after her children? I expect—as you and other hon. Members would, Mr. Bone—the same response to mothers like her as there is to us.

Gingerbread has found that

“evidence suggests that decreasing effort is being put by the government into collecting more than £700m of arrears on existing cases... Meanwhile, within the new CMS, a new system of incentives and penalties was intended to prevent arrears arising in the first place. Yet, after almost two-and-a-half-years of full operation, £52.5m has accumulated in CMS maintenance arrears, with almost half of all non-resident parents in the system having some child maintenance debt. And these figures will increase as cases are gradually transferred across from the old system.”

I have also seen cases of parents—I have to say that in all cases they were fathers—who have moved out of the country and got a job abroad. I wonder how we can chase up non-residents of the United Kingdom.

I echo the cry of Gingerbread’s former chief executive Fiona Weir, who said in June:

“Britain’s child maintenance system is contributing to a culture where too many parents think it’s optional, rather than obligatory, to pay their child’s maintenance... The accumulated level of CSA arrears is staggering and completely unacceptable. With analysis showing that one-in-five families are lifted out of poverty by child maintenance payments, this is vital money that parents, and their children, can’t do without.”

She clearly outlined the issue and where we are on it. She went on to say:

“And with the Institute for Fiscal Studies calculating that poverty rates for single parent families will double by 2020”—therefore, the situation will get worse—

“more than ever that child maintenance owed for children needs to be collected by the Government.”

We look to the Minister and the Government to see how best they can do that.

There are also parents who are separated or divorced who come to a financial arrangement, which is an agreement by the two people. It is quite a good system, because by and large they come to a financial arrangement that is equal to what the CSA or the CMS would have arranged. However, I am frustrated, because sometimes the CSA—or, now, the CMS—will pursue those making financial arrangements to see if they can get more out of them. They almost look at them as easy targets and I find that most frustrating.

This issue is continually raised in my office. Just last week, I had a father in my office who has children from a previous relationship. His ex is in a better job than he is and is much better off financially. He has not run away from his obligations to support his children, but there must be a financial equation that is fair and realistic, and that enables everyone to do what they have to do. Fewer than half the eligible families receive child maintenance, an estimated 70% of closed CSA cases involve outstanding arrears, and £52.5 million is already owed under the CMS system.

Communication is also vital. Whenever a lady phones up looking for her CSA payments, I expect the Department to phone her back, so we must initiate a better system, because communication is so important. In the life that we live as MPs in this House, communication—how we relate to and respond to our constituents—is so much of our bread and butter.

I am conscious of the time, so I will finish with this. There are failures that are clear, and these must be addressed, so we must look at the rules, regulations and guidelines that come out of Westminster and consider how we can change them so that the system can work better, whether in Northern Ireland, Scotland, Wales or England. I look to the Minister for assurance that these past debts will be actively sought and that changes will be made to prevent that situation from continuing. With that in mind, we must do better than collecting just 12%.

Mr. Peter Bone (in the Chair): Before I call the last Back Bencher, which will be David Burrowes, let me say that I will now start the wind-ups at 12.33 pm, because this is a Backbench Business Committee debate and we want to make sure that Back Benchers have a chance to speak in it.

Mr. David Burrowes (Enfield, Southgate) (Con): Thank you, Mr. Bone, for calling me to speak.

It is a pleasure to take part in this very important debate. It is a cross-party debate and quite rightly so, because this is a matter of cross-party concern; we all have constituents who have come to us and who are dealing with ongoing concerns about child maintenance arrears. So I congratulate the hon. Member for Motherwell and Wishaw (Marion Fellows) on securing the debate.

In many ways, I will echo the speech of my hon. Friend the Member for Eddisbury (Antoinette Sandbach), who has very personal knowledge of this issue, but I also want to bring to bear my constituents’ concerns. In some ways, this will be a dress rehearsal for the consideration of my ten-minute rule Bill tomorrow, although today’s events may prevent that from happening. Nevertheless, I am sure that everyone will want to wait and consider my ten-minute rule Bill before we finish this Parliament. It focuses squarely on equity and justice.

Let me mention a point of principle on which we can all agree—especially Government Members, as it was very much a creature of Margaret Thatcher’s Government, and we want to follow through on it. It is the principle of parental responsibility, which recognises that we have a statutory child maintenance system and that all parents have continued responsibility to make reasonable contributions towards the upkeep of their children. It is an important principle and it covers all children. Whatever system we have in place, whatever statutory arrangement exists and whatever administrative reasons are given by the Government—convenience, expeditiousness, or whatever—we must not lose sight of the overarching principle of ensuring that the ongoing responsibility of providing maintenance for all children is met.

This process is focused on the children and not so much on the parents. Whether a parent is employed or self-employed, there must be an equity in justice for the ongoing maintenance of children; that is at the heart of
the debate and it must continue to be at the heart of the Government’s actions as they carry out their review. I am not sure what will happen after today’s news, but we are waiting with bated breath for the Government to lay their report before the House after the 30-month review. It was promised in the spring. We are in spring—spring has sprung—and so we look forward to that report being laid before the House, as it will set out the Government’s view. I know that they have an ongoing five-year review, but the 30-month review is of the current system.

Everything is coming together. The Select Committee on Work and Pensions is also conducting an inquiry on the subject, and the Public Accounts Committee has been waiting to do further work on it with the National Audit Office. The spotlight is very much on the Minister; I hope she feels the heat. It may be the case that when previous Ministers appeared in Westminster Hall and before the rest of Parliament in many debates about the Child Support Agency, child maintenance was the main issue in our constituency casework. That is not the case now, but I would not want the Minister to feel in any way that I raised this issue because it has been sorted and that she can tell us all, as I am sure she will, that family-based arrangements are on the up, and there were 70,000 or so in 2014-15: that, as I know from her evidence to the Select Committee, and her written evidence, there is a view that the CMS is performing well, with seven out of eight parents now addressing their child maintenance liabilities; and that things are improving. Nevertheless, I would not want her simply to go away and say that she can move on to all the other areas of her brief, because this issue remains a genuine concern.

I want to draw attention to a constituency case that amplifies my point. There is an issue with arrears. For example, my constituent went through the old CSA system and she battled hard. When people come to us as MPs, they are at the very end of their tether, and they come to us only because they have the wherewithal to do so. They have probably been through trauma and conflict in their relationship and they now have to face further trauma and conflict to try to get the just deserts for their children. Eventually, therefore, they come to MPs; we only see a snapshot of the issues that people face.

Many others have given up. In fact, the Minister may need to reflect on the issue of the £20 fee, to establish whether some people have given up because they see that £20 as money that would be better spent on putting food on the table rather than seeking maintenance—they might have heard bad stories and they might not have the confidence to go through the process.

Although the Minister might say there is some good news out there, we must reflect on the deterrent effect, as Lord Freud did when he said that we would have this review. He said that if there was an impact, particularly on the poorest families, as a result of any changes, we would need to reflect on the deterrent effect. I would like the Minister herself to reflect on it.

My constituent went through the whole process, went to a tribunal and eventually got an assessment, as she knew all along she would. Our constituents know that effectively assessments are being made that are completely out of step with what they themselves know about the lifestyle of the non-resident parent, and that are totally out of step with what that parent is contributing, if they contribute anything at all.

In the case of my constituent, there were accumulated assets of some £600,000, which the tribunal eventually found and which plainly needed to be tapped into regularly to support her teenage son. That has now left arrears of £40,000, but she asks, “Where will that come from?” At the end of the day, will she see that money going to support her son?

My constituent has told me, and I have referred to it in correspondence with my hon. Friend the Minister, that the reality is that the variation grounds that she had been able to rely on have now been abolished. She could rely upon those grounds to get through to the tribunal and eventually to get through that interrogation or inquiry because she was able to get that redress. However, that option has now been taken away from her and from anyone in her position. That rug has been pulled away from them, and so they are very much reliant on, let us say, what is in some ways the “cheap and cheerful” CMS system, but the CMS does not allow—in fact, it actually stymies—redress being pursued through the courts. That redress must be there, particularly in high-value and complex cases, of which there is an increasing number.

My constituent, along with others, is no longer permitted to seek such redress. The reality is that the variation grounds, which allowed for a parent with no apparent income to be treated as having a notional income, have been abolished, and we need to consider whether they should be restored. The issue of jurisdiction is relevant, because it is so limited now within the family courts for child maintenance—dealing with consent orders, and also with top-up payments, but only when there is in excess of £156,000 a year. In all other cases in which the parents cannot agree, this statutory child maintenance system is the only way to seek redress, so we clearly need to consider whether there should, at least, be another option, another way for constituents such as mine, who are not seeing justice, to have the redress they need.

In the case of my constituent, under the current system the non-resident parent would legitimately be able to have a nil maintenance liability. That is the reality. From £600,000 of assets, a £40,000 liability would now be nil. That is madness. It is ridiculous. It does not make sense. It is woefully unfair and goes against the principles that started off the system back with Margaret Thatcher, and now today under the 2012 scheme.

[IAN PAISLEY in the Chair]

We need, therefore, to look at the situation properly. Since 2012, any review or variation of the calculation can take account only of taxable income on the basis of Revenue and Customs data, primarily from tax returns and pay-as-you-earn. Without the opportunity to interrogate through tribunals, we are reliant on that data. In Select Committee evidence, the Minister has said that she is working hand in glove with HMRC. There is now a financial investigation unit amassed with 40 investigators, and she has stated that she is homing in on this challenging area of self-employed non-resident parents. I want to see evidence of that, because in some ways it is too little too late for many people who have been through the system.
It really is not good enough. At the moment, there is the invidious situation for many parents of saying, “You go off to HMRC, to their tax hotline, and there will be an investigation of whether it is fraud”. The Minister needs to reassure me that her investigators will bridge the gap regarding something that is not technically fraudulent but is seriously and scandalously avoiding liabilities. But it is almost too late. The system needs to be front-ended not back-ended, with the opportunity of redress. I hope that the review will bring some of that.

We have had the whole debate about national insurance contributions, and we now recognise the larger numbers of people gaining their income through self-employment. The system does not properly cater for the children of traders, company directors or those with financially complex affairs. I pay great tribute to Gingerbread, which gives the example of a haulier who had his tax return assessed for child maintenance liabilities in a year when he had bought a truck. That truck took away pretty much all his liability—the truck was being put before the children. That is a scandal. It is unacceptable. We must have a system in which we are real as to the situation facing parents today and to their different employments. We do not want to prevent people from being self-employed, but there must be fairness. If we are going to have fairness on national insurance we must have it for child maintenance. I look forward to the Government taking advantage of the Matthew Taylor review to get it right before it is too late for many more parents, with the Minister leading the way.

In conclusion, as time is moving on, we need to see how the £20 fee is affecting poorer families. I ask the Minister to do something about that. I want to reiterate the words of my hon. Friend the Member for Eddisbury and to use the parlance of the Prime Minister: we need to come together to review to get it right before it is too late for many more parents, not just the privileged few.

12.33 pm

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): I was going to say, “You have become young, Mr Bone”, but we have someone else in the Chair. It is an honour to serve under your chairmanship, Mr Paisley. I thank my hon. Friend the Member for Motherwell and Wishaw (Marion Fellows) for securing this important debate. Like those of many Members, my office is being inundated with child maintenance cases at the moment.

The hon. Member for Eddisbury (Antoinette Sandbach) gave a detailed speech that focused on avoidance by self-employed non-resident parents and used her experience as a single mum. I think we all agree with her that lone parents are being let down by the system. The hon. Member for Strangford (Jim Shannon) stated that it is clear that more cases go wrong than right, and he also mentioned that the Child Maintenance Service seems to pursue those who pay and not those who do not, which is a ludicrous situation. The hon. Member for Enfield, Southgate (Mr Burrowes) stated that there must be justice and equity and ongoing maintenance for parents, with the redress they need. He hopes that the Minister will focus on the areas of concern and that there will be a review of the whole system before it is too late for other parents.

There appear to be problems not only with the system itself, but with its operation, and I will begin by speaking about policy and then highlight some constituent cases.

It is clear from the many cases mentioned by hon. Members today that we are all suffering the same; but the parents are suffering even more, so we need to sort this out.

I will give the Minister an overview of what I see are the problems that need to be addressed. Simply put, it is not only unreasonable to charge single parents to access their right to support, it is utterly deplorable. As we have heard, some of those parents are survivors of domestic abuse, and the Government have not even attempted to make exemptions for them. The system has a real potential to create further distress and it is my position and that of my party that the Government need immediately to remove that obstacle for single parents, to protect all children from poverty, regardless of their family situation.

We need only look at the statistics to understand the logic in our argument. Children who live in single-parent families are almost twice as likely to be at risk of poverty compared with children in coupled families. Brutal cuts because of Tory austerity, combined with the rise in living costs, mean that child maintenance matters even more in protecting children from poverty. With no end in sight to the harsh ideological austerity agenda, and with living costs looking set to rise further due to Brexit, the situation looks set to worsen still. If the UK Government are not prepared to take measures such as scrapping child maintenance charges, they cannot claim to be serious in the slightest about dealing with child poverty.

Let us contrast that with the situation north of the border. The Scottish Government continue to prioritise the rights of children. Scottish National party Ministers are introducing a child poverty Bill that will enshrine in legislation targets to reduce child poverty. While we strive ambitiously forward, I hope that Westminster will not work against us. The Scottish Government do not have powers over the child maintenance service, so my colleagues and I urge the UK Government to follow the SNP’s lead. If they are not prepared to do so, then please, Minister, give us powers over the service and we will do something about it. Vulnerable families and the rights of the child must be protected. The Government cannot shy from their responsibilities; they must take urgent action to address the ongoing problems with the service that we have heard about today.

I agree with what everyone has said about Gingerbread. I support its Maintenance Matters campaign, and believe that the Government should immediately scrap the £20 application fee for single parents on low incomes, get rid of the 4% collection charge and make better provision to protect domestic abuse survivors. The charges are grossly unfair to the collecting parent and, in essence, punish them for the other parent’s non-compliance. The charges also create a barrier to accessing the statutory service for those on low incomes, who are arguably those most in need of support. The Department for Work and Pensions’ own evaluation research has shown that about half of those on direct pay and two fifths of receiving parents with a case closing are on very low incomes. Now, 4% may not sound much, but for someone on a low income it really matters. Ministers should be concerned that a quarter of receiving parents who have moved from a direct pay to a collect and pay arrangement say that losing 4% of their maintenance is difficult to afford.
There seem to be major issues with the internal operations of the service too. Recently, my office has seen a huge spike in the number of cases, and, as we have heard today, so have those of many hon. Members. My constituents are turning to me for help because they just do not know who to turn to. Naturally, I am only too happy to help, but I am dismayed that they are having a difficult and frustrating time dealing with the agency directly. A huge part of the problem is that when they call, they are speaking to a different adviser every time who could be in any of the different call centres in different locations across the UK. We are repeatedly told that people receive conflicting information and advice depending on who they speak to.

The service my office has been receiving has declined. On two occasions, I have had to escalate cases out of sheer frustration. It would be expected that my staff would receive the appropriate level of service by ringing the MP hotline, but that has not been the case. We are also not given responses by email—we get them only by letter. That slows the entire process down. Why can we not be given summary responses, confirming what has just been discussed and disclosed by telephone?

I have one constituent case that has gone on for about 18 months. Louise came to me as she felt her ex was hiding money from the CMS, and she could not get it to look into things further. After we got involved, it agreed to escalate the case to the financial investigations unit. Initially she was advised that the timescale might be six months. Then it went to a year, and so on. Parents and MPs’ offices understand that the work is sensitive and secretive, but many parents are just left feeling that nothing is happening. Meanwhile, they are left to struggle on, still not receiving a maintenance payment. Regular contact from the caseworker is essential, even if it is only to say, “No update.” Ultimately, people want to know that they have not been forgotten. The service I received in Louise’s case was appalling. My office must have called about 20 times for an update and never received a call back until we escalated it to a senior level.

Two separate constituents have intimated that the CMS has tried to push the collect and pay method when both parents have been happy with direct pay. Are advisers being instructed to do that so that the Department can make money from collection fees?

Another constituent, John, came to me after receiving a letter about arrears on his account. The arrears were extortionate, as were the proposed monthly payments. When my office and my constituents do not get the service they should, it has a major impact on everyone, especially the children. The Minister simply must act to protect them and to stop the suffering of my and other Members’ constituents.

Ms Marie Rimmer (St Helens South and Whiston) (Lab): It is a pleasure to serve under your chairmanship, Mr Paisley. I pay tribute to the hon. Member for Motherwell and Wishaw (Marion Fellows) for securing this important debate. It is right that parents who are separated or divorced fulfil their obligations to their children and provide financial support. As the hon. Lady mentioned in her opening speech, child maintenance is financial support for a child’s everyday living costs paid by one parent to another once they have separated. It is a vital source of income for separated families.

The Child Maintenance Service is meant to work by assessing a paying parent’s ability to pay, calculating the amount due and, if necessary, collecting and enforcing payment. However, the system has a number of failings—that they have been outlined clearly today—that are forcing more and more children into poverty. Gingerbread, which supports single-parent families, maintains that the Government’s one-size-fits-all approach is placing support for children from separated families at real risk. There is real concern that the CMS, which was brought into effect in 2012, prioritises administrative convenience over the interests of children.

Three charges were introduced: a £20 application fee, enforcement charges for non-payment, and a collect and pay fee for those who ask the service to administer the payments. That is putting off parents who cannot afford the fee from claiming the financial support that their children are entitled to. Under collect and pay, parents must hand over 20% on top of their usual child maintenance amount—we have heard enough about that already this morning. The unfair charges will disproportionately impact survivors of domestic abuse who are unable to have a family-based arrangement and feel that they have no option but to use the service, as they are too frightened to have a direct link to their abuser.

I echo the concerns of previous speakers. The hon. Member for Eddisbury (Antoinette Sandbach) made an excellent contribution using her personal and professional experience. She clearly outlined many of the problems. The charges are a cruel and callous tax on child support. Ultimately, it is the children who will lose out on money intended to support them. Crucially, the application fee can be waived for domestic violence victims—around a third of applicants are given the exemption—but no such exemption exists for the collection service.

It is becoming increasingly clear that the CMS is yet to deliver the modern, fit-for-purpose service intended by the transition from the Child Support Agency system. That system was replaced by the CMS because it was riddled with failings, such as mistakes being made during the assessment process and poor performance. However, the CMS is performing just as poorly, due in part to poor case management and the lack of information and training for staff supplying the service and the lack of information for parents. Those things continue to hamper the CMS’s performance.
Parents on the previous child maintenance schemes are only being invited by the Government to apply to the 2012 scheme—transfer is not automatic. Can the Minister explain why the transfer is not automatic? Recent figures suggest a backlog of £4 billion in uncollected child maintenance payments. Does she agree that that is completely unacceptable? I am sure she does. Can she outline what steps the Government are taking to deal with the backlog?

The money is owed by non-resident parents and has built up over 23 years. Figures show that some 1.2 million resident parents are owed child maintenance. The vast majority of unpaid child maintenance money was accumulated under the CSA scheme, but a further £93 million has already built up under the new CMS system. The Government have failed to increase the incentive for non-resident parents to take responsibility for their children, reducing their children’s incomes as a consequence. Will the Minister outline how exactly the Government are actively pursuing unpaid child maintenance? Will they provide compensation to the families who have been left waiting for their unpaid maintenance?

The National Audit Office said that as of September 2016, there were more than 1.1 million cases of arrears. Although the majority related to the CSA scheme, more than 96,000 were from the new CMS scheme. Since the introduction of the new scheme, the NAO has said that the Department had reduced the number of enforcement actions it is taking. The Government have stated that they are offering parents a fresh start by suggesting that they write off debts to which their children are legally entitled. These are some of the poorest children in society, suffering from incompetence and cuts in enforcement workers and enforcement work. Why do the Government not restore staffing levels, step up enforcement and ensure that the new Child Maintenance Service is obliged to collect outstanding debts?

Child maintenance can make a huge practical difference for single parents. It can help pay fuel bills, buy clothes for children or fund school trips. It can put food in their mouths and clothes on their backs. For particularly financially vulnerable families, including single-parent families on benefits, it can also be the difference between children growing up in poverty or not. The risk of poverty for children in single-parent households is nearly twice that for children in two-parent households. That is particularly important considering that under this Government, 4 million of our children in the UK now live in poverty. Child maintenance alone lifts a fifth of low-income single-parent families out of poverty. When social security is being cut and child poverty is predicted to dramatically increase, it is more important than ever that children do not miss out on such vital financial support. Can the Minister please outline what steps the Government are taking to tackle the increasing levels of child poverty?

One in four families in Britain is a single-parent family, and 1.5 million families rely on Government-run schemes to ensure they get the right child maintenance payments. When child maintenance goes unpaid by a parent, it is our children who lose out. Increasing the barriers to statutory support is an ill-advised move if the Government intend for more children to benefit from maintenance arrangements. I urge the Government to do more to make sure that vulnerable families and children do not lose out from the changes, but benefit from them.

12.50 pm

The Parliamentary Under-Secretary of State for Welfare Delivery (Caroline Nokes): It is a pleasure to serve under your chairmanship, Mr Paisley. I congratulate the hon. Member for Motherwell and Wishaw (Marion Fellows) on securing this important debate. She is certainly committed to this issue. I thank her for the work that she has done in raising the profile of the Child Maintenance Service and for her contribution this morning. I also thank Members of all parties. It struck me this morning that this issue transcends party lines. We have heard from the three main parties in Westminster—

Jim Shannon: And the DUP.

Caroline Nokes: And from my friends in Northern Ireland. My hon. Friend the Member for Enfield, Southgate (Mr Burrowes) raised the question of whether I felt the heat of this issue. I can assure him on this beautiful spring day that I certainly do feel the heat. Members have made me feel it this morning, but, much more importantly, I feel the heat of this issue every single time I open an email from a parent with care who is not receiving the correct amount of maintenance. I also feel it when I receive emails from non-resident parents who raise concerns about the amount they have to contribute and whether arrears that have built up are indeed the correct figure. So yes, I feel the heat. I also concur with what I think every single Member has said this morning: our first thought should be for the children. It is not a question of non-resident parents and parents with care. Their battles, to be frank, are not of interest to me compared with what we feel for the children who need support and maintenance from both parents.

I commented at a Select Committee last year when I was a new Minister—it seems a long time ago—that I wanted to hear about cases, because that helps me to point out to CMS officials where there have been failings and where we could do better. That matters to me, because it matters that maintenance flows to children in as many cases as possible. I said it at that Select Committee and I will repeat it today: I welcome receiving emails from parents with care and from non-resident parents because I need to know—although given this morning’s news, I do not know for how much longer I need to know.

I want to be clear that the responsibility for ensuring that child maintenance is paid on time and in full lies with paying parents. Parents who think they have got away with not paying their maintenance as their children grow up are not cheating the system; they are cheating their own children. The hon. Member for Motherwell and Wishaw spoke of having to think about what she left out when she composed her contribution this morning. I wake up thinking of the children who are not receiving the correct amount of maintenance. The words of my hon. Friend the Member for Enfield, Southgate about a truck being more important than paying maintenance to children will ring in my ears.

The DWP is currently delivering a comprehensive package of reforms to the system, which are intended to encourage and support parents to take responsibility
for paying for their children’s upbringing. Where parents do not meet their responsibilities, the statutory scheme is there to enforce payments.

Hon. Members have rightly mentioned this morning that under the old system the Child Support Agency did not provide the right support to parents and was expensive to run. We know—Members have acknowledged this—that the bulk of arrears referred to accrued under the former CSA. The new system run by the Child Maintenance Service is designed to specifically address some of the shortcomings of the CSA. We have learnt from mistakes of the past. Where the previous system often drove a wedge between parents, the new system is designed to encourage collaboration at every stage. Evidence shows that parental collaboration has a direct positive impact on children’s outcomes such as health, emotional wellbeing and academic attainment. We know that a constructive inter-parental relationship, whether parents are together or separated, will improve outcomes for children.

The new child maintenance options service acts as a gateway to the scheme, ensuring that parents are given the information and support they need to make an arrangement that is right for them, whether that is a family-based arrangement or a statutory one. Our agents receive specialist training to help them to deal sensitively with clients, and tailored support is delivered via phone, live webchat and email. Child maintenance options has helped a quarter of the clients who contacted them to set up family-based arrangements, which we know are better for children in the long term. The number of parents who have made an effective arrangement following contact with the service increased in the first two quarters of 2016, from 82% to 87%.

We know that maintenance arrangements, while important, are one of the many issues that parents face when they separate, so our agents can also signpost parents to a wide range of organisations that can provide specialist support and advice on the issues they may need help with in their relationships.

The charges, which we have heard about this morning, were introduced in 2014 to provide a further incentive for parents to collaborate, and we know that collaboration works in the best interests of the children. Although the service is primarily funded by the taxpayer, the charges contribute a small amount, helping to offset some of the costs associated with providing the service—it is a small amount, in the region of 10%. All the measures are designed to encourage the parents who can to make their own family-based arrangements. It is perhaps inevitable that the families who end up in the statutory scheme will be the ones for whom that is most difficult.

It is important to reflect on that point. Parents who can collaborate do. Those who are committed to working together seldom come within the orbit of the CMS. It therefore follows that the parents with whom we do have contact are the ones who are most likely to have conflict and difficulties. It is true that, as the hon. Member for Strangford (Jim Shannon) said, family-based arrangements are the ideal solution and provide the best outcomes. We do not want parents to have to come within a statutory scheme. However, we acknowledge that that is not always possible.

We continue to use all the tools at our disposal to maintain compliance and recover arrears, but it is inevitable that some arrears will accrue as some parents go to great lengths to avoid their responsibilities. At the end of last year, I visited our CMS centre in Hastings and spoke to both the enforcement team and the financial investigation unit. I was very impressed by their professionalism and dedication, but I was also struck by how difficult their job is. Perhaps it is inevitable in a buoyant employment market that non-resident parents find it easier to change job than when the economy is not so good.

We have heard from various hon. Members that one of the significant problems lies with the self-employed and company directors. It is there that we have the biggest challenges. Both the financial investigation unit and the enforcement teams are determined to do what they can, using the powers already available to them. We can at present make deductions from single-held bank accounts, but not from joint accounts. We are looking at how we can best use our powers to include joint bank accounts. I am very conscious that some non-resident parents hide assets and income within the bank accounts of other family members. We desperately need to address such abuses, which will form part of our arrears strategy, which we will publish later in the spring, notwithstanding my earlier comment about this morning’s announcement.

I promised the hon. Member for Motherwell and Wishaw that I would leave her some time to conclude. I am conscious that I have been short of time, but I have a mass of information that I would like the opportunity to share. My parting shot is this: if we are to have an arrears strategy and an enforcement strategy that really works, we need to be creative and determined to do it. My door is always open to Members who wish to come forward with new and innovative ideas as to how we can best make parents accept responsibility for their children.

Ian Paisley (in the Chair): I call Marion Fellows for about 45 seconds.

12.59 pm

Marion Fellows: Will the Minister please send her notes? In the short time she may have left, will she send the stuff that she was unable to share with us, because we all want to know? None of us here can say that we will be here after the next election, but the issue will not go away. It needs to be addressed.

Question put and agreed to.

Resolved,

That this House has considered the Child Maintenance Service.
Serious Fraud Office

1 pm

Kirsten Oswald (East Renfrewshire) (SNP): I beg to move,

That this House has considered the relationship between the Serious Fraud Office and other agencies.

It is a pleasure to serve under your chairmanship, Mr Paisley. I sought this debate because of concerns about investment losses suffered by my constituents, and because of my related work as chair of the all-party parliamentary group for the Connaught Income Fund. As a newer Member of the House, I am coming fresh to an issue that many longer-standing Members may have considered previously. I make no apology for that. I am also not a lawyer, so I do not intend to get into the legal principles underlying the work of the Serious Fraud Office. However, having participated in a debate in February on SFO funding, I was interested to hear talk of the need to make changes to the legal framework.

I thank the Library for its support. I found its summary hugely helpful in confirming that there is a problem—certainly of perception and possibly also with the balance of the law being wrong. The Library note states:

“The enforcement of law in the field of financial services is surprisingly complicated. It involves a matrix of law and rules overseen by different bodies, agencies or regulators. It often contradicts a ‘common sense view’ of what actually is a crime.”

In preparing for that February debate, I was amazed to learn of what I considered to be the under-resourcing of the Serious Fraud Office. Is £60 million the budget we should be devoting to tackling the most serious acts of fraud, or should there be a significant increase in SFO capacity? In a recent speech, Megan Butler of the Financial Conduct Authority identified that the banking sector alone estimates its financial crime compliance costs at some £5 billion a year. In that context, the annual cost of the SFO seems remarkably low and increasing it seems to be a worthwhile investment.

Some hon. Members here may have helped to put in place the legislative and organisational framework that appears to have so badly failed my constituents and others caught up in the Connaught fund. One of the key issues in the Connaught fund is under way and I look forward to the outcome. However, much information is already in the public domain.

Connaught was an investment vehicle launched in 2008 under the title “Guaranteed Low Risk Income Fund”. Members of a certain vintage, like myself, might recall the Wile E. Coyote cartoons, in which a hapless coyote bought devices from Acme Trading in a desperate effort to catch the elusive Road Runner. The devices inevitably misfired or backfired. Calling a fund that promised a high rate of return “guaranteed low risk” might raise suspicions that it was similar to the sort of product sold by Acme Trading. But the fund did not come from Acme Trading; the “guaranteed low risk” fund came fully signed-off with the Capita brand.

Capita describes itself as the UK’s leading customer, business and professional support services organisation. Indeed, a few years ago, the Ministry of Justice brought Capita in to operate a contract after concerns were raised about the original operators. Capita is known to sit close to the heart—if such a thing exists—of the UK’s financial services sector. Investors would rightly expect officers authorising use of the brand to have a high aversion to reputational risk. They would not expect the name to be allied with an obvious scam.

Unfortunately for investors, the supposedly “guaranteed low risk” fund proved no better a performer than an Acme Trading rocket and it careered right out of control from day one. Four years later, the fund, now rebranded as the Connaught Income Fund, hit the wall, taking the savings of more than 1,000 investors with it, with losses of more than £100 million pounds—less than a third of which has ever been recovered.

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We know the Connaught fund careered out of control from day one, because one of the participants said in the case of Connaught Income Fund, Series I v. Hewetts Solicitors. Mark Cawson QC, sitting as a Deputy Judge of the High Court, stated that in his view passages within the fund’s information memorandum “were suggestive of an intention that the Fund would lend directly to the ultimate borrower requiring the bridging loan.” However, the evidence given in court by Michael Davies, who had been at the centre of the fund throughout its life, was that that was never the intention, “however the IM might have been expressed.”
From the start, the funds went to a single group of companies—Tiuta plc and its subsidiaries. Immediately, Tiuta used some of the funds to replace the group’s past dodgy investments. I hope that the origin of that dysfunctional fund as the product of a highly regulated financial services firm is central to the FCA inquiry. I believe it should also be of interest to the Serious Fraud Office. If it is not, there must be something seriously wrong with the body of law underpinning the financial services sector. Without Capita acting as an operator that boosted the fund’s credibility, it may, like an Acme Trading rocket, never have got off the ground—saving a lot of people a great deal of money and distress.

We know a lot about the operation of Tiuta because of a whistleblower, George Patellis. In early 2011, shortly after becoming its chief executive, he approached the FSA with what he called clear evidence of Tiuta defrauding the Connaught fund. In a recent finding, the Complaints Commissioner expressed doubt about whether at the time the FSA seriously considered whether fraud had occurred. Indeed, the FSA delayed acting on or sharing Mr Patellis’s allegations for approximately 18 months, allowing Connaught to rake in millions of pounds more from investors and to pass them to Tiuta to disappear.

The companies in the Tiuta Group entered administration in 2012 and then went into insolvent liquidation.

When the information given by Mr Patellis was finally passed on, despite the scale of the losses identified by that time, it was not passed to the SFO—it was passed to the City of London Police. It seems that the FSA was very reluctant to do anything that flagged up the case as one of fraud, especially as it had been allowed to continue for so long on its watch. It is now six years since Mr Patellis made his report to the FSA. In those circumstances, the likelihood of any court action against participants in the Connaught scandal being challenged on the grounds of delay must be very high.

When I looked for the detail of the agreements between the SFO and the FCA to cover such circumstances, I was very disappointed at what I found. The SFO website contains a range of codes and protocols with other agencies governing its responsibilities. An agreement with the FCA is not listed. The FCAs’ own enforcement information guide makes no reference to fraud or to a relationship with the SFO.

In 2014, two of the directors of Connaught were disqualified for a combined total of 16 years. The Insolvency Service cited their failure to manage Connaught’s disqualified for a combined total of 16 years. The FCA's own enforcement contains a range of codes and protocols with other businesses.

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if that were highlighted to me. If I have not missed it and it is not there, that strikes me as an omission that must be corrected.

I found the discussion paper on the legal function even more concerning, because it opens the prospect of excluding the firms’ heads of legal function from the SMR. In terms of issues such as the design of investment opportunities and their operation, regulated entities should not have any closed books from the regulatory and enforcement agencies.

It strikes me that we still have some way to go to properly embed a fraud-aware approach into the regulatory framework of the financial services sector. Two ways in which that can be done—I would love to hear the Minister’s opinion on this—are to properly resource the SFO and to create much stronger links between the FCA’s staff and the SFO’s work. I look forward to hearing the Minister’s comments on all those points.

1.15 pm

The Solicitor General (Robert Buckland): It is a pleasure to serve under your chairmanship, Mr Paisley. I congratulate the hon. Member for East Renfrewshire (Kirsten Oswald) on securing this debate. I noted the remarks she made in a debate on an associated issue relating to the SFO in February. I pay tribute to her and to colleagues on the all-party parliamentary group for raising this undoubtedly very serious issue, which has caused real loss for those who invested in the Connaught scheme.

The hon. Lady outlined her concerns clearly, and said that she has already raised them with the FCA. She will appreciate that the Financial Conduct Authority is a separate, independent body, and I am not empowered to comment on its investigation, which is still ongoing and is extremely complex. The fact that many investors are still out of pocket is fully appreciated, and it is understood that certainty is needed about whether they can expect to receive compensation. The FCA will update them as soon as it can, and it is encouraging investors to consider what they can do in the meantime to protect their position.

The hon. Lady raised wider issues about, first, the status and funding of the SFO, and, secondly, its relationship with other agencies that help to police economic crime, misconduct and the sort of activity that, frankly, damages the reputation of financial services not only in the City of London but in the whole of the United Kingdom. I assure her that the Government take this matter extremely seriously, because it pertains not just to economic reputation but to our national security. That is why it was welcome that the Home Secretary announced last year that wider work will be carried out through the Cabinet Office to examine our response to economic crime more broadly. As part of that examination, we will look at the effectiveness of our organisational framework, and the capabilities, resources and powers available to the organisations that tackle economic crime, so it embraces fundamental questions of the type that the hon. Lady asked.

The SFO does vital work in tackling the most serious instances of fraud, bribery and corruption. It is an important part of the UK’s enforcement regime. It is right that questions continue to be asked about the adequacy of the way in which we deal with economic crime and how we can improve it. The hon. Lady was right to ask questions about LIBOR and the sort of activity that took place at the time of the economic crash in 2008. Although it is welcome that a number of people who were involved in manipulating the LIBOR regime have been prosecuted and, indeed, convicted, I agree that more needs to be done. It is acutely incumbent on the Government and the enforcement agencies to ask those questions at all times.

The hon. Lady rightly raised the issue of funding, about which we had a debate in this House not long ago. I assure her that the director of the Serious Fraud Office, David Green, who has been doing excellent work since his appointment in 2012, is satisfied that the funding his office receives is sufficient to carry out investigations and prosecutions. Let us not forget that the blockbuster funding allowed by the Treasury gives the SFO the flexibility and fleetness of foot it needs to mount special and unexpected investigations—it is, of course, very much a demand-led office. I am glad to report that, in recent months, the SFO has yielded hundreds of millions of pounds for the Treasury in the form of new deferred prosecution agreements—most notably with Rolls-Royce and most recently with Tesco, to name but two. I am impressed by and pleased with the progress of the SFO since the appointment of David Green and with how it has focused on the criteria that it has to apply under the governing statute that set it up some 30 years ago.

Briefly, to remind ourselves, the SFO is a relatively small, specialised department that is allowed by law to investigate and, where appropriate, to prosecute cases of serious or complex fraud, which includes cases of domestic or overseas bribery and corruption. Such fraud calls for a multidisciplinary approach and recourse to the legislative powers available to the SFO.

The criteria for case acceptance are strict. The SFO will consider all the circumstances of a case, which include: cases that undermine the United Kingdom’s commercial or financial reputation in general, and the City of London’s in particular; cases in which the actual or potential loss involved is high; cases in which the actual or potential harm is significant; cases with a very significant public interest element; and, finally, new species of fraud. All frauds are serious, causing real detriment to those who fall victim to them, but the criteria rightly set a high threshold that has to be applied by the SFO.

On the way in which the SFO works with other agencies, I reassure the hon. Lady that it has constructive and working relationships with all its law enforcement and regulatory partners. It engages with other agencies whenever relevant throughout the life of a case, right from the development of that case through to its investigation, prosecution and recovery of the proceeds of crime.

Those relationships are supported continually through attendance at various cross-Government working groups and regular bilateral liaison meetings, whether at the senior or operational level, and they are underpinned by memorandums of understanding or operational protocols where necessary. Such structures have evolved over time and in particular since the establishment in 2013 of the National Crime Agency’s economic crime command. The NCA plays a co-ordinating role in a structure of governance that applies to all areas of economic crime, and the SFO plays its part in all the relevant groups to form that collective response.
There are agreed roles and responsibilities, and the SFO investigates a particular species of serious fraud, bribery and corruption cases. At all stages of the assessment, however, reports of economic crime received by the SFO are under review to establish whether the matter falls within its jurisdiction and remit. If the matter is deemed not to reach that high threshold, it is closed and, if appropriate, consideration is given as to whether another law enforcement or regulatory partner may be better placed to develop the information.

Such decisions are made with a clear understanding of the remits of the other law enforcement agencies. The decisions are underpinned by frequent meetings between members of the SFO’s intelligence unit and their counterparts in the NCA, the Financial Conduct Authority and the other law enforcement and regulatory agencies. They meet in order to avoid the inevitable duplication or the conflict that might occur between reports. It will therefore be clear that only one agency is in the lead on any given issue.

We have to appreciate that many referrers—members of the public or others—will approach several agencies with the same matter, so each other’s expertise and capabilities are needed to make real progress with an investigation and to avoid, for want of a better phrase, reinvention of the wheel. That is essential if we are to make proper progress.

In particular, regular meetings are held between members of the foreign bribery clearing house—“foreign” means the involvement of other jurisdictions, which of course includes Scotland—to place potential investigations with the relevant authority. An SFO secondee therefore works with the NCA bribery and corruption intelligence unit, which helps with that process by providing direct access to the assets of the NCA and SFO.

Operation of the clearing house is governed by a memorandum of understanding that was agreed in 2014 and is published on the SFO website. Parties to the MOU are the City of London police, Scotland’s Crown Office and Procurator Fiscal Service, the Crown Prosecution Service of England and Wales, the Financial Conduct Authority, the Ministry of Defence police, the National Crime Agency and the Serious Fraud Office. We need not end there, however, because the MOU is being looked at again and refreshed to ensure that it is as relevant as possible, bearing in mind current challenges.

Another MOU, between the SFO and the Scottish prosecuting authorities, sets out further rules for co-ordination and co-operation between the two bodies. The SFO does not have prosecutorial authority north of the border, but it has investigatory powers over frauds that could be prosecuted in England, Wales and Northern Ireland, so the co-operation with the Scottish authorities is vital.

Those MOUs set out the remit of each agency involved in tackling bribery, in accordance with the agreed roles and responsibilities grid that exists for bribery and corruption cases, and provide a framework for how the agencies will co-ordinate foreign bribery work. That ensures that all credible allegations of foreign bribery with a connection to the UK are properly assessed.

The SFO also takes part in other strategic delivery and working groups, including Project Bloom, which relates to pension fraud and is chaired by the Pensions Regulator, and the Panama papers taskforce announced by the then Prime Minister in April last year. The SFO is a founding member of the joint financial analysis centre, which is an important part of the Panama papers taskforce and was launched in July last year with the NCA, Her Majesty’s Revenue and Customs and the Financial Conduct Authority.

The SFO has invested a significant amount of its intelligence resources into that new joint analytical centre, which is complemented by a dedicated group of officers based within the SFO who manage and develop the resultant intelligence and contribute to the analytical process and the product of it generated by the JFAC.

The SFO also actively participates in a number of Panama papers forums, including the JFAC co-ordination and response group, which provides a platform to share efficiently information and intelligence, agree primacy and co-ordinate joint working. The SFO’s commitment to the principle of joint working has directly benefited numerous SFO investigations as well as an operation with HMRC, supported by the NCA, in relation to serious and complex fraud allegations. There is a referral mechanism; the SFO refers matters to the JFAC as well as being a part of that centre itself.

The SFO does not have its own powers under the Police and Criminal Evidence Act 1984. It carries out searches and arrests with the support of the NCA and police forces and it works with them collaboratively, where appropriate, throughout investigations. That symbiosis is very much a part of the way in which the SFO operates with other organisations.

I take on board what the hon. Lady said about the need further to refine and improve the process. I can assure her that with each year that passes, that is precisely what happens. If lessons can be learned from previous failures or omissions, they are learned and they are used to refine existing memorandums of understanding and existing partnership working to ensure as seamless a response as possible to economic crime. There is much to be done. Much has been achieved, but I accept the spirit of the hon. Lady’s motion: there is more to do.
Future Accommodation Model

[Mr Charles Walker in the Chair]

4.30 pm

Jeff Smith (Manchester, Withington) (Lab): I beg to move,

That this House has considered the Future Accommodation Model.

It is a pleasure to serve with you in the Chair, Mr Walker. I hope that you and other Members had a good Easter recess and are looking forward to an exciting few weeks ahead.

I brought forward this debate because of widespread concern about the way in which the Government are progressing the future accommodation model, the consultation process and the impact that the FAM may have on recruitment and retention by our armed forces. The Ministry of Defence seems to lack a convincing case, other than simply wanting to get personnel out of service family accommodation and into either their own homes or the private rented sector. The worry is that that threatens the practical availability of affordable quality accommodation for service personnel. I hope that the Minister can reassure us about some of the concerns and perhaps give clearer answers about what the FAM will look like.

I thank hon. and hon. and gallant Members for attending today’s debate. I do not intend my opening remarks to be very lengthy, as other Members in the Chamber have much more experience of and knowledge about this issue than I do and I am looking forward to hearing from them. I thought that there might be one or two more Members here, actually, but today’s events have perhaps focused minds elsewhere. The House discussed this issue a few months ago in a half-hour Westminster Hall debate, and I hope that this longer debate gives Members a greater opportunity to express views and the Minister an opportunity to give us some assurances.

During the recent debate on the armed forces covenant, the Minister said that the future accommodation model “is a complex model, and it is a controversial matter. Much of the problem is that we have not had the opportunity to communicate what the options will be in the future, and I am determined to address that.”—[Official Report, 2 February 2017; Vol. 620, c. 1291.]

I hope that this debate gives him the opportunity to do that in rather more detail than we have had so far.

The context of the debate is a long period of dissatisfaction with military housing and what the hon. Member for Berwick-upon-Tweed (Mrs Trevelyan), who I am pleased to see here today, described as a “crisis” in military housing. The Public Accounts Committee found that service families “have been badly let down for many years and are not getting the accommodation service that they have a right to expect” and added that the “current model for providing accommodation for families is not flexible enough to meet the reasonable needs of service families in the 21st century.”

There is a clear need for change, and the Opposition understand that need. We welcome the principle of broadening choice for service personnel and families, but that must include an important role for service family accommodation. Military accommodation is not just about bricks and mortar; the support networks and communities in a patch are absolutely crucial, too.

The future accommodation model is the Government’s response to their commitment to make a new accommodation offer to service personnel. The Government committed in the 2015 strategic defence and security review to “help more Service personnel live in private accommodation and meet their aspirations for home ownership.” They say that the future accommodation model will be based on need, be more flexible and reflect modern demands, which will provide personnel with more choice about the type of accommodation they live in and its location, and help if they wish to buy their own property or rent privately. I hope that we will get some assurance from the Government today that the FAM can deliver those aspirations—we are not yet convinced about that—and, most importantly, that they are taking fully into account the views of service personnel and families.

There is concern that the proposals that come forward may be rushed through without full understanding of the long-term repercussions in terms of cost and impact on retention.

I want to raise a concern about the potential increased use of the private rented sector. Many of us will know from our constituency casework—I certainly know from mine—that that sector causes the greatest problems in terms of affordability, quality and security of tenure. There is real worry about the suitability and affordability of the private rented sector in some of the areas in which it might be needed. Although we understand the need for change, change is sometimes difficult, and we are worried that the future accommodation model is causing significant concern for both personnel and the families federations. There is real concern that the consultation was not carried out satisfactorily—let me put it that way at this stage.

The Armed Forces Pay Review Body’s 46th report highlights the need to maintain a clear line of communication with forces families about the FAM. It states that service families federations “said that honest and clear communication around the implementation of the People Programme strands, especially the Future Accommodation Model, will be essential as housing is seen as a key element of the overall military offer, particularly for the Army.”

Hon. Members will be aware that the Department conducted a survey on the future accommodation model. The sample size was 137,000 and there were 24,302 valid returns, which represents a response rate of just 18%. Of those respondents, 42% had not previously heard of the FAM and a further 19% had heard about it but did not know anything about it. The Government surely cannot claim that a one-off survey to which fewer than a fifth of eligible respondents replied wholly represents the views of the armed forces, and they should not base significant policy changes on it.

I have a few questions. Given that the response rate for the FAM survey was so low, would it not make sense to re-run the survey with more detailed options and try to raise awareness of the future accommodation model ahead of that survey? Can the Minister tell us whether there are plans to run another survey at a later date when there are more details about the model? What is he doing to ensure that he takes into account a more...
representative cross-section of views? If there is concern about the cost of another survey, could it be run as an additional part of the armed forces continuous attitude survey or the families continuous attitude survey, which both had higher response rates last year than the FAM survey?

The Department has said that the FAM is not a one-size-fits-all policy, but as it has been presented so far it treats the three services exactly the same. We know that when it comes to housing, what works for one service may not work for the others. There is a big difference, in particular, between the situation for members of the Navy and that for members of the Army and the Royal Air Force. Army personnel are less likely to own a home—28% are homeowners—than Royal Navy or Royal Marine personnel, of whom 42% are homeowners. Being an owner-occupier makes a lot more sense for Navy personnel, because their jobs are more geographically concentrated and because of the particular housing markets in the areas where they tend to serve. Does the Minister think that a review of accommodation might present an opportunity to allow the individual services greater autonomy to deliver the housing that works for their personnel? Can he tell us whether the Department will let the services make the case for what will work for them, not just apply the new model across the board?

There are real concerns about the consultation, but I am also keen to hear what the Department is doing to examine the potential impact of the options on both cost and retention. On cost, the MOD told the Armed Forces Pay Review Body that “whilst maintaining the total subsidy that Service personnel receive, FAM would deliver around £500 million savings over ten years...this will be delivered primarily through reduced running costs, capital receipts and savings.”

I am interested to know how the Department got to that figure when so few details about how the FAM will work seem to have been finalised. The Department said that “the Future Accommodation Model will not reduce the total pot of money currently used to subsidise housing” and “the rental allowance would be adjusted so that no one loses out if they are required to work in more expensive areas”.

If the total pot is not reduced, there will clearly have to be some redistribution of funding away from some types of accommodation and towards others, particularly if some options are considerably more popular than others. What analysis has the Department done of the likely take-up of different options?

Furthermore, if servicemen and women increasingly move into the private rented sector, there is a strong likelihood of costs going up for either the Department, service personnel or both. The private rented sector is getting more and more expensive, with Savills estimating that rents are set to rise by 19% by 2021. Would a rental allowance rise with rental inflation? Most military personnel spend about 10% of their monthly salary on accommodation compared with civilians, who spend 30% to 40%. Will families see their costs go up, or will the Department make up the shortfall? A significant feature of the future accommodation model is increasing home ownership among service personnel. Of the FAM’s potential options, “Owning away from work” and “Owning near work” both mention the Forces Help to Buy scheme. Will the Minister confirm that that scheme will be extended beyond 2018?

The Army Families Federation’s “Big Survey” 2016 found that, when asked what they like most about service family accommodation, 74% of Army families said that they like living close to other service families and being part of a community, and 66% said that they like having access to service community support facilities such as the Army welfare service and unit welfare staff. We know that living in military communities can be really important for military families, particularly when partners or parents are away.

Similarly, the Army Families Federation asked families about their experience of living off the patch in substitute service family accommodation, and “many commented on the impact of not living in a military community, leaving them feeling isolated and unsecure, sometimes living in a civilian community that did not understand the issues and challenges of military life.”

My worry is that families would face a similar issue in the private rented sector. They would not have the support network that they have on the patch, and the potential impact of that on morale cannot be underestimated; Opposition Members would have real concerns about a move towards greater use of the private rented sector. Those families would also not have the security that comes with service family accommodation. With no guarantees of tenure, landlords can put a property on the market with no warning, and 86% of respondents to the Army Families Federation’s “Big Survey” raised that lack of guaranteed tenure as a negative aspect of renting privately.

Military families with disabled members would have to look for properties that were already adapted or which had landlords willing to make adaptations, whereas SFA properties can be more easily and quickly modified. Perhaps most importantly, given that the Government’s Housing and Planning Act 2016 does not set a standard that all rental properties are required to meet, what are the safeguards against military families ending up in substandard properties?

We know that affordable, accessible housing is a vital component of the offer made to military families. The Army Families Federation’s “Big Survey” 2016 found that, if service family accommodation was reduced in favour of a rental allowance, 30% of those surveyed would definitely leave the Army, and a further 46% would consider leaving. Both the Armed Forces Pay Review Body and the Centre for Social Justice, in a report written by the hon. Member for Canterbury (Sir Julian Brazier), acknowledge that the future accommodation model will necessarily reduce the level of benefits that military families receive now, and are concerned about the consequences for retention and recruitment. Any future accommodation model must balance not just costs but the need to ensure that personnel feel valued and continue to see the armed forces as an attractive career option.

I will try to finish, Mr Walker. I am concerned that the Government are attempting to rush through what could look like short-term savings without considering the longer-term repercussions on the families of service personnel or the future ability of our military to recruit and retain staff. I would like to see improved consultation with individual services on their accommodation needs,
greater scrutiny on the costs of the roll-out of FAM and improved safeguards to ensure that no military families feel isolated or lose out financially as a result of these changes. I look forward to hearing from other hon. Members on this important issue.

4.44 pm

Sir Julian Brazier (Canterbury) (Con): May I say what an honour it is to serve under your chairmanship for the first time, Mr Walker? I congratulate the hon. Member for Manchester, Withington (Jeff Smith) on securing the debate and on his thoughtful and interesting speech.

The House, and indeed the Minister, have heard me speak several times before on this subject, so I will be fairly brief. However, it is worth saying at the outset that we face some quite serious manning shortages in two of our three services. The Army is now 4.9% under strength on paper and, looking at the large rise in the number of people who are still serving but who have been medically downgraded over the past five years, the underlying trend is worse. The Air Force, on paper, actually has a slightly higher deficit than the Army, but the Navy has managed to stay within 2% or so of its target. Retention is a very big factor, but so are justice for, and the welfare of, our armed forces.

I have been a passionate believer in opportunities for home ownership for the armed forces for my whole political career. The only time I went to see Margaret Thatcher when she was Prime Minister—which shows how old I am—specifically regarded a scheme for home ownership opportunities for members of the armed forces; I did ten-minute rule Bills and the rest of it. I will try to set out now why I think the vision for home ownership in the future accommodation model is not quite right. We are essentially talking about a move towards two models—not a complete move, but a move away from service family accommodation as the main model and towards a system of allowances and owner-occupation.

The hon. Member for Manchester, Withington has already mentioned some of the complexities involved. We are not proposing to do as the Australians do, which is a very expensive scheme whereby its Department of Defence takes on houses in a community and all of the legal risks; it does the tenancy, maintenance and all the rest of it, and people move in and out as if they were in service family accommodation. The proposal that has been put forward, as originally announced, would leave people in a position whereby, at most, the Ministry of Defence might find a property, but after that the tenant would be responsible for the tenure, the length of which might not correspond with the length of their tour. If it is a rolling tenancy, they can be thrown out with two months’ notice, and if it is an annual tenure, they will clearly have problems with renewals because their postings will not always tidily fit the years.

Above all, on maintenance, whatever the issues now—I pay tribute to my hon. Friend the Minister for his progress in driving up the quality of what we are getting out of the maintenance contracts from CarillionAmey—the reality is that, for the private sector, people would be on their own. Like the hon. Member for Manchester, Withington, I have had some very bad constituency cases. For soldiers on operations, such as airmen flying in Iraq, if their family’s boiler breaks down or roof leaks and the landlord does not want to know, they cannot go to their commanding officer because Defence would not have a say in it.

The hon. Gentleman mentioned the importance of morale when troops are away, not only on operations but also often on extended exercises abroad and so on. When we still had Howe Barracks in Canterbury, I remember canvassing there and meeting a little boy kicking a football with his friends. His father had just been shot the previous night by a sniper in Iraq. The fact that he was there with all his mates, whose fathers were all subject to the same risk, was an important part of the supportiveness that the military estates provide.

I am also puzzled—I hope my hon. Friend the Minister will say something about this—as to whether we really are serious about moving people out into the community. The places we seem to be moving out of, such as Canterbury, Ripon, Chester and Maidstone, have affordable accommodation in the community and good employment prospects for wives, but we are expanding places like Catterick, and keeping open places like Lossiemouth—for at least 15 years or so—where there is very little of either.

This knocks on to the armed forces covenant. I pay tribute to the work that my hon. Friend the Minister has done on the covenant. One thing to come out of that is that we have persuaded councils to remove the local requirement in the case of service families for housing, so that if a serviceman or servicewoman is serving in an area and does not have a local connection beyond the fact that they have been posted there, they will still be eligible to get on the housing list when they come out. However, as we increasingly focus on super-garrisons, I cannot see how that can continue. Are we really going to say that the council in North Yorkshire, which covers Catterick, will have to take on soldiers from that very large—and further to be increased—base, and that that is suddenly a problem just for the ratepayers in that one small area?

I do not think that a move towards an allowance is a good idea. I do not have an ideological objection to having allowances for some fringe cases, so that we can manage the housing stock more efficiently, and some people would occasionally have to wait for a short time in a hiring on the way in. However, we have debated this before, and I cannot see how a needs-based allowance will deliver this for the officer corps.

We are critically short of young majors, and captains becoming young majors. They are roughly the same age: becoming young majors. They are roughly the same age. They are the people who, in many cases, have not yet started their family, but who are serious about moving people out into the community. They are the people who, in many cases, have not yet started their family, but who are serious about moving people out into the community. They are the people who, in many cases, have not yet started their family, but who are serious about moving people out into the community. They are the people who, in many cases, have not yet started their family, but who are serious about moving people out into the community. They are the people who, in many cases, have not yet started their family, but who are serious about moving people out into the community.

As I said at the beginning, I am a passionate believer in home ownership. I certainly do not believe it is fair at the moment to have a situation where the Army, and to some extent the Air Force, are so gravely disadvantaged. I urge my hon. Friend the Minister to consider that promoting owner-occupation is not the solution for the
Army and the Air Force. It means that if someone is posted in an area where there is no affordable local housing or housing on a scale where large numbers of people could buy it without driving the house prices up, they are then outside it.

If we start to reduce the subsidy for married quarters—as we increasingly did in the last review, when 81% of rents went up—but provide extra allowances for people who are owner-occupiers, the people in service life who suffer least from it are the very ones who will then get the most benefit out of it; one could mention a couple of examples. For example, if someone is living in RAF Waddington, which is one of a very small number of airbases on the edge of a big city—in that case, Lincoln—where there is plenty of spousal employment and plenty of affordable housing, they will be able to do very well out of it. If someone is living in Colchester, they will be able to do very well out of it; that is one of the few Army bases where that applies.

However, the people who are paying the extra rents and losing are those who are living in the Catterick of the world or in Aldershot, where there is lots of housing but it is too expensive for them. It is the people living in remote places such as Lossiemouth or the instructors at RAF Valley and the infantry training school at Brecon. Those are crucial people who do not have affordable housing there, and who in many cases have very little opportunity for spousal employment. They cannot go down an owner-occupier route.

If we want to provide a fair route to getting a foot on the housing ladder, it must not be tied to owner-occupation. It has to be available for a mixture of different tenures, so that if someone happens to be living near a house and at one point in their career lives in it, they can let it the rest of the time. Unfortunately, if someone does that at present, they will be hit by the Chancellor's new landlord tax when they let it.

I know that the Minister is starting to free it up a little, but the rules are still pretty dour at the moment. If someone has taken out a forces help to buy loan, they have to apply for permission to let the house to anybody. Looking at the small print, that is not a commercial risk I would want to take on. So yes to home ownership for getting a foot on the property ladder, but no to tying it to owner-occupation.

I want to reinforce what the hon. Member for Manchester, Withington said and what my hon. Friend the Member for Berwick-upon-Tweed (Mrs Trevelyan)—I am glad that she will be speaking shortly—has been saying for a very long time about the survey carried out on the future accommodation model. For my sins, I am a graduate mathematician, and I worked as a professional statistician. It cannot be said too often that a self-selected sample is not a sample. The problem is not that one fifth is not enough. It is easily big enough if it is a sample, but this is not a sample; it is a self-selected sample, which is very different. If only one fifth choose to fill in a survey, they are not representative. Any polling organisation—I know that one was involved in this survey—should advise that.

I have a print-out here of the first page of the survey website. After the note on privacy at the beginning, the very first words read:

“Service personnel are dissatisfied with the current accommodation system and it is becoming unaffordable, so the MOD is thinking about accommodation options for the future—the Future Accommodation Model.”

From the word go, the scene has been set to encourage people to support change. The current option is not actually given as an option anywhere. There may be more, but on flicking through quickly I found no less than 10 references to opportunity for home ownership. However, nobody says that the number of postings that are near affordable housing will be reduced; that is not mentioned. Nor does it tell people that there will be an extra tax if they buy a property and let it.

Group after group have hints that they will get extra allowances out of this. We are told that it will be extended to the unmarried. There is a very strong case for that, but will it include children from a previous relationship? It will become very expensive if it does. That is not made clear, but that is one group of people to whom it could apply. There is a hint that people might get more help with their mortgages. As we go through, it is suggested that more money may be available for area after area. It does not actually spell out that if the thing is to remain affordable, we will end up potentially with higher rents and other issues for those who are still in married quarters, unless money can be found elsewhere. There is just one comment at the very beginning about this being within a fixed budget. As we go on, we can see why more and more people thought this was nirvana coming.

I will end by saying that I have the highest respect and regard for my hon. and gallant Friend the Minister. We worked together, which I very much enjoyed. I know he is deeply committed to the armed forces. Indeed, he has served for nearly 30 years in what was the Territorial Army. I share his vision that we need to find routes to home ownership for people in all three services; there is a perfectly good one for the Navy at the moment. However, I urge him to think again about whether owner-occupation is the right way for the Army and Air Force and to ask himself whether moving towards a needs-based allowance and away, in many areas, from SFA will maintain a happy and effective Army and Air Force.
not naturally relevant to the free market. The point was well made by the hon. Member for Canterbury (Sir Julian Brazier).

I hope that the MOD does its utmost to provide for armed forces personnel comfortable and appropriate accommodation that is flexible to their needs and those of their family. However, it is also incumbent on Members of this Parliament and of the next Parliament to provide the scrutiny and accountability that is applied to the delivery of this model to ensure that the mistakes of the past are not repeated and that sufficient investment is made in the estate as a whole. We welcome the provision for flexibility in the future accommodation model. I hope that the MOD prioritises working with personnel and their families, along with relevant experts in the field, to explore ways of increasing the effectiveness of its overall delivery.

As I said at the start, the unique pressures of military life mean that pastoral care and stable and fit-for-purpose accommodation are the foundations of strong morale among the men and women who serve in all three armed forces. An army may well march on its stomach, but it fights for something to come home to, and the armed forces. An army may well march on its stomach, but it fights for something to come home to, and the morale of those who use the accommodation most. Countries such as Denmark and the Netherlands have a much more holistic approach to supporting personal and family choices in the military. I can only hope that this is an opportunity to move towards a similar system in the UK.

Ultimately, the armed forces must represent the society that they protect in all its diversity. There must be a solid and sustainable offer to people from all walks of life. That begins with a flexible approach to accommodation and the necessary investment committed in full. The Minister can be assured that those on the SNP Benches today and, we hope, in the next Parliament will continue to hold him to account on that point.

5.4 pm

Mrs Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con): It is an honour to follow the hon. Members who have spoken. In particular, I thank the hon. Member for Manchester, Withington (Jeff Smith) for bringing the debate to the House. As colleagues know, this issue is very close to my heart. It has become, unwittingly, something of a passion for me, because military families have regarded me as the person to come to with their issues. It is lovely to hear filtering through to the national consciousness all the work that we did last year through the Public Accounts Committee and the National Audit Office about the problem of accommodation that just is not good enough for those families’ needs.

Looking specifically at the future accommodation model, I come back to the question that I raised with my hon. Friend the Member for Canterbury (Sir Julian Brazier) made the point—we raised this issue at the time—that it was a leading survey. It was predicated on driving answers that could only say, “I like one of the four new options.” It did not offer those who are married and do not have children and those who are married with children and have served for 20 years plus, who have been through the gamut of the CarillionAmey experience—good and bad, as it often is—the opportunity to say, within the set of four options, “Actually, what we have now is the best option. Although the house is rubbish, the plumbing is rubbish and the windows don’t shut properly, it is still the best option.” That was not in the survey and therefore the Ministry lost the confidence of all the armed forces at that point.

Those who completed the survey did so with a heavy heart. They filled in that blank box, but the Minister has not released the information from that. I will continue to press the Department to release all those data. The excuse given is that that might identify people. Well, we have seen every Department ever remove, with a black pen, things that might identify people. Families who filled in that box would like to see the data published, so that they know that the Department has read and is taking seriously the endless comments—I have seen many of them, because people sent them to me—that said, “But we don’t like any of those four. We would like to stay in service family accommodation, however rubbish it is, on patch, in the community where it is provided.”
I will therefore continue to press the Minister to think about how that information could be published in a way that does not put any individual at risk, and to question whether that survey, in its extremely biased and leading form, was a good enough basis on which to set policy.

There are certain key concerns that families continually raise with me. For instance, will the allowance be taxable? Perhaps it will not be initially, but does not the Treasury always end up finding its way around allowances? There is a real sense of anxiety about the lack of clarity. Will the allowance be adequate? As my hon. Friend the Member for Canterbury said, the cost of housing changes dramatically depending on where people are posted. I understand that the Department is moving towards looking at FAM in two streams, in terms of both mobility and stability. I am very pleased if that is the case. I hope that the Minister can explain to us whether we are now looking at two different types of FAM package for those who have different needs. Those who are in the RAF and will always be based in one part of the country, where their families like to be, will have a different perspective on how this might work for them.

The deepest anxiety, which families raise continually, is: “If we are expected to rent a house or buy a house”—it will be probably be to rent a house—“what if we then move?” As so many Army wives in particular say to me, “Is it so wrong to want to actually live with my husband? Sorry, but am I supposed to be dumped somewhere in Birmingham while he goes off and does stuff? I want to live with my husband. My kids want to see their dad at the end of the day.”

This is particularly relevant to Army families. Unless those personnel are deployed abroad on long postings, they go off on exercise for a few days or a few weeks at a time. They are fundamentally living on patch and taking part in family life. The situation is not the same for the Royal Navy, whose personnel deploy for six to nine months at a time. There is a real concern, particularly among Army families, that it is not understood that this scheme will not support the family unit, but that is vital. As the hon. Member for Dunfermline and West Fife (Douglas Chapman) said, family life is what keeps soldiers, sailors and airmen fighting abroad for their country. They do so knowing that their family is back here; there are certain key concerns that families continually raise with me. For instance, will the allowance be taxable? Perhaps it will not be initially, but does not the Treasury always end up finding its way around allowances? There is a real sense of anxiety about the lack of clarity. Will the allowance be adequate? As my hon. Friend the Member for Canterbury said, the cost of housing changes dramatically depending on where people are posted. I understand that the Department is moving towards looking at FAM in two streams, in terms of both mobility and stability. I am very pleased if that is the case. I hope that the Minister can explain to us whether we are now looking at two different types of FAM package for those who have different needs. Those who are in the RAF and will always be based in one part of the country, where their families like to be, will have a different perspective on how this might work for them.

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Another area of real concern that I would like to raise with the Minister is how the children will cope—or not cope. My hon. Friend the Member for Canterbury has already raised the question of nursery provision and of schooling. We battle on, and the Minister is very supportive in relation to individual cases in which children cannot find a school place when their parents are moved at short notice. That is difficult. Let us say that children are placed, for the purpose of stability, with their non-serving parent somewhere away from where the families are, in a non-military environment. We are seeing already too many cases in which the schools do not know how to support adequately those children whose parents are serving in the military. Quite a few, and I imagine there will be more, now have two serving parents. Those schools need resources, support and understanding.

In my constituency, in the village of Longhoughton, which is next door to RAF Boulmer, we have a primary school that is 80% military children. The headteacher is extraordinary in the way that she adapts the teaching to the children’s needs. She has a direct relationship with the commanding officer of RAF Boulmer so that she knows what is going on. Those children can be well supported, their education can be maintained and stability can be provided even though their parents are doing really difficult jobs. An awful lot of them are coming and going to the Falkland Islands, which is not round the corner—they are off on a long old journey. Teachers who are within the military framework and have lots of military children can provide the stability that those children really need, but if a single child is in a school nowhere near a military establishment we have real problems and see cases of the inability of school teachers to really understand how best to support such children. That is a key area.

Again, our boys and girls will serve our nation and protect us—they love their jobs, are extraordinary people and take incredible risks—but if they feel that their families are not being looked after while they are away serving, they will leave the service earlier than we would wish them to or need them to. We have also invested heavily in their training and, as my hon. Friend the Member for Canterbury said, our numbers are still low. It leads to the question of retention risk and whether the Department has actually done the value-for-money assessment of whether this policy will have a serious impact on retention. All the evidence I see—anecdotal and in more detail from the survey results that have been published—indicates that this is just not robust enough.

We cannot afford the risk of greater loss from that cohort in the middle in particular. They may have filled in the survey and, at the moment, have no kids and quite like the idea of being able to buy their own home—it all sounds relatively rosy in the garden—but if in two or three years’ time they have children and suddenly find that it is really difficult and the framework the Department offers through FAM is not robust enough to support them, we will lose them and that investment. I really challenge the Minister to make sure that we have done the proper value-for-money analysis of whether this is the best way forward in terms of the housing investment we make for those families and future families, so that we do not get this wrong.

On the positive side, because I am hugely supportive of what the Minister does in a very difficult environment, we have seen a move forwards. I was at RAF Boulmer last week catching up with my local team. The move to put into the local rented market houses within service family accommodation that are not presently lived in by service families is interesting. It is starting to happen at RAF Boulmer—the Minister might want to come and talk to them—and is working well and gives flexibility.

The key is to remember that families move. Interestingly, at the moment Boulmer has quite a lot of single young men and two single young women—they are in the mess in the barracks—but if two or three of them were to move and two or three new families to arrive, family housing will suddenly be needed. That continuing fluidity will always be needed. The concern is that if we rent out too much service family accommodation, we will not have the fluidity that we need as individuals move around the country as they are posted. I ask the Minister to bear that in mind, although I support the idea that those houses should have someone in them. That is a
good idea because, as all the work we have done with CarillionAmey and its efforts have shown, if a house is left empty, it deteriorates. We need to invest in them, either by putting people in them and making sure that the kitchen functions and the plumbing works, or by making sure that they are lived in and supported with a CarillionAmey contract, which works. It is getting better—I definitely have less casework than I used to have, so that is good news—but we need to continue to watch over that.

I will leave two questions for the Minister. The conversation suggests that three pilots for FAM will start next year. I think we would have greater confidence if we were to know early on where those are likely to be—which military groups are likely to be asked to test this out—and how long those pilots are likely to run before anyone else is asked to move under this unknown and anxiety-causing part of the Ministry of Defence’s proposals.

Jim Shannon (Strangford) (DUP): It is a pleasure to be called to speak in this debate, Mr Walker. I congratulate the hon. Member for Manchester, Withington (Jeff Smith) on raising this issue. The fact that so much is happening elsewhere in the House explains why the numbers are small for this debate; none the less, the quality of the contributions has been exceptional and everyone has contributed thoughtfully. I am pleased to see the Minister in his place. Every one of us respects the Minister because of the personal service he has done. We understand that, and he probably understands where we are all coming from as well. We look forward to his response, but we also encourage him—in a nice, gentle way—to move towards where we want to be and where he knows we want to be on this. That is the important thing. It is always good to have a Minister in place who understands the issues and can respond to them.

I represent Strangford, which has a very proud service history. Service in uniform is the norm for many in my constituency. I wholeheartedly support those who have served in the past and who are currently attempting to establish a veterans’ centre in Northern Ireland, although that is a topic for another day. The Minister will know about that issue because he had the occasion to meet some of those people a short time ago.

We all know the background to this debate. As hon. Members have indicated, armed forces personnel are entitled to service housing depending upon their circumstances. Some 40% of personnel live in single living accommodation and nearly a third live in service families accommodation. I am particularly taken by what the hon. Member for Berwick-upon-Tweed (Mrs Trevelyan), who preceded me in this debate, said about the demand for education. There is also the demand for health. When we look at accommodation, a lot of other things have to be bolted into that process. This is not just about accommodation and property; it is also about schools and health. All those things come together.

I am fortunate to have had the opportunity to be in the armed forces parliamentary scheme—I did three years with it. That gives us a chance to go and see accommodation and meet the soldiers. When we met the soldiers we got what they really thought, then we met the officers and they perhaps gave a different opinion—somewhere in between was where the mix and the balance was. There was one thing that those soldiers told us over and over again wherever we were meeting them in their accommodation and on exercise. We always asked what the issues were. One of the major issues for those looking at the long term was pensions, but for those who were family-orientated it was accommodation. The issue of accommodation came up again and again, and I believe that indicates its importance to those people.

The Government committed to making new accommodation offers available during the 2015 strategic defence and security review to enable more service personnel to live in private accommodation and look to home ownership. I have a certain sympathy for those who want to gain the opportunity of home ownership and was not aware of the tax that could apply—the hon. Member for Canterbury (Sir Julian Brazier) referred to this—for those who buy accommodation and then rent it out. There is a tax on that, so perhaps the Minister will address that in his response. The future accommodation model has been touted as being based on need, being more flexible, reflecting modern demands and providing personnel with more choice over the type of accommodation they live in, the location and the help if they wish to buy their own property or rent privately.

I commend the Government, and the Minister and his Department in particular, for the Forces Help to Buy scheme. I believe it is a good scheme if done correctly. Many service personnel have chosen to pursue it, and they should have that opportunity. By the way, an issue that came up during my travels with the armed forces parliamentary scheme over the last three years was that of having somewhere to put down roots and the accommodation that personnel wanted. Again, I believe that the Government and the Minister’s Department have moved at least to address some of those issues. I have been made aware that some 9,000 personnel have already bought their own home via the Forces Help to Buy scheme—that is great news—but my concern is that that is nowhere near the number of people who wish to secure their accommodation in the places where they want and that more help is needed. I look to the Minister’s response for how we address those issues and the needs of service personnel. That is what our troops and their long-suffering families need, and that is what I am calling for.

In my three years in the armed forces parliamentary scheme, we visited many camps, mostly RAF, across the east coast of England, as well as in Catterick and Cyprus. The accommodation in some of those places was not up to standard, although the Ministry of Defence was taking steps to address it. It was not just about whether the kitchen worked but about leaking, draughty windows and other bread-and-butter issues that we deal with every day among our constituents. Those issues must be addressed.

When I read the Committee’s report, I was dismayed to see that accommodation remains the issue most reported by far to the families federations. I echo that opinion. The report asserts that the national housing prime contractor is still not delivering to the standard expected and should be held to account. CarillionAmey’s performance this year has been so inadequate that the Public Accounts Committee considered that families had been let down and were not getting the service that
they had a right to expect. Despite some statistics showing recent improvement, the lived experience of too many service family accommodation occupants remains poor, causing stress and frustration. On top of that, it is difficult for families to live apart while service personnel are on duty in other parts of the world. Separation has an impact on families that can lead to other difficulties. The effect on children has been addressed, but there is also an impact on wives at home, and we must consider that forcefully.

If repair services are not at contracted levels, we must question whether the levels set by the MOD are good enough. Furthermore, although we agree with the broad principles and aims of the combined accommodation assessment system, the decision to implement charge increases for most occupants at a time of such poor performance on maintenance was inappropriate, and the roll-out of the CAAS in the UK was far from successful from many families' perspective, due to poor communication and a complex appeal process.

I should declare an interest, in that I served in the armed forces for 14.5 years as a part-time soldier in the Ulster Defence Regiment and the Royal Artillery. The bureaucracy in the Army and the services is mind-boggling at times; my goodness, the appeal process is complex. On poor communication, whenever the opportunity arises, we should ensure that we communicate with personnel and families on an accountable basis. It is totally unfair to charge for accommodation if it is not up to standard. I witnessed some of the accommodation issues that I have mentioned. I understand that there has been a direct commitment to address those issues, which is good news.

The report is a damning assessment. Clearly, urgent changes must be made for the sake of our armed forces families. I understand the need to reduce the estate. I remember the Palace barracks in Holywood, where some of the accommodation, over the years, could not be lived in, because it was not up to standard. That needs to be addressed. The Abercom barracks in Ballykinler are a separate issue, on which the Minister knows my opinion. I believe that that accommodation should be retained by the estate. That is a different issue and not for this debate, but just to put it on record, the MOD should retain at least ownership of that accommodation. Should we have to resort to taking it over again, we can do so.

More can be done on accommodation. We have a duty of honour to provide a home life for those who serve us by giving up their home and risking their life. What has gone before is not acceptable. We must do better, and I remain to be convinced that this model is the way to go. I look to the Minister for assurance. We need more than a hint of help, to use the word used a short time ago; we need concrete proposals that bring change and look after our service personnel.

5.24 pm

Brendan O'Hara (Argyll and Bute) (SNP): It is a pleasure to serve under your chairmanship, Mr Walker. I thank the hon. Member for Manchester, Withington (Jeff Smith) for securing this important debate and putting accommodation for service personnel and their families under scrutiny once again. I feel that a certain announcement made this morning may overshadow what is happening here, but that should not diminish the importance of the message that we are sending out. I absolutely agree with the hon. Member for Strangford (Jim Shannon) that despite the numbers in attendance at this debate, its quality shows how important the issue is to every single Member of this House, regardless of political party.

We as elected politicians have a responsibility—indeed, a duty—to do everything that we can to ensure that our service personnel and their families get the homes that they deserve. As the UK Government are preparing the accommodation model, it is only right that the accommodation should be seen to be comfortable and of an appropriate standard and that the model should be sufficiently flexible to meet our military personnel's needs and those of their families.

The hon. Member for Manchester, Withington discussed the 2015 strategic defence and security review, and he was right to question the practicalities of supplying suitable and affordable housing in areas where it is needed. It is an issue that must be addressed. He also highlighted the failings of the future accommodation model survey and asked whether it could be carried out.

That has been a recurring theme throughout this debate. Several hon. Members have mentioned the future accommodation model survey. The hon. Member for Berwick-upon-Tweed (Mrs Trevelyan), who has been a great champion of our armed forces personnel, spoke out about the faults in the survey, describing it as biased and leading. The hon. Member for Canterbury (Sir Julian Brazier), the experienced statistician among us—that was news to me, but it is always good to have expertise in the room—highlighted the serious problem that the survey was entirely self-selecting and so leading in its questions as to render it almost meaningless.

The hon. Gentleman also questioned the wisdom of moving personnel out of established military communities into areas where housing was not as suitable and perhaps not as affordable, and where job opportunities for spouses were not as plentiful. He has given us much to think about, and so has my hon. Friend the Member for Dunfermline and West Fife (Douglas Chapman), who said that housing is an eternal dilemma for those serving in our armed forces. He was right to say that we in the Scottish National party support in principle much of the content and spirit of the future accommodation model. We will support the MOD in providing comfortable, appropriate accommodation for our armed forces personnel that is flexible enough to meet their needs and those of their families.

We welcome the announcement on the Government's website that the new future accommodation model will be fairer than before, “bringing more choice and helping more people get the housing they need, irrespective of age, rank or relationship status.” Some might argue, with some justification, that it is remarkable that that was not already the case, but in the spirit of “better late than never”, we are pleased that it is happening now.

We welcome the acknowledgement that the current system simply does not work for many families. That recognition is extremely important. The Government must understand that that model's level of understanding cannot apply if the new model is to succeed. The Government's
commitment to providing flexible accommodation through the new model is broadly welcome. If it can become a reality, it will undoubtedly lead to genuine improvements.

However, I say to the Minister that in order to do that, it is vital for the MOD to work directly with our service personnel and their families. It must also speak with experts in the field to ensure effective delivery. Every opportunity to consult and review must be taken, and the key to that must be engagement with the people at the sharp end: those for whose accommodation the model is being established. We welcome the proposal, as I have said, but we also want guarantees that the utmost scrutiny and accountability will be applied to the delivery of the model to ensure that the mistakes of the past are not repeated.

All too often, the Government are behind the curve in planning, particularly now and particularly for issues that relate to our service personnel and their families. The needs of our service personnel and their families should be a key priority. Planning for achieving the right accommodation model must include military personnel and their families in a genuine and meaningful way. When the Government published the most recent SDSR in 2015, they committed to developing such a new model to “help more Service personnel live in private accommodation and meet their aspirations for home ownership.”

As we have heard, the model aims to deliver, from 2018, an approach to accommodation that is more flexible and gives better value for money, both for service personnel and for the MOD.

It is right that the Government recognise that change is needed. In 2016, *The Guardian* reported: “Almost 5,000 complaints were made by service families between March and May this year alone.”

Service families are already under pressure and already have to sacrifice an awful lot. They really should not have housing complaints added to the list of pressures they suffer. It beggars belief that, as the hon. Member for Strangford pointed out, service families have had to endure a housing repair provision that is so poor that the Public Accounts Committee has had to intervene to publicly criticise CarillionAmey for having “failed to meet its key performance indicator of completing 95% of its tasks within the agreed response time.”

Indeed, with just one exception, it failed to meet that target every single month between December 2014 and January 2016. That is simply not good enough. Our service personnel and their families deserve much, much better. The Committee stated unequivocally that “CarillionAmey are badly letting down service families by providing them with poor accommodation”.

As if the cost to the individual were not enough, let us consider the cost to the country as a whole. As the Committee has made clear, “frustration with the failure to undertake small-scale repairs may be driving some highly trained personnel to leave the military, wasting the investment made in them” by the country. Can we really afford to lose highly skilled, highly committed military personnel for what is essentially the want of a washer? The hon. Member for Canterbury made the same point when he spoke about retention of personnel.

Like many other hon. Members, I have many serving personnel in my constituency of Argyll and Bute. Their families make an enormously positive contribution to our local community, day in, day out, and they deserve better than what they are getting at the moment. Let us never forget the jobs that our service personnel do, which are highly skilled, highly stressful and potentially highly dangerous. Trying to maintain normal family life in such circumstances can be extremely difficult, because their families have to move around, they have rigid working hours and they may be away on long periods of service.

This debate is an opportunity to thank our service personnel and their families. It gives us a golden opportunity to do the right thing by them and provide them with a proper accommodation model. Doing so would provide the reassurance that the MOD is learning from the mistakes of the past and would send a very useful signal to other sections of the community from which we hope to recruit. As my hon. Friend the Member for Dunfermline and West Fife said, we ask so much of our armed forces personnel, so the least we can do is give them something worth while to return to.

5.33 pm

**Gerald Jones** (Merthyr Tydfil and Rhymney) (Lab): It is a pleasure to serve under your chairmanship this afternoon, Mr Walker. I thank my hon. Friend the Member for Manchester, Withington, the hon. Member for Dunfermline and West Fife, and my hon. Friend the Member for Argyll and Bute for their presentations. I am sure we all agree across the Chamber that our armed forces need to evolve constantly to meet the security situation of the day, whether that is in their make-up, their equipment or their busing. Labour welcomes the chance to re-examine how we provide accommodation to our service personnel and consider how to make the offer as attractive as possible in order to keep encouraging our best and brightest into a career in the forces. It is vital that the wellbeing of our servicemen and women is a top priority in the changes made, but I am concerned that the future accommodation model focuses more on savings than on what is best for our personnel.

The hon. Member for Canterbury raised concerns that mirror those of my hon. Friend the Member for Manchester, Withington. The hon. Member for Dunfermline and West Fife reminded us of the Public Accounts Committee’s findings on service family accommodation. The hon. Member for Berwick-upon-Tweed asked whether the survey was good enough and stated her opinion that it was a very leading survey with limited choice—I shall refer to that point later. The hon. Member for Strangford highlighted the importance of this issue to us all and related his experience with the armed forces parliamentary scheme and his involvement with serving personnel.

To put the debate in context, voluntary outflow rates for our armed forces are at an historically high level, particularly for jobs with transferable skills such as engineering. In the 12 months to 31 January 2017, more than 7,000 personnel left the armed forces earlier than planned through voluntary outflow. It appears that the overall offer of life in the armed forces is becoming less attractive: this is the sixth consecutive year of pay restraint, national insurance contributions are going up and rents are rising under the combined accommodation
assessment system. It is therefore more important than ever that service personnel feel valued and that they should want to join the forces and stay in them. I will return to that point shortly.

One of the most significant changes made to service family accommodation was the selling off of married quarters to Annington Homes by the Major Government. I was not a Member of the House in 1996, but I am sure that those who were will remember the debate about the sale. Under the deal, the Department retained the freehold, but Annington Homes holds a 999-year lease, with the Department renting the properties back from Annington Homes on a 200-year under-lease. The deal was met with opposition from the Labour Benches; the then shadow Defence Secretary, the former Member for South Shields, said:

“The deal is breathtaking in its short-termism.”

He also said:

“The Government have never seriously attempted to deny the fact that the sale was not concerned with the long-term interests of our service men and women: the scheme was concocted solely to raise finances for the Treasury coffers”.

I understand that a rent review is due in 2021, 25 years after the initial sale, and every 15 years thereafter. As a consequence of that review, as is usually the case, the rent paid by the MOD is likely to increase.

I am concerned that if the future accommodation model is not done properly, we may see history repeating itself and the Government further tying the MOD’s hands. We are now hearing reports that because of poor management of the defence budget to the tune of £1 billion per year over the next decade, the Secretary of State is having to consider cuts to the Royal Marines. The Department has said that the future accommodation model will save it £500 million over 10 years, but we need to see more detail before we can take it at its word.

What we know about the future accommodation model so far is that the Government are fairly clear that they want to get personnel into the private rented sector, as well as promoting more home ownership, but are unclear on the detail of how to deliver that. The proposals laid out in the survey suggest that four potential accommodation models would be available to service personnel, loosely structured around the idea of stability or mobility. My hon. Friend the Member for Manchester, Withington pointed out that there are no details when it comes to costing, except for the saving of £500 million over 10 years that the Department told the Armed Forces Pay Review Body it expects FAM to deliver, primarily through reduced running costs, capital receipts and savings, while maintaining the total subsidy that service personnel receive. However, if nothing has been settled in terms of the model, how can the Department make such a projection? I would be extremely interested to hear from the Minister what type of model that figure was based on and how the Department came to it.

Finally, there is the risk that FAM poses to retention rates. As I have mentioned, voluntary outflow remains high and we need to continue to attract people into the armed forces. Subsidised housing is a significant part of the overall offer, particularly when we consider that housing is becoming less and less affordable across the UK. The AFF survey made it clear that if service family accommodation was reduced in favour of a rental allowance, 76% of those surveyed would either consider leaving or would definitely leave the forces. That should be of great concern to the Government. The combination of a number of factors has created “the perfect storm” for retention issues and if the Government do not get the accommodation model right, they risk exacerbating the situation to a point of serious concern.

In conclusion, we know that in the past the Conservatives have made some rash decisions when it comes to service accommodation and we are concerned that this could be yet another costly example of that, hitting both the public purse and retention rates. The primary focus for a new accommodation model should be a balance between what is good for the service personnel and what works within the Department’s budget. Service accommodation should not be the first thing that gets cut to try to balance the books. The Government need to show that they value personnel just as much as they value equipment, and show that that view is much more than just words and translates into policies that have the wellbeing of our servicemen and women at their heart. I look forward to hearing the Minister’s response and I hope that it will clarify some of the points that have been raised this afternoon about this very important issue.

Mr Charles Walker (in the Chair): I call the Minister. Minister, would you allow the hon. Member for Manchester, Withington (Jeff Smith) two minutes at the end to wind up?
The Parliamentary Under-Secretary of State for Defence (Mark Lancaster): Mr Walker, it is a pleasure to serve under your chairmanship for what I sense will be the last time this Parliament, although we shall see.

I start, of course, by congratulating the hon. Member for Manchester, Withington (Jeff Smith) on securing this debate, which provides us with another vital opportunity to discuss the future accommodation model. It is vital because the welfare of our service personnel is the basis on which we build a world-class armed forces, able and willing to take on the threats and challenges of these volatile times. Getting this matter right is absolutely in all our interests. Let us be honest—we have not always done that.

As I have said previously, nobody is under any illusions that successive Governments’ records on service family accommodation in recent years have been an unqualified success. Indeed, issues with CarillionAmey, which several hon. Members raised today, have been well-documented. Nevertheless, I am grateful for the comments made by my hon. Friends the Members for Canterbury (Sir Julian Brazier) and for Berwick-upon-Tweed (Mrs Trevelyan), and others, which show that there is at least an acknowledgement that we have made progress in recent months. There has definitely been an improvement, but I am not remotely complacent. Much more needs to be done and I reaffirm my previous statement that if CarillionAmey does not perform on its contract, it will be replaced.

Equally, a number of detailed questions were put to me today and I will do my best in the time I have available to answer many of them. As ever, with some of the more technical questions, I will endeavour to write to hon. Members in the shortened timeframe we now have before this Parliament dissolves; I am sure that my officials will work especially hard to try to get those answers for me as soon as they can.

However, I will start by gently making just one point. The hon. Member for Manchester, Withington basically said that he felt this process was being rushed; I would argue that it is anything but. Absolutely no firm decisions have yet been made, and this debate is yet another valuable opportunity for colleagues from all parties to contribute to this process and influence it. We do not anticipate coming to any firm conclusions, or rather that the next Government will not come to any firm conclusions, until probably the end of the year, with a trial not starting until the end of 2018, and a move to a new model will probably not be completed for perhaps 10 or even 12 years. With respect, that is hardly a rush.

The focus of today’s debate is not the past but the future, and in particular our intent to ensure that, when it comes to service family accommodation, we move with the times in a way that is logical and beneficial for all. As our troops return from Germany and we look to rationalise our estate, there is an unprecedented opportunity for us to do just that, by taking the opportunity to modernise the way we provide housing for our people, making it fair, flexible, and affordable.

Our future accommodation model is the mechanism for achieving that goal. Its benefits are not well understood—I accept that—and there are many myths and misconceptions shrouding it. However, before I hopefully go on to debunk the most prominent of those, I should start by explaining why the FAM will be a vast improvement on what has gone before.

Equally, however, in response to the comments from the hon. Member for Strangford (Jim Shannon), I must say that I believe that across the House there is a will to provide a workable, practical and sensible solution for our armed forces personnel. Indeed, this may well be one of the last points of unity that we find over the next seven weeks as we head towards the excitement of the general election in 51 days’ time. As I say, there is a will to try to get this matter right and, although, judging by his comments, my hon. Friend the Member for Canterbury may feel that we are on different sides of this argument, I am not sure that we are. This is all about delivering choice rather than prescribing to our service personnel what they will take. Also, let us not forget that some 20% of our service personnel opt out of the system and get absolutely nothing, which cannot be right.

First, I want to see a system that will be fairer, reflecting the societal norms of the 21st century rather than those of some bygone era. Let me give just one example. Currently, a married senior officer will be assigned a four-bedroom home, even if he or she has no children or other dependents, and will usually pay just £350 to £450 a month for it. By contrast, an unmarried member of the junior ranks, with a partner of 10 years and two children, is entitled to nothing more than a single bedroom in a block. How can that be right? If that service person moves out into the private sector to live with their family, it could cost them well over £1,000 every month.

The absurdity of this state of affairs becomes all the more apparent when one reads the testaments of the men and women whom it affects, such as the Royal Navy sailor who wrote to tell me how he cannot live with his girlfriend, even though they have been in a relationship for several years and have children together, or the couple forced to live apart because they are not married, or the father forced to live as a visitor with his own family. We cannot turn a blind eye to these situations any more. So, under the new model, we are committed to ensuring that provision is based on need.

However, FAM will not only seek to redress inequity but to be far more flexible than the current model, and flexibility is the key. The current model is failing to keep pace with modern life. What our service personnel want today—indeed, what they need—is choice and stability. They want to be given the choice of how to live, where to live, and with whom they want to live, and to be near the schools of their choice, to own their home and to provide their partners with stability and employment opportunities. Currently, however, our personnel must like what is on offer or lump it and, if they choose to go it alone, we cut the purse strings and they get nothing—no assistance, financial or otherwise, from the Ministry of Defence. That does not make sense and it needs to change.

We have made a start, through our forces Help to Buy scheme, which has so far helped more than 10,000 service personnel, but we have to go further. Under the proposals being considered as part of the future accommodation model, service personnel will be better supported to make their own decisions, and will receive our support regardless of where they choose to live.
The final point in this section of my speech is that the future accommodation model will be affordable. The current offer is inefficient and increasingly unaffordable. At present, we spend more than £800 million a year on accommodation, and that is set to rise, but a fifth of the personnel do not benefit from it. FAM will make savings by reducing management overheads, reducing further spending and stamping out inefficiencies. Let me make it clear—in case hon. Members are in any doubt—that savings will not be made through reducing the effective subsidy that personnel receive. This is about doing away with inefficiencies, such as the 10,000 or so MOD properties that currently sit empty. How can it be right for the taxpayer that we have those properties, all of which take money to maintain and currently serve no purpose because they are empty? We now try to rent them out when we can, getting an income that is reinvested, but we must keep a number of them empty, and rightly so, to try always to have ready what we say a service family should live in.

The intent is clear: we want a model that is fair, flexible, affordable and fit for the 21st century. That is our steadfast intention, but exactly how we get there is still being carefully considered and debates like today’s are feeding positively into that. To give just one example, the point has been raised with me before that even though we are moving to a system based on need there should be certain appointments that absolutely maintain a property: a commanding officer probably should have a property that goes with the appointment because of the wider needs of his role. We are looking at the various options to ensure that that is possible but, as I have said, at this stage no final decisions have been made. Nothing is set in stone. Ideas and plans will continue to evolve as we assess policy options over the coming months. Towards the end of the year we should be able to give more certainty about what the future policy will look like, but it will be important to continue engaging with service families to get the detail right, and we will eventually test policy in the real world with several pilots towards the end of 2018. I cannot at this stage give the exact details of what shape those pilots will take, but hope to do so shortly.

Crucially, our people will remain at the core of the decision-making process. We are listening, and will continue to listen, to service personnel, their families, family federations and other organisations. For instance, since we last debated FAM in Westminster Hall in October 2016, the FAM survey results have been published, with more than 24,000 servicemen and women responding and giving us their views on the model, indicating their housing preferences and needs. Hon. Members made some criticism of the survey in their contributions, and I shall attempt to address that, but it is interesting that this did not include cases in which the survey produced information that supported their points. None the less, I agree that it was a self-selecting survey and will be subject to response bias, but that has been recognised in our use of the results, which we have combined with many different sources of evidence. It is, after all, only one source of evidence. We tried to find a balance between giving enough information to inform a response and not putting in so much that we made it too complex. Crucially, I can say, as a statistician, that because of the number of responses, the survey gives a 99% degree of confidence that broadly—[Interruption.] I can see that my hon. Friend the Member for Canterbury is itching to intervene. I have provoked him.

**Sir Julian Brazier:** A sample of 24,000 would give an exceptionally high level of confidence but, as I stressed earlier, this is not a sample—it is a self-selected group. I am sorry, but the claim of 99% just does not stand up.

**Mark Lancaster:** My hon. Friend has made that point twice and I take it firmly on board. I will respond only by saying that the survey is one of several sources of evidence we are using.

It is because of the views of service personnel and suggestions made in this Chamber last October that we have looked in more detail at how personnel should be supported in the private market, at how service families accommodation might be a bigger part of the future model and at how we assess the potential impact on retention and operational effectiveness—matters raised by several hon. Members. Later this year, we will visit garrisons, air stations and naval bases to talk to service personnel about the model, to ensure that they understand what it could mean for them, to inform them of the opportunities that lie ahead and to listen to their feedback.

Much remains fluid as we continue to seek the most expedient solution for all involved but, despite our best intentions, that fluidity has resulted in speculation, concerns and incorrect assumptions that must be quashed, and I turn briefly to those now. First, we are not getting rid of all service family accommodation and single living accommodation. That could not be further from the truth. Single living accommodation enables rapid mobility of personnel, offers good value for money and delivers a unique service not seen anywhere else on the private market. We will keep it. Likewise, we recognise and value the additional support to service personnel that service family accommodation provides.

Decisions on the quantity of retained service family accommodation will be based on the local private market, demand, value for money and operational needs. Those factors will be at the forefront of our minds during the decision-making process. I encourage all hon. Members to go and look at the nearly 1,000 homes we are building around the Larkhill area if they want to see for themselves our commitment to service family accommodation.

Secondly—I said this earlier, but it is a point worth repeating—the £400 million effective subsidy that service personnel as a whole receive will not be cut. Thirdly, just as we do now, the MOD will shield our people from variations in rent across the country. From north to south, be it in Catterick, Northolt, or Andover, service personnel will have access to subsidised accommodation, and will make the same contribution for the property regardless of the geographic location and of whether it is service family accommodation or a private rent. In practice, that means that a service person in Yorkshire will contribute the same as one in Wiltshire, with the difference being covered by their allowance. What is changing is that we will move to a model that, for the first time, provides support to service personnel both in and outside of the wire.

We have had a well-informed and useful debate. Whatever our opinions on the finer points at stake, we should not lose sight of the overriding fact that we all...
share the same fundamental desire to ensure that those who serve us are well provided for. I reassure hon. Members that their views, and those of their constituents, will continue to shape our plans. Working together, I have no doubt that we will engineer a future accommodation model that will provide our people with the greater choice and stability they expect, deserve and need; as I said earlier, something that it is in everyone’s interests to get right.

5.58 pm

Jeff Smith: I thank the Minister for his comments and welcome the fact that he said that this is an ongoing debate and that he is prepared to listen to the concerns. This is an opportunity to influence. I urge him to reflect on the fact that the concerns have come from across the House. They are shared concerns, and I hope he will take that on board.

There are a number of questions that, understandably, have not been answered, and I look forward to receiving some written responses. I thank hon. Members for their contributions and for bringing their experience and knowledge to this important debate. As the Minister said, the debate will continue as we attempt, I hope with some consensus and collectively, to provide a solution that will work for our armed services personnel and of which we can all be proud, just as we are proud of their service to our country.

Question put and agreed to.

Resolved,

That this House has considered the Future Accommodation Model.

Long-term Health Problems and Work Outcomes

[Mr Philip Hollobone in the Chair]

Mr Philip Hollobone (in the Chair): Will Members not staying for the next debate please be kind enough to leave quickly and quietly? We now come to the important subject of the role of employers in improving work outcomes for people with long-term health problems.

6 pm

Craig Tracey (North Warwickshire) (Con): I beg to move,

That this House has considered the role of employers in improving work outcomes for people with long-term health problems.

It is a pleasure to serve under your chairmanship on this very interesting day, Mr Hollobone. The Prime Minister has promised that her Government “will do everything we can to help anybody, whatever your background, to go as far as your talents will take you.”

Today, I intend to focus on what that means for employers of people with long-term health problems and disabilities. In all the very welcome debate about how the Government can best achieve their aim of halving the disability employment gap, the critical role of employers in supporting people to stay in work and, more positively, to reach their potential has been relatively neglected. “Improving Lives”, the Green Paper on work, health and disability, is an excellent foundation to start filling that gap. The Department for Health and the Department for Work and Pensions are to be commended for working in partnership and shining a light on the role employers can play in preventing people from falling out of work through ill health.

Some 83% of disabled people acquire their disability during their working lives. We all know friends, colleagues, family members and constituents who had a job and then suffered a serious health problem. We have seen how, once the shock of diagnosis starts to dull, people quickly ask themselves whether they will be able to keep working and how they will support themselves and their loved ones. When ill health stops someone from working long term, getting back to work can be a key milestone in their recovery and a big step towards them feeling themselves again.

Effective support from employers can make an enormous difference to people’s physical, mental and emotional health and to their chances of returning to work. But sadly, the reverse is also true. Many employers do not create a culture where employees can even disclose health problems. Groundbreaking campaigns such as “Time to Talk” and those run by Heads Together have done much to make it easier for people to speak about their mental health, for example, but too many people are still too scared to speak to their employer and too few employers are ready to respond in the right way.

Research by the Mental Health Foundation last year found that 45% of working people with a diagnosed mental health problem had not disclosed it to their employer in the past five years. Of those who had told their employer, only half reported mainly positive consequences. As one of the people who took part in the research said, “no one is able to say, ‘I have a mental health problem and I can’t come to work today’.”
As co-chair of the all-party parliamentary group on breast cancer, I have heard at first hand how hard many people find it to tell their employer that they have cancer. I suspect that may be even more of an issue for those types of cancer that are more common among men. Research by the charity Maggie’s found that one in five men with cancer find it so difficult to tell their employer that they put it off until they have to leave work to seek treatment. One in 10 do not tell their employer at all. If employees do not feel they can disclose a health problem, employers cannot hope to put in place the right support.

**Jim Shannon** (Strangford) (DUP): I congratulate the hon. Gentleman on bringing this important matter forward for debate. Does he agree that one way of doing it would be for the Government to create an index of employers based on how they support staff with disabilities and health conditions? Companies could be encouraged to consider how best to promote disability inclusion. Further, the Government could look at how employers, legal and tax obligations could be changed to incentivise them to engage more proactively with the health of workers.

**Craig Tracey**: The hon. Gentleman is right, and I will touch on tax incentives later. There are lots of opportunities there. The Green Paper is a good and innovative start in looking at how we can move things forward.

The earlier those open supportive conversations between employers and employees happen, the more effective the support will be. Well-managed employees can focus on their recovery and are more likely to successfully come back to work when they are ready.

**Jo Churchill** (Bury St Edmunds) (Con): By 2035, one in two people will get cancer. In the two short years I have been in Parliament, I can think of perhaps half a dozen colleagues across the House who have had cancer. Cancer is often defined by its survivorship, such as the great work that Macmillan does. Does my hon. Friend agree that a more open dialogue allows people to be helped through that illness—which is not necessarily a long-term condition or a terminal illness—so that they can return to work and enjoy fulfilling careers and supporting their families?

**Craig Tracey**: I thank my hon. Friend for that intervention. I know she speaks from experience. She is a few steps ahead, mind-reading my speech. I will come to the valid point she makes, but I definitely agree with her comments.

Obviously such conditions can have many knock-on effects for families. When someone gives up work for health reasons, their partner will often cut back or stop working to become their carer. That can double the financial impact. Employers clearly have an enormous role to play in the health and working lives of disabled people and those with long-term health conditions. As the number of working people living with chronic health problems grows, the impact employers have on the population’s work and health outcomes—both positive and negative—will grow, too. Around 21 million people of working age in the UK will have at least one long-term condition by 2030. By the same year, the number of working-age people with cancer is set to increase from the current figure of 750,000 to an estimated 1.7 million. Ensuring that employers retain as many of those people as possible and support them to progress their careers will also help the Government to tackle some of the other big challenges facing our society.

The Government’s report “ Fuller Working Lives: a partnership approach” and the recent independent review of the state pension age by John Cridland are both responses to our ageing workforce. Demographic change is sometimes presented as a problem for the long term, but we need to confront some implications now. In five years’ time, there will be 763,000 more people in the UK aged 50 to 64 and 292,000 fewer aged 16 to 49. One in eight people stop working before reaching the current state pension age due to ill health or disability, and raising the pension age will only increase that figure. It is inevitable that as people age, they are more likely to have health problems—half of over-50s have a long-term health problem—but it is not inevitable that so many should be forced to give up work.

More flexible and understanding employers would retain a greater amount of those people, and it would also mean that people would retire with bigger pension pots. The DWP has said that if the average earner worked to 65 instead of 55, they could have more than £200,000 in extra income and increase their pension by 60%. It would also be good for people’s health and the sustainability of the health service. The “Five Year Forward View” for the NHS in England recognises the need for “new partnerships” with employers to help people “get and stay in employment” as part of a “radical upgrade in prevention and public health” to protect “the sustainability of the NHS, and the economic prosperity of Britain”.

I am pleased that the Government prioritised the critical role of employers in the Green Paper, which also makes a strong business case for employers to invest in inclusive workplaces and health and wellbeing. It would reduce the £9 billion direct cost of sickness absence and boost productivity through healthier, more engaged employees. The Green Paper includes welcome plans to ensure that the public sector “leads the way in developing employment practices that allow disabled people and people with health conditions to flourish.”

But it is the Government’s proposals for the 26 million people working in the private and third sectors that could have the biggest impact on work and health outcomes, and it is on those that I wish to focus. The Green Paper asks how those employers could be incentivised to invest in the things we know create healthy workplaces and prevent people from falling out of work. How can we create a culture where people feel confident about disclosing health problems? How can we ensure employers have regular conversations with employees who are off work to agree steps to support their return? How can employers put in place timely access to occupational health and vocational rehabilitation support? The Green Paper proposes sensible reforms to statutory sick pay to ensure that people are not penalised financially by returning to work. It also proposes putting in place a one-stop shop for employers with information on the
different things they can do to support staff and the return on investment they can expect to see from such measures.

While such measures would be welcome, they would not alone bring about the vision set out in the Green Paper of a society where everyone is ambitious for disabled people and those with long-term conditions, where jobs actively support and nurture health and wellbeing and where everyone at risk of long-term absence or falling out of work due to ill health gets early action as needed to stay in or return to work. The Government acknowledge that much more needs to be done.

The Green Paper is a call for bold, ambitious ideas and I understand the response from individuals, charities, employers and others has been very encouraging, with thousands already putting their views forward. That momentum must not be lost. Making progress towards the Government’s vision will bring enormous benefits to working people who live with long-term health problems, and to their families, employers, the economy and taxpayers. My first question to the Minister is therefore how the Government will involve those outside Parliament who have engaged so valuably up to now and have so much to bring to the debate.

My second question relates to one of the bold ideas put forward to rapidly improve the ability of employers to provide effective early support for those at risk of long-term sickness absence. The Green Paper includes a section on group income protection insurance, recognising that it not only provides an income to those who are too ill to work, but also includes vocational rehabilitation and practical support for employers, which together prevents and reduces sickness absence and stops people from falling out of work altogether. Group income protection insurance is purchased by employers, who cover their staff. One virtue of that is that, save for the very highest earners, there is no medical underwriting, which means that insurers do not ask any questions about employees’ medical history or existing conditions. People with health problems are covered at no additional cost.

The evidence is that group income protection is highly effective. The Green Paper cites a report from the Centre for Economics and Business Research, which found that such insurance reduces the length of sickness absence by an average of 16.6%. Research from one provider, Unum, found that seven out of 10 people with serious health problems who used its return-to-work service got back to work with the same employer. The most common conditions for those returning to work were mental health and musculoskeletal problems, which are the two health problems prioritised in the Green Paper.

Currently, just 7% to 8% of employees have group income protection from their employer. The Green Paper states that the Government think group income protection insurance has a much greater role to play. Coverage is particularly low among female workers and those working for small and medium-sized employers, yet both are most likely to benefit from the support it provides. Rates of sickness absence and disability are higher among female workers than men, yet for some reason employers fail to protect them in equal numbers.

SMEs are less likely to have experience of managing someone with a serious health problem or to have access to human resources, occupational health or vocational rehab expertise. As a former small business owner myself, I know what an impact it has when one of a small team needs to take time off. I know how difficult it can be to try to support an employee with a long-term condition, while also meeting legal obligations and keeping a business on track.

In my role as chair of the all-party parliamentary group on insurance and financial services, I have received representations from across the sector that make the case for tax incentives for employers to invest in group income protection for their staff. Insurers, their trade bodies and employers, through EEF, make the case that a tax incentive for employers would be the most effective way to increase coverage. They argue it would raise awareness of the benefits of providing the insurance, would act as a signal from the Government that group income protection is something good that employers should consider investing in, and would stimulate demand for and supply of this insurance.

Working with its members, the Association of British Insurers has produced an economic evaluation highlighting the gains to taxpayers if a modest incentive increased coverage. Fewer people would fall out of work or would require state support. Those in work and those who were too ill to work and so receiving an insured income would continue paying taxes on their salaries. Will the Minister explain how the Government intend to support a much greater role for group income protection insurance? Are they minded to consider the case for a temporary tax incentive for employers, particularly SMEs, to invest in it?

The Green Paper vision is rightly ambitious and I am sure it will have broad support from those inside and outside the House who follow the debate. The Green Paper talks of a 10-year plan to achieve that, but there is clearly potential to make great strides in a much shorter timeframe. The Government can take action now that will make a huge difference to the lives of working people with long-term health problems, their families, employers and the taxpayer.

Janey, a solicitor who shares her story in a guide from the British Heart Foundation, was 35 when she was diagnosed with a serious heart condition after giving birth to a baby boy. Janey’s employer communicated with her and together they agreed a successful plan so she could return slowly and steadily to her job, starting after a long absence on a two-day week and building up to four days a week over six months. She got back to work doing longer hours, but always making sure she was home in time to be with her son. That is the kind of positive experience we want everyone to have. So my final question is how the Government will measure success in delivering their vision. What are their top priorities in supporting employers to improve the work and health outcomes of people with long-term health problems?

I welcome the Government’s approach to this important subject. There are some exciting opportunities for innovative solutions to help those with long-term problems to remain in work. I look forward to the Minister’s response.

Mr Philip Hollobone (in the Chair): I know we are talking about long-term health issues, but I can see that the Minister is in some discomfort with a short-term health issue. It would be perfectly in order if she would like to give her speech sitting down.
The Minister for Disabled People, Health and Work (Penny Mordaunt): Thank you, Mr Hollobone. It is a pleasure to serve under your chairmanship. I shall start standing, but will take you up on your kind offer if it becomes too much.

I congratulate my hon. Friend the Member for North Warwickshire (Craig Tracey) on securing this debate on a critical issue that faces the country, at an opportune moment, with the Green Paper consultation having just finished. I also thank the hon. Member for Strangford (Jim Shannon) and my hon. Friend the Member for Bury St Edmunds (Jo Churchill). We have had a lean but fit debate, and I thank them personally for their contributions.

As has been stated, the Department for Work and Pensions and the Department of Health published the “Improving Lives” Green Paper in October last year, to start a national discussion about how we can support more disabled people and people with health conditions to get into work, stay in work and have full and fulfilling careers. The consultation ended in February and we have received a huge response from a wide range of employers, disabled people, people with health conditions and organisations with an interest. I thank Members who held events during the consultation period, and healthcare professionals who have also responded. We are now taking stock of what we have heard and will decide the next steps on this important agenda.

In moving forward, we want to continue working with stakeholders—that includes employers—to build on those contributions to the debate and to keep the momentum going. It was always going to be tricky to give my hon. Friend satisfaction about exactly when a White Paper would appear; it is even more tricky bearing in mind announcements made earlier today. I can assure my hon. Friend that we are now taking stock of what we have heard and will decide the next steps on this important agenda.

Let me focus on the case for employer action. It is clear that there are compelling reasons for employers to take action on health and work. Employers who invest in inclusive workplaces and in the health and wellbeing of their staff can expect wider access to talent and skills, improved engagement and retention of employees and consequential gains for the performance and productivity of their businesses, reduced sickness absence and also reduced presenteeism, which is an issue, although it is not often spoken about. They will be more able to capitalise on the purple pound’s nearly £250 billion of spending power in this country because of the insight that their workforce will have.

Employers will increasingly need to help their employees remain healthy and manage their conditions if they are to benefit as much as possible from the skills and experience of our ageing population, which my hon. Friend the Member for North Warwickshire referred to. Older people will make up an even greater part of the workforce in the future. In the next five years, it is estimated that the number of people aged 50 to 64 will increase by 800,000, while the number of people aged 16 to 49 will fall by about 300,000. We know that older workers bring great benefits to businesses by drawing on their knowledge, skills and experience, and can help businesses to remain competitive.

My hon. Friend the Member for Bury St Edmunds spoke about cancer, which is becoming a chronic condition. Although we are living longer, we are living more years in ill health. There is clearly a correlation between our ageing population and the increased prevalence of long-term chronic conditions and multiple health issues, so this is an incredibly important agenda for the nation.

Jo Churchill: Cancer is often referred to as a generic, but various forms present very differently. The TUC has a great campaign called Dying to Work, which is driven by someone with metastatic cancer. They have a limited lifespan, but they want to carry on working. That is part of this agenda. If a person feels fit and able, whatever their condition, the Government should be doing all they can to encourage them.

Penny Mordaunt: My hon. Friend makes a very good point. Part of the importance of the Green Paper is that it tries to push the concept of work as a health outcome. Whatever someone’s circumstances, meaningful activity is a key part of keeping them healthy, and it benefits their emotional wellbeing.

We can already move forward with many of the things we trailed in the Green Paper. The one-stop shop will not just be a passive repository for Government information to support employers, but a shop window to the third sector and other organisations that can provide the expert, bespoke support that employers want. If, for example, a business has employed someone with autism, it will want expertise and expert advice, so we want to move forward with that immediately. The Disability Confident scheme is gathering pace, and there are many other things we can do to improve services, such as Access to Work.

On the issue of statutory sick pay and income protection, through the consultation we have been exploring how employers can actively promote health and wellbeing and manage sickness absence, including whether statutory sick pay should be reformed to better enable supportive consultations and a phased return to work. We also know that group income protection insurance, which offers preventive programmes, wellbeing services and income protection elements, can offer benefits and has the potential to help employers retain disabled employees and those with health conditions.

Analysis by the Centre for Economics and Business Research indicates that long-term absences among employees who have access to and use early intervention and rehabilitation services tend to be nearly 17% shorter than those among employees who do not. We want employers to do more to invest in their employees’ health and wellbeing, and thereby to reap the benefits that such investment brings. That includes actively considering whether group income protection could be part of the answer in promoting the health and wellbeing of their workforce. That was a key focus of the Green Paper, and we want to focus on it as we go forward.

We welcomed the responses to the consultation, in which we asked questions about the role the insurance sector should play in supporting the recruitment and
retention of disabled people and people with health conditions. We also asked for feedback on the barriers and opportunities for employers of different sizes when adopting those insurance products for their staff. In particular, we asked why larger employers are not making better use of such protection schemes, and how take-up among SMEs in particular can be encouraged. We are now reviewing the full range of opinions expressed in the consultation, and we look forward to continuing to work with the industry to consider how those barriers can be overcome. We will consider what role the Government might play in reducing those barriers to take-up, and what the industry might need to do. We welcome offers to continue to work with the Government on these issues to encourage wider employer action to help employees stay in or return to work.

A number of health trials are going on at the moment, and we wish to run further trials with our innovation fund. Many of them touch on the incentives for employers to make the investments and follow good practice in their workplace. For example, one trial is introducing a wellbeing premium—a reduction in local business rates provided the business puts in place particular things to support the mental health and emotional wellbeing of its staff.

As we explore what works and what is good practice for employers, we need to remember that we are already asking employers to do a lot. They have done a lot on pensions, and some of them are doing a lot on the apprenticeship levy. Those are really good things, and businesses clearly see the merits of investing in them. We must also bear in mind that we want employers to create jobs, so we have got to get the balance right. That is why I think this is one of the interesting parts of the Green Paper consultation and the White Paper that will follow.

It is important that any efforts to improve opportunities and outcomes for disabled people and those with long-term conditions also focus on mental health. Only one in three disabled people with a mental health condition is in employment, and 49% of the 2.4 million employment and support allowance claimants have a mental health condition as their primary condition.

In January, the Prime Minister announced the first steps in our plan to transform the way we deal with mental health problems at every stage of a person’s life—not just in our hospitals, but in our classrooms, at work and in our communities. An important strand of that plan is to support mental wellbeing in the workplace. That is why Dennis Stevenson, who has campaigned for a better evidence base for mental health for many years, and Paul Farmer, the chief executive of Mind, have been commissioned to review how employers can better support all employees, including those with mental illness or poor wellbeing, to remain in and thrive through work. They are considering best practice across the full range of employers, and engaging with individuals with lived experience. They will present evidence and recommendations for employers and the Government to consider.

My hon. Friend the Member for North Warwickshire made a point about measurement, which will clearly be a focus for us as we bring forward our ideas in the White Paper. Although we will continue to report the labour market statistics and look at the disability employment gap and other such numbers, we need locally driven solutions in health and employment services and education, so we need to focus on the current unmet need, whether in healthcare or employment support. By looking at the local numbers and getting local ownership so the different stakeholders can wrap support around the individual, we will get really good things to happen at a local level. That is what we need to enable and encourage—so expect some of those targets, which will look at the actual numbers, and formulas surrounding the disability employment gap. Once again, I thank my hon. Friend for securing this important debate and all hon. Members who took part in it.

Question put and agreed to.
Royal Institution of Chartered Surveyors: Property Act Receiverships

6.29 pm

Jo Stevens (Cardiff Central) (Lab): I beg to move,

That this House has considered the regulatory role of the Royal Institution of Chartered Surveyors in Law of Property Act receiverships.

It is a pleasure to serve under your chairmanship today, Mr Hollobone. The Royal Institution of Chartered Surveyors is the professional body that accredits some 125,000 professionals in the land, property and construction sectors worldwide. The RICS banner slogan is “Confidence through professional standards”, and a mission statement proudly announces:

“We regulate and promote the profession, maintain the highest educational and professional standards, protect clients and consumers via a strict code of ethics, and provide impartial advice and guidance.”

That statement embodies the key principle that although a professional body has responsibilities to its members, such as setting standards, training and interpretation of legislation, its overriding responsibility is to the public at large—its members’ clients and customers—to provide assurance and confidence that RICS members are behaving entirely professionally to those third parties.

Self-regulation, which is what that represents, leads RICS to its immediate conflict of interest. On the one hand, it represents the interests of members, who fund the organisation; on the other hand, it has an overriding responsibility to the public at large. The issue becomes how RICS manages that conflict and whether RICS is achieving the appropriate balance in judging the actions of its members. That is the crux of what today’s debate is about.

RICS, naturally, claims that everything is in order. On its website it states:

“We assure competence and enhance our professionals’ status by providing confidence to consumers and markets”,

and:

“We are proud of our reputation and we guard it fiercely, so clients who work with an RICS registered professional can have confidence in the quality and ethics of the services they receive.”

No self-regulator will ever say otherwise, but the question is whether RICS is delivering on that commitment in practice. Unfortunately, in the experience of my constituent Mr Shabir and many others, the answer is emphatically no.

RICS has entirely misdirected itself in Mr Shabir’s case and should issue a revised decision that accords with RICS’s mission statement and the facts of his case. A further concern to me is that public pronouncements by RICS, specifically those made to the Select Committee on Business, Innovation and Skills under the chairmanship of my hon. Friend the Member for West Bromwich West (Mr Bailey), seem wholly virtuous and bear no relationship to RICS’s interpretation of its own standards when it responds to complaints such as those of Mr Shabir.

Turning to the Law of Property Act 1925, it is unfortunate that although the LPA or the relevant mortgage deed provides for a lender to appoint a receiver, section 109(2) of the Act defines the receiver as the “agent” of the borrower. That creates an immediate conflict, since a bank or other lender, when faced with claims of unreasonable behaviour on behalf of the receiver whom it has appointed and whose remuneration it has agreed, will shelter behind the fact that the receiver acts as the agent of the borrower. Most commentators acknowledge, however, that that is not the reality. The receiver’s first and often only loyalty is to his appointer, and the impecuniosity of the borrower, often as a consequence of the very actions of the bank or other lender, will deny the borrower the ability to defend himself. In such circumstances—for example, when a RICS member is acting in, or in association with, a receivership capacity—it is essential for RICS to set the bar for acceptable behaviour at the very highest possible standard.

On 16 September 2015, I led a debate in Westminster Hall about the case of Mr Shabir and that of Alun Richards, a constituent of my hon. Friend the Member for Ogmore (Chris Elmore). I will not repeat the details of the case, but in summary, as a consequence of the financial crash in 2007-08, Lloyds bank took the opportunity to reassess its relationship with customers who were borrowing large sums of money at low rates of interest above base. Those customers were known as fine margin customers. Faced with the significantly increased costs of funds in the money markets, Lloyds sought to improve its position by eliminating fine margin customers from its portfolio. The mechanism to achieve that was systematic down-valuation of a customer’s property in order to engineer a shortfall in the key loan-to-value ratio. Once that term was breached, Lloyds could pass the customer in question to the Bristol recoveries department—from which it was confirmed there was no escape—and resist all proposals for restructuring.

The Bristol recoveries department was in effect the graveyard of Lloyds, because no business came out of it alive. It has become infamous as the centre of the malpractice and it has dealt with cases from all over the country. Once a business was with the recoveries department, receivers were appointed. They then eliminated the customer and met Lloyds’s objective. Any shortfall for Lloyds was met by the Government under the taxpayer bailout arrangement. To add credibility to that manoeuvre, Lloyds needed the support of a professional firm with apparent independence and full RICS endorsement. In Mr Shabir’s case the firm was Alder King, which had at one time been owned by Lloyds. The advantages to Alder King were all too obvious: a significant source of extremely profitable consultancy and receivership work, much of which was unnecessary and would not normally have arisen were it not for the position that had been artificially created.

Kevin Brennan (Cardiff West) (Lab): I congratulate my hon. Friend on securing the debate. I give her my full support. What she is presenting is the tip of the iceberg. I cannot name a constituent of mine in a similar case because he wishes to remain anonymous, owing to confidentiality agreements negotiated around the malpractice. Suffice to say, he is a victim of exactly the same kind of malpractice by Lloyds as she is describing.

Jo Stevens: My hon. Friend is right. We have the names of people who have been affected, but many cannot identify themselves because of gagging agreements in the settlement of disputes.
As far as Mr Shabir and others similarly affected are concerned, the Lloyds manoeuvre was not simply an esoteric exercise. The practices employed have destroyed perfectly viable businesses and sources of livelihood for their owners—Mr Shabir had a business worth about £10 million. Recognition of such practices is widespread, including in the Tomlinson report and the financial press, and there is much sympathy for those who have suffered financial loss. Redress, however, remains elusive, not least as a consequence of the prohibitive cost of litigation. This really is a David against Goliath situation.

At a time when RICS’s support might be decisive, it remains in denial about the malpractice that lies at the heart of this matter. What, therefore, was the malpractice?

Mr Jonathan Miles, a partner in Alder King, was embedded in the Lloyds recovery department in Bristol. He was given a Lloyds email address, telephone and business card, and his true identity as a partner in Alder King was concealed. Mr Julian Smith, another Alder King partner, was not only instructed to do the valuation of Mr Shabir’s business—in reality, the down-valuation by Lloyds—but appointed receiver over his property. Mr Smith had significant involvement with Lloyds and he, too, was provided with a Lloyds email address and had access to confidential customer data. Disturbingly, RICS has confirmed that during that whole period Mr Smith was on a part-time secondment to Lloyds. That is about as obvious a conflict of interest as we will ever see. Mr Smith was acting as judge, jury and executioner.

The terms of those involvements—in particular Mr Miles’s full-time secondment, which lasted several years—were to act in an executive capacity within Lloyds. The relevant financial arrangements have never been disclosed, which raises doubts about whether they even existed. In that executive capacity, Mr Miles was threatening customers, making receivership appointments to his own firm and signing completion documents as a senior authorised Lloyds official. The valuations produced by Alder King were up to 50% less than comparable valuations produced by valuers with a national profile. Furthermore, once appointed, Mr Smith acted in blatant disregard of Mr Shabir’s interests. Mr Shabir has been left with arrears of rates, service charges and utilities’ services, some of which have become the subject of county court judgments against him. An attempt was even made by Alder King to sell one property from Mr Shabir’s portfolio to Mr Julian Smith’s personal assistant at Alder King.

It goes without saying that each of those matters appears to raise serious concerns when placed in the context of RICS’s literature and professional standards. Naturally, therefore, Mr Shabir made a complaint to RICS. That was on 29 June 2011. It drew an extraordinarily disappointing response, which contained a list of reasons for doing nothing and, in particular, a denial that the issue had anything to do with ethics and conduct. A second approach in July 2011 did not even attract the courtesy of a response, and a further approach in April 2014 led to completely inconclusive dialogue for five months. RICS finally agreed to receive a formal presentation on 13 November 2014, but although all the complaints that had been given in were evidenced, three months passed, and in February 2015 RICS concluded in a letter to Mr Shabir that

“there is no evidence of misconduct by Alder King or the members in question”.

The letter also added that the matter could be referred to an independent reviewer—appointed by RICS—to review RICS’s procedures, but not the actual decision.

As might be expected, the issue of conflict of interest features widely in professional standards literature published by RICS. Doing something that secures an unreasonable pecuniary advantage to the detriment of others is so obviously irregular that there is not even any reference to it in that literature. On 4 March 2015, RICS’s public position was defined by Ms Eve Salomon, then chair of RICS Regulation, in evidence to the Business, Innovation and Skills Committee, chaired by my hon. Friend the Member for West Bromwich West, during an inquiry into the regulation and policies of the insolvency sector. Ms Salomon said in her evidence, in response to questions 20 and 21, that “secondment...is subject to an arm’s-length contractual agreement between the secondee and his or her firm and the employing organisation.”

She went on to say that “where somebody might be a secondee in a bank...and then subsequently...is appointed as a fixed-charge receiver, that could potentially raise issues of conflicts of interest, but those matters are dealt with by professional codes”.

She also said: “If we found evidence that, say, a secondee had given advice on the expectation that the matter would be leading into receivership, and that that particular chartered surveyor would not be appointed as a receiver, then we would see problems.”

Ms Salomon’s colleague at RICS, Mr Graham Stockey, added: “At that stage, provided it is at arm’s length and the contract that is set up clearly limits the involvement of the secondee, the conflict could be managed. We look very closely at what the terms of the contract would be and what the terms of the appointment are, and it is up to the firm to be able to show RICS Regulation that there is no conflict. This is something that we look at really closely.”

His comments were endorsed in the evidence session by Mr Julian Healey, who is the chief executive of NARA—the Association of Property and Fixed Charge Receivers. In response to question 19, he said: “Yes, there is conflict between a fixed-charge receiver going into a bank and advising on matters and then saying, ‘I have identified this as a distressed property. What a good idea. I’”—or my firm—“shall now go and act as fixed-charge receiver’.”

Those comments were also endorsed by Mr Phillip Sykes of R3, who said in response to question 85 that it would represent an unacceptable conflict of interest if that secondee individual or his firm

“was then to go on and take the insolvency appointment...In my experience, certainly, the banks take enormous care to ensure that if a secondee is working on a particular case then their firm will have no part in any enforcement proceedings.”

From reading that evidence, which was given publicly, it is particularly disappointing that when I wrote to the director of regulation at RICS, Mr Luay al-Khatib, on 15 December last year, he sought to explain away Ms Salomon’s comments to the Select Committee as being “of a general nature to assist the Committee and not comments made in relation to Mr Shabir’s case”.

It is of fundamental concern to me that Mr al-Khatib declares himself to be satisfied with the decision that RICS made when he knows that there are no agreements...
governing the terms of secondments that have lasted for five years, that the secondments were without charge to the bank, that there was no escape from the recoveries department—the excuse offered by RICS that there was no certainty of a receivership appointment following Alder King’s advice or valuations is therefore simply nonsense—that the issue of under-valuation has not been addressed and that there was no tendering for receivership work, as cases on which Mr Miles worked were invariably passed to Alder King.

Having attempted since late 2015 to get Lloyds, Alder King and RICS each to meet with me and my constituent to address the issues I raised in my debate in September 2015, I have come to the conclusion that RICS is failing to deliver an acceptable level of regulation. Worse than that, it is doggedly maintaining in its public pronouncements that it is subscribing to the highest possible principles and standards, whereas in reality it is condoning practices that are untenable and universally condemned by other professional bodies. Whatever the reasons for its actions, be they the extent of the practices, the importance of the members concerned, compensation considerations or others, RICS is completely undermining a principal basis for its existence, namely the maintenance of public confidence in a professional body. I recognise that LPA relationships bring their own difficulties, but on the evidence of Mr Shabir and others who have been affected by practices similar to those I have outlined, regulation has failed in the one area where it was most needed.

In March 2017, RICS published on its website a professional statement entitled “Conflicts of Interests”, together with some commentary notes. Obviously there is merit in refreshing professional standards from time to time, but the problem is that RICS is not using its statements or standards when dealing with members who are in breach of those standards. At a meeting held here in Parliament on 15 March 2017, the Thames Valley police and crime commissioner, Mr Anthony Stansfeld, who was responsible for the prosecution of the now convicted bankers behind the HBOS fraud, stated that in his opinion the board of Lloyds bank, which owns HBOS, had been well aware of the fraud since 2009, despite persistently denying it for many years. And here we are again, in my constituent’s case and that of many other small and medium-sized enterprises, dealing with the same Lloyds board, the same owners of HBOS and the same set of individuals: the chairman, Lord Blackwell, and the chief executive, Antônio Horta-Osório.

Mr Shabir’s case has clear parallels with the Reading fraud case. It involves fraudulent activity and then a cover-up. The former chairman of Lloyds, Sir Win Bischoff, wrote to Mr Shabir’s former Welsh Assembly Member on 14 October 2010, completely refuting the allegation that the receivership had been mishandled and specifically saying that there had been no conflict of interest. But he then went on to say that Alder King was Lloyds’s preferred firm of professionals in the south-west. That statement is in itself conflicting. How can the guarantee of receivership work sit alongside Alder King secondments to Lloyds? We know that it sat alongside them very comfortably, because I have a letter from Alder King’s Julian Smith, dated 21 December 2009, to his Alder King boss Jonathan Miles, at his Lloyds bank address, thanking Mr Miles for appointing him as receiver. Sir Win was also sent the letter, but declined to respond. I also have a letter dated 22 May 2014, written by the then Secretary of State for Business, Innovation and Skills, Vince Cable, confirming that he had met Lloyd’s chief executive, Mr Horta-Osório, and discussed Mr Shabir’s case. The chief executive told him that he had “looked into the matter personally”. So the chair and the chief executive of Lloyds knew what was going on and did nothing. That sounds very familiar.

Lloyds has effectively opened up its bank vaults and allowed Alder King to walk right in and help itself. Meanwhile, RICS, supposedly keeping watch, ensures that Alder King has a clean getaway. The financial incentive for Lloyds and Alder King to cover up the fraud is clear, but this dereliction of regulatory duty by RICS, in the face of the most blatant conflict of interest, makes RICS complicit in the fraud itself.

I ask the Minister to address three matters in his response. If RICS is to retain its role in the sector, it should establish which, if any, of its member firms are on bank or lending institution panels and have secondment agreements operating with those lenders. If there are member firms that have such a relationship, does the Minister agree that that should be confirmed in writing to all associated parties before any involvement by those firms in potential receivership cases? Does he agree that RICS must immediately establish with its members, such as Alder King, a system of financial redress for victims of this fraudulent malpractice, including Mr Shabir and other SME owners? The victims should not have to put themselves through the stress and expense of litigation where there is no equality of arms. Since Lloyds has had the principal financial interest in cases such as Mr Shabir’s—Lloyds is still part taxpayer-owned—and has been pulling the strings of RICS members, it should be required to be the major party to that system of financial redress.

The past few weeks have not been good PR for the banking industry, and particularly not for Lloyds. The Reading fraud convictions, the subsequent announcement of yet another £100 million compensation scheme and the launch of a new independent lawyer’s investigation have all made headline news. The scope of that investigation covers the role of three successive chairmen at Lloyds—Bischoff, Blackwell and the chief executive, Mr Horta-Osório—all of whom denied knowledge of the Reading fraud case until it got to court. We know from the release of a leaked internal Lloyds document that those executives knew of the fraud—they even referred to it as fraud—as far back as 2009. Mr Shabir has received the same stonewalling from the same set of individuals.

I conclude by reiterating that banks, regulators and specifically RICS need to clean up their act to restore public confidence and trust. They need to offer full and immediate redress to the victims of their malpractice. The issue is not going to go away, even despite today’s announcement of a general election.

**Several hon. Members rose—**

**Mr Philip Hollobone (in the Chair):** Order. The debate runs until 7.30 pm. Jo Stevens has three minutes to sum up at the end, which means I have to call the Front-Bench spokespeople no later than seven minutes past 7 pm. The Opposition spokesperson and the Minister each have 10 minutes. Three hon. Members are standing from the array of Labour parliamentary talent I see
before me. I am going to have a five-minute time limit on speeches so that everybody has equal share, and we will start with Mr Adrian Bailey.

6.50 pm

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): May I say what a pleasure it is to serve under your chairmanship, Mr Hollobone? I will do my very best to keep within the time limit you have outlined.

I congratulate my hon. Friend the Member for Cardiff Central (Jo Stevens) on her doggedness and determination in continually bringing this issue to Parliament and on the lucid and forensic way in which she outlined the issues. I would find it difficult to elaborate in any way on the details of the cases that she has brought to the notice of Members in this and the previous debate.

I also compliment Mr Shabir and—although he is not mentioned in this debate—Mr Richards from the Ogmore constituency, who suffered a similar situation for their doggedness and resilience in ensuring that this has been brought to the notice of parliamentarians and that the issues are examined in public. Their experience would have defeated lesser people and they deserve commendation for the way that they have campaigned.

As my hon. Friend said, the issues arising from the evidence were examined by the former Select Committee on Business, Innovation and Skills. Unfortunately, the hearing was just before the 2015 general election. Although we took the evidence, we never had the chance to make recommendations. However, the answers that my hon. Friend has referred to from that meeting quite clearly illustrate the vast gap between the public rhetoric of these bodies and the private reality of how they operate. Anybody hearing the particular case studies can only be astounded that a professional body, and representatives of that body, could have acted in such a way, and that there does not appear to have been any legal redress for the way in which they acted, or compensation for the victims of their actions. The wide consensus of opinion about the awfulness of the actions and the terribleness of the experience that the individuals have gone through—let us be clear: it is reflected by many other small businessmen and women up and down the country—raises matters of huge concern.

I would like to highlight one or two issues that the Government must address, the first of which is the gap that seems to exist in the Serious Fraud Office’s threshold for investigation of fraudulent activity. I will not repeat the words of the Solicitor General in the previous debate, but he basically said that investigation was reserved for high-profile and serious cases of fraud and was limited to companies such as GlaxoSmithKline, Tesco and Rolls-Royce. It would appear that we have a Government body that is prepared to act on behalf of big business but not small business.

The Solicitor General went on to say that Action Fraud had been established to ensure reporting. I have looked at Action Fraud; it reminds me of the ill-fated cones hotline that existed in the 1990s, because someone can report something, but absolutely nothing will happen. If anything can happen, that is not made clear to anyone who makes a report.

Kevin Brennan: “Inaction Fraud”.

Mr Bailey: Absolutely.

In conclusion, the issues are of such seriousness, and the way in which the professional organisation has responded to them so inadequate, that the Government must look at some sort of intermediate implementation of action against fraud, to help small as well as big businesses.

6.56 pm

Mr Alan Campbell (Tynemouth) (Lab): I commend my hon. Friend the Member for Cardiff Central (Jo Stevens) for securing the debate. I would like to use the brief time available to raise a constituency case, with the permission of my constituent Mr Graham Stewart.

Mr Stewart has been a builder and developer since 2000. He was encouraged by Lloyds bank to move his account to Lloyds in 2003. He banked with Lloyds over the next decade, in which he developed a substantial property portfolio. His accounts were handled both locally and regionally without any great difficulty until they were moved to the Bristol business support unit. His loans were originally reviewed every two years; that period was shortened by the bank, which added a cost for him each time. In June 2012, he was told that his loan depended on his selling a number of his properties, that the valuation would be carried out by the bank’s own valuers and that his repayments would virtually double. When he complained about bullying, he was told at the end of November 2012 that the loan was to be called in and would have to be repaid in full, despite his not being in arrears at the time.

Mr Stewart was told by the Bristol business support unit that Alder King would be brought in to revalue his properties, which would be sold off to repay the loan. I am advised that, as has been alluded to earlier, staff at Alder King and Lloyds BSU moved seamlessly between the two offices. Alder King valued his properties at £1.1 million, despite a recent revaluation by Lloyds valuers at £1.8 million. I am told that the bank was able to access the Government’s enterprise finance guarantee scheme to recover the shortfalls that it had, but Mr Stewart was left with considerable debt. He has been told by local valuers who knew his properties that Alder King had knowingly valued them at a lower value. In their words, he has been sold down the river.

The relationship between Alder King and Lloyds has been the subject of much speculation and investigation, and indeed forensic analysis by my hon. Friend this afternoon. In October 2015, I asked the Serious Fraud Office to add Mr Stewart’s case to its wider investigation, but I was told that the amounts involved did not reach the necessary threshold. In my view and that of others, Mr Stewart and others have been let down by the various agencies and bodies that have been set up to protect their interests. Alder King’s website tells us:

“Alder King is regulated by the Royal Institution of Chartered Surveyors.”

The commercial property section of the RICS website states that

“you can be sure your survey will be carried out to the highest professional standards.”

There have been many other cases, so it is fair to ask why RICS has been so slow and reluctant to respond to this situation.

Another example—I will not go into it in great detail, because a legal case may well be pending—is a family business in my constituency that also banked with Lloyds.
[Mr Alan Campbell]

The bank appeared to engineer a default; this time, it brought in not Alder King, but PricewaterhouseCoopers. It tried to asset-strip the company to the benefit of the bank, but certainly not of the company or its employees. Not only is PricewaterhouseCoopers regulated by the Royal Institution of Chartered Surveyors, but senior employees have provided offices for RICS’ governing body.

Finally, it is important to point out that we are describing not just a crisis for businesses but a personal crisis for owners, often at cost to their health and their families. They ask, and I ask: if there are rules and procedures for companies regulated by RICS, why do those rules seem to work primarily in the interests of the banks and those acting in their name, rather than those of my hard-working constituents?

7 pm

Chris Elmore (Ogmore) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Hollobone. I thank my hon. Friend the Member for Cardiff Central (Jo Stevens) and congratulate her on securing this debate. The injustice that affected her constituent would warrant a debate in itself, but the fact that the same inequalities might have affected thousands of similar individuals deserves the attention of every Member of this House.

In my limited time, I will explain the situation of my constituent, Mr Alun Richards, in the hope of showing the damage caused by such malpractices. Shortly after my election last May, Mr Richards came to one of my constituency surgeries to explain his story. Alun Richards was once one of west Wales’s most successful businessmen. By the turn of the millennium, his farming and property enterprises had been recognised with awards, and they soon attracted the attention of Lloyds Banking Group. Eager to attract his custom, Lloyds offered Mr Richards a gold star account and an interest rate of 1% over base. After considering other offers, Alun took up the offer made by Lloyds, and all was well until the 2008 banking crisis.

Suddenly, with little notice, Alun’s bank managers in Carmarthen, Gwilym Francis and Ian Richards, transferred his accounts to a larger branch in Bristol. After a period of sustained silence, Alun spoke with his new branch to find out who his new bank manager would be. Stunned, he discovered that his new manager, Max Meredith, was in the business support unit, focused on recoveries. Mr Richards was understandably confused and alarmed. His business had been booming, and his new manager, Mr Meredith, agreed that the circumstances were not usual for such a transfer. He agreed to transfer Mr Richards’s account back to his old branch, but Gwilym Francis and Ian Richards at that branch refused to accept the account. Alun Richards soon received a visit from two representatives of the business support unit in Bristol, Mr John Holiday and Mr Jonathan Miles.

During the meeting, one of Alun’s accountants raised questions about Mr Miles’s behaviour and background. Mr Miles repeatedly claimed on this occasion and in the 2.5 years that followed that he was an employee of Lloyds. Mr Richards has since discovered that Mr Miles was actually a chartered surveyor, a member of RICS and a partner at Alder King estate agents. No official secondment was in place; Mr Miles even appointed partners from Alder King, Julian Smith and Andrew Hughes, as the Law of Property Act 1925 receivers. When that initially surfaced, Mr Hughes temporarily resigned. RICS has refused to take any actions and, following complaints against Bristol-based lawyers TLT, neither has the Solicitors Regulation Authority. The Insolvency Practitioners Association has also stood still.

The saga of Alun Richards’s case has involved Lloyds Banking Group, Alder King and the Royal Institution of Chartered Surveyors. Alun, who once owned enterprises totalling more than £5 million, was left penniless and on the road to ruin as a result of their actions. Similar injustices by those organisations have taken place in most constituencies across the UK. I wish it were possible for each Member of this House to understand how such scandals have affected their constituents, but unfortunately too many victims have felt powerless and remained silent.

At the heart of the matter are the Law and Property Act receiverships, which, due to their malpractice and dereliction of duty, should be considered by the Royal Institution of Chartered Surveyors. Unfortunately, there is cause to believe that RICS has failed to do so. I hope that this debate will encourage RICS to regulate Law of Property Act receiverships to the fullest extent and play its role in preventing injustices such as those that have affected my constituent.

7.3 pm

Bill Esterson (Sefton Central) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone. My hon. Friends have set out examples of how their constituents have been badly treated over a number of years, first by the banks that distressed their thriving and successful businesses and then by the failure to secure justice after a long struggle, often with the support of my hon. Friends and their predecessors.

This is not just about one bank. It has been about Lloyds, HBOS and Royal Bank of Scotland. A constituent of mine came to see me just last week about NatWest, his business having been run down in a similar way to those of my hon. Friends’ constituents. Businesses that were successful, that paid their interest on time and that were in a position to continue making their payments were run into the ground, in order to realise the maximum possible amounts for the banks and not in the interests of the customer. That is the reality of what has happened over many years and I am afraid that it could still be happening today, given the system that still exists.

The Tomlinson inquiry found at RBS a lack of competition and conflicts of interest, as well as the need for a proper retail banking sector, and yet we are in a situation today where those issues are still to be addressed. RBS may well have its own compensation scheme being set up, but no money has been paid out and at this stage it is being handled by RBS itself. It is still not independent of RBS. At the heart of this debate is that lack of independence and whether there are conflicts of interest in the LPA system.

Mr Bailey: Often, banks will say that the poor levels of business lending are because businesses will not come to banks for that lending. Does my hon. Friend agree that it is cases such as those mentioned today that have deterred many small businesses from going to their local banks and that, by default, inhibit our ability to invest in our economy for the future?
Bill Esterson: My hon. Friend is absolutely right, and I will address that point now—I was going to make it later. Our economy continues to struggle. We see sluggish productivity and low growth, particularly with smaller businesses, and one of the reasons is the lack of access to finance for those small firms, which undoubtedly causes them problems. I am in no doubt that the reputational damage done by these scandals and the lack of trust among smaller firms in the banks are factors that contribute massively to the problem.

We have seen businesses distressed and put out, people’s livelihoods destroyed and people’s lives damaged as a result of the behaviour of some of the banks, and of the people working in them and the people working for them as supposedly outside professional consultants. In the debate last December about alternative dispute resolution we heard about the activities of lawyers who are seconded into some of the banks and about the way they carried out similar activities. The convictions for fraud involved management consultants, and today we are talking about surveyors. There are conflicts of interests, whereby professionals are seconded into banks and then take decisions in the interests of those banks—why would they do so, when their future lucrative work depends on those relationships?—and referring their own firms for the ongoing work, no doubt for fear of losing such work in the future.

With the LPA, the contracts have now been written in such a way that they favour the lender over the borrower. The borrower cannot then challenge the valuation of surveyors, because the valuer’s duty is to the client, not to the borrower. The original intention of LPA receiverships, which was to create a balance between borrower and lender, has been completely overwritten by the way that the banks prepare their standard terms and conditions in their contracts. Of course, most smaller businesses cannot afford the cost of legal action to challenge what is happening, especially when they are up against the financial clout of the financial institutions causing these problems.

So what is to be done? How can such scandals be avoided in the future? What are the remedies for what has happened before? There needs to be a sea change to ensure that the chances of repetition are reduced. There needs to be compensation, not just a scheme that is administered very slowly and internally without proper independent scrutiny and operation. I am talking about RBS, but in fact it is ahead of the other banks, given that it has any scheme at all. Perhaps the Minister can look at how we can ensure proper scrutiny, independent regulation and a proper complaints process within RICS and other professional bodies, so that RICS members do not get scrutinised by other RICS members. My hon. Friend the Member for Cardiff Central (Jo Stevens) explained the situation extremely well: there is a judge, jury and executioner system within RICS and elsewhere. That has to change if there is to be proper scrutiny to prevent such injustices and an opportunity for remedy when they happen.

We have to prevent such things from happening again, and there has to be compensation. Whatever Government are elected on 8 June have got to take these things seriously. It is long beyond time for that. Justice delayed is justice denied. It is 10 years on, and many former small business owners have lost everything and are completely unable to get compensation for what has happened to them.

My right hon. Friend the Member for Tynemouth (Mr Campbell) talked about the Serious Fraud Office’s potential interest, and he is absolutely right. I would like to hear what the Minister says about the potential for an SFO investigation into each and every one of these scandals. What prospects are there in the future for further fraud investigation?

We have got to prevent such things from happening again, and we have got to have proper regulation. The FCA’s remit does not include the regulation of business lending; it is there to regulate consumers. It does have a role in regulating sole traders and smaller partnerships. Is it time that small and medium-sized enterprises are given the same protection as consumers?

There is also the issue of the LPA receivership system. The Labour Government introduced the Enterprise Act 2002, which reformed aspects of insolvency law, but LPA receiverships were not included at that stage. Given what we have heard, is it time that LPA receiverships were given the same status as administration? Should we go down the route of having the chapter 11-type system that exists in the United States? In some way, we need to return to the original intention of LPA receiverships of achieving a balance between the interests of borrowers and lenders and some kind of limit on the level of fees that agents can charge.

My final point is about the process that can be used to deal with complaints. It seems to me that having self-regulation, whether through RICS or elsewhere, is not working, given the examples we have heard about. Is it time to look at meaningful arbitration and proper dispute resolution? I have raised a number of times the issue of the small business commissioner, which the Government are creating. They have acknowledged that there is an issue with the unfairness of contracts for the SBC. We will have a chance to look at that. When that post is created, will the Minister consider the need for proper, meaningful dispute resolution—perhaps binding arbitration—and giving that responsibility to the small business commissioner in relation to these matters, as well as in relation to late payments, which are its primary purpose?

There are a number of issues that need to be picked up. The Minister can respond to them now. The next Government really will have to act, otherwise—my hon. Friend the Member for West Bromwich West (Mr Bailey) was right to intervene on this point—we will continue to have a system where the relationship between small businesses and the banks is very poor. Unless that is resolved, we will not improve the performance of our small businesses, which are a crucial part of our economy. In the meantime, those who have suffered very seriously by losing their livelihoods will not see the remedy that they should, and there will continue to be a danger of a repeat performance by financial institutions, if that is not already happening.

Mr Philip Hollobone (in the Chair): If the Minister would be kind enough to finish his remarks no later than 7.27 pm, that would allow Jo Stevens three minutes to sum up the debate.

7.15 pm

The Parliamentary Under-Secretary of State for Justice (Dr Phillip Lee): It is of course a great pleasure to serve under your chairmanship, Mr Hollobone. I congratulate...
the hon. Member for Cardiff Central (Jo Stevens) on bringing the important topic of the regulation of Law of Property Act receivers back to the Chamber, and I congratulate other hon. Members on their contributions. This debate was postponed from March the 22nd because of the dreadful events on that day, and I am sure that I speak for everyone in the Chamber when I say that our thoughts are with the victims’ families even now.

This debate follows on from a debate that the hon. Member for Cardiff Central secured in September 2015 relating to concerns raised by one of her constituents, Mr Kash Shabir, about the appointment of fixed charge receivers by Lloyds bank and the conduct of the individual appointed. I understand that since then there have been separate investigations by the Serious Fraud Office and the Royal Institution of Chartered Surveyors into the treatment of her constituent by Lloyds Banking Group and Alder King, the firm of chartered surveyors used by the bank, but no further action has been taken against those investigated. She is dissatisfied with that outcome and, as a result, with the current regulation of Law of Property Act receivers and is also referred to as “receivers of rent” and “fixed charge receivers”. I will refer to them simply as “receivers”.

The Act in question is the Law of Property Act 1925, the key provisions of which in relation to receivers are sections 101, 109 and 110, which define the relationship of the receiver with the mortgagor and the mortgagee and set out the powers of the receiver. However, the Act provides that those provisions may be varied or extended by the mortgage agreement, and most modern mortgage deeds contain express provisions that replace or supplement the statutory provisions. The relationship of the mortgagor, mortgagee and receiver is therefore, as a general rule, governed by the contract creating the security for the agreed finance, not by the default provisions in statute. The terms of agreements vary from case to case but are likely to require the borrower to allow a person appointed by the lender to take over the management of the mortgaged property when the loan is in default, usually to collect rental income for the lender to service the arrears but with the right to sell the property if necessary.

On that basis, the appointment of a receiver provides a relatively straightforward way for the lender to protect its position. The ability to do that would seem, indirectly, to help keep the cost of borrowing low and the availability of credit greater than it would otherwise be. Those are clearly desirable objectives, but giving contracting businesses the right to decide the terms of their own contracts does not mean that the receiver has carte blanche as to how he or she exercises his or her powers. Receivers are under legal obligations. They must act in good faith and use their powers for proper purposes, and although their primary duty is to the lender in securing repayment of the secured debt, they must manage the mortgaged property with due diligence and have regard to the borrower’s interests.

There will be cases where lenders and receivers do not act properly, and the hon. Member for Cardiff West—I mean the hon. Member for Cardiff Central, not Cardiff West—described circumstances in Mr Shabir’s case where questions must at least be asked. In such cases, borrowers also may have the right to seek compensation by an action for damages against the lender or the receiver in respect of the wrongs alleged to have been committed. Determining the rights and wrongs of such cases is a matter for the courts, and I can only recommend that borrowers caught up in such situations should take legal advice about their rights and remedies and how best and most economically to proceed.

Jo Stevens: The Minister has referred to the prospect of litigation, but does he not accept that in this situation—where a small business owner has lost their entire business, has no money and is up against the might of a financial institution—it is simply not possible for them to enter litigation? That is why some alternative form of redress and a scheme is necessary.

Dr Lee: Of course, in a difficult situation where all of someone’s funds have been exhausted, I recognise that litigation would be a problem. It would not be appropriate for me as a Minister to comment on an individual case, but I hear what the hon. Lady says and will take away her suggestions.

Kevin Brennan: The Minister mentioned Cardiff West, which is my constituency; my hon. Friend’s constituency is Cardiff Central. The point is not that we are discussing an individual case but that Members are trying to describe a systemic problem that exists in all our constituencies across the country. In many cases, as I outlined, constituents are unable to reveal in full in public what they have been through because of confidentiality agreements. As a Minister, does he not see the need for the Government to consider action along the lines suggested by my hon. Friend the Member for Cardiff Central (Jo Stevens) as a result of the systemic concern that Members are expressing?

Dr Lee: I thank the hon. Gentleman for his intervention. In the particular case that the hon. Member for Cardiff Central raised, a series of investigations have not uncovered any wrongdoing. The Government are listening in terms of the problem vis-à-vis small, medium and larger enterprises that other Members raised, and we will be taking that away, but as things stand, we have found no evidence of anything untoward being done by any of these organisations.

Private law actions are one type of remedy, but they do not preclude the question of whether there should also be regulation of other kinds. Receivership is not specifically regulated. It is not subject to insolvency regulation. Receivers are, however, generally members of professional organisations with regulatory functions, and they will be subject to the regulatory rules applied by their professional body.

Most receivers are likely to be members of the Royal Institution of Chartered Surveyors. RICS was established by royal charter in 1868 and is independent of Government. To protect consumers and to maintain and develop the standing of the profession at home and internationally, RICS sets professional standards for its members and takes disciplinary action against them for breaches of its rules. RICS’s regulatory regime is governed by an independent regulatory board, which has a majority of non-surveyor members. RICS has recently announced new rules to deal with conflicts of interest that will be introduced early next year. Other receivers belong to the Insolvency Practitioners Association, which also has regulatory powers.
Over the years, RICS and the IPA have both responded to concerns that there are general issues that need to be addressed in the field of receivership. In 1999, they entered into a memorandum of understanding relating to a voluntary registration scheme for receivers to provide a system of voluntary regulation against agreed standards. The memorandum was updated in 2012 and 2015.

Some 200 receivers are also members of the Association of Property and Fixed Charge Receivers, also known as the Non-Administrative Receivers Association. It is a relatively recently formed body. It aims to represent the interests of receivers and to promote better standards. Unlike RICS and the IPA, it is not a regulatory body. NARA, RICS and the IPA are jointly reviewing the professional practice standards underpinning the work of their members as receivers. The review is expected to include a public consultation, which will consider the degree of independence required from the lender and the borrower in receivership appointments. The new scheme should strengthen the self-regulatory regime.

Receivers are appointed only where a lender has concerns about the value of its loan. The borrower may not agree with the lender’s action, but should have been aware of the possibility that a receiver might be appointed in certain circumstances from the outset. One of the potential problems is that the receiver may face a conflict of interest. Conflicts arise in many areas of professional practice and are generally successfully dealt with in sensible and proportionate ways. Sometimes professional businesses have to turn down business opportunities because they are conflicted and the conflict cannot otherwise properly be managed. Sometimes of course the right action is not taken and legal and regulatory action may follow against those who got it wrong.

The hon. Member for Cardiff Central has identified cases where things may have gone wrong. I am not in a position to say whether there were unacceptable or improperly managed conflicts of interest that ought not to have been permitted to occur in Mr Shabir’s case. That is a matter for the courts and the appropriate authorities in the light of the law and relevant regulatory rules. We should also remember when considering Mr Shabir’s case and others like it that receivership has existed for many years and has during that time presumably worked well in many cases. The independent regulation of receivers through their professional bodies is also long-established and is subject to ongoing review with the objective of improving standards and better protecting consumers.

A number of points were made by hon. Members during the debate. I will respond to them as best I can, but insolvency, financial services regulation and the professional regulation of surveyors are not matters for which the Ministry of Justice is responsible. I will, however, ensure that the points raised on those topics by the hon. Member for Cardiff Central and other hon. Members during our debate are passed on to the appropriate Departments.

The hon. Member for Cardiff Central asked whether RICS has been doing its job. The Royal Institution of Chartered Surveyors has investigated the allegations made by Mr Shabir and has not found evidence of misconduct. It has also offered to speak with the hon. Lady to discuss her concerns, but says that it cannot reopen its investigation without new evidence. The Serious Fraud Office carried out an investigation and decided there was insufficient evidence to meet its criteria for prosecution.

The hon. Lady also asked why the Government have not acted against Lloyds. The Government believe that financial service providers must be properly regulated, but the case for more or different regulation must be made before the present system is changed. The Financial Conduct Authority is considering matters relevant to the regulation of the provision of financial services to small and medium-sized enterprises. The Government will consider the FCA report when it is published. It would not be appropriate for the Government to comment further while the process is ongoing.

The Opposition Front-Bench spokesman, the hon. Member for Sefton Central (Bill Esterson) asked a question about wider economic and regulatory issues. I will refer all the questions regarding the working of the economy to the Treasury for consideration. The FCA is still working on the issues raised in the Tomlinson report. As I have said already, it would not be appropriate to anticipate its investigations and the report.

In conclusion, I acknowledge the vigour and tenacity with which the hon. Member for Cardiff Central has campaigned on behalf of Mr Shabir and others. I appreciate the concerns she has raised and the very difficult situations that have been created for her constituent and others by the financial crisis of 2008-09. I cannot intervene in specific cases or commit the Government to any particular action to change the legal or regulatory framework relating to receivers. I can, however, promise that the Ministry of Justice will continue to keep the issues for which it is responsible relating to receivers under review and pass on concerns raised to other Government Departments as necessary.

7.27 pm

Jo Stevens: May I thank the Minister for his response? I felt heartened in some respects and a bit downbeat in others. I am grateful to him for saying that he will take the concerns away. I thank the right hon. and hon. Members who have contributed to the debate.

Rather than focus on a particular individual in my summing up, I want to say that, as my hon. Friend the Member for Cardiff West (Kevin Brennan) has pointed out, this is about systemic failure. It affects huge numbers of people. It is not just about businesses, it is about humans—about families, individuals and the crises that it has caused them. It is clear that the difference between the public rhetoric, which was mentioned by my hon. Friend the Member for West Bromwich West (Mr Bailey), and the private reality is very severe for all our constituents. We are looking for a wider remedy and redress system to prevent this happening again.

I am grateful to the Minister for saying that he will take things away and look at them, but there is clearly evidence of wrongdoing here. It falls in the gap between SFO criteria and local police force criteria for investigation. Large numbers of people who have been badly affected have fallen into that gap. We need to look at some way of ensuring that their financial situation is redressed.

Question put and agreed to.

Resolved,

That this House has considered the regulatory role of the Royal Institution of Chartered Surveyors in Law of Property Act receiverships.

7.28 pm

Sitting adjourned.
Westminster Hall

Wednesday 19 April 2017

[Mr Christopher Chope in the Chair]

Diesel Vehicle Scrappage Scheme

9.30 am

Neil Parish (Tiverton and Honiton) (Con): I beg to move, That this House has considered a diesel vehicle scrappage scheme.

It is a great pleasure to serve under your chairmanship, Mr Chope. I also have great pleasure in leading this debate. The good attendance shows the strength of feeling for implementing a diesel vehicle scrappage scheme and tackling air pollution problems. In my speech, I shall touch on why we need a scrappage scheme, outline how such a scheme would complement the Government’s new air quality plan, and suggest how systems could be designed and targeted at the dirtiest diesel engines.

Why do we need a diesel vehicle scrappage scheme? I think that everyone here knows how we got to this point. The previous Government said that diesel cars should attract less vehicle tax than petrol equivalents because of their better carbon dioxide performance, and the present Government carried on in very much the same vein.

Mr John Spellar (Warsop) (Lab): I thank the hon. Gentleman for saying that, because there is a narrative that this was a perverse act by the previous Government. Can he confirm that in fact it was supported by all the other parties at the time—as he has rightly conceded, the policy was continued by the present Government—because CO₂ reduction was seen as the overriding imperative?

Neil Parish: Heaven forbid that I should say the last Government were perverse. It was the acquired wisdom of the day that we should reduce CO₂, and diesel produced more per litre than petrol, so encouraging diesel was the obvious way to go. There were some rumblings at the time, if I remember rightly, but I have to accept that we did not change the policy when we came to power. Of course, we have now seen the new science and seen the light, and therefore need to take action. Of course, we have now seen the new science and the light, and therefore need to take action on particulates and on nitrogen oxides in particular.

Mr Spellar: I apologise to the hon. Gentleman for intervening again, but he says that we have seen the evidence. Can he tell us the breakdown of emissions of particulates and NOx from various modes of transport, whether buses, trucks or private vehicles, and particularly as compared with other sources? I will mention a number of them—

Neil Parish: I think that the right hon. Gentleman has started his speech already. The figure I can give him is that in the hotspots in our inner cities, some 60% of the nitric oxide comes from transport. It is quite difficult to break that down and say how much comes from buses, taxes, lorries, delivery vans and cars, but there is no doubt that tackling the private car, particularly in those spots, will help to make a real difference in reducing NOx emissions. Transport is a particular issue, as is the older diesel engine. We cannot ignore what is going on; we need to take action.

Motorists were encouraged to switch to diesel through changes to the vehicle taxation system. We now know that that was a policy mistake. The uptake of diesel cars rocketed. The proportion of diesel vehicles on British roads increased from 20% in 2005 to 37.8% in 2015. That was a deliberate Government policy. Between 2005 and 2015, we did see cleaner diesel vehicles, but naturally they still give off particulates and NOx.

In turn, the number of extra diesel vehicles has caused a host of air quality problems. Diesel engines emit a higher level of nitrogen oxides. Those gases cause or worsen health conditions such as asthma and bronchitis and even increase the risk of heart attacks and strokes. They are linked to tens of thousands of premature deaths in Britain every year.

As a result, the Select Committee on Environment, Food and Rural Affairs, which I chair, branded poor air quality a “public health emergency” in our recent report to the Government. Four in 10 local authorities breached legal nitrogen dioxide limits last year. That shocking statistic shows the scale of the problem.

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): My hon. Friend is right to highlight the fact that many diesel vehicles give off six to eight times or even more nitrogen oxide compared with petrol equivalents, but in that context does he agree that although it is commendable that Governments have focused on carbon reduction targets, and that may be the driver behind this policy, good environmental policy is also about looking at the other pollutant effects of cars and particularly diesel, and that the push towards electric cars may well be an important part of the long-term solution?

Neil Parish: I very much agree, because I think that any scrappage scheme must be very much linked to electric vehicles and certainly hybrid vehicles. I see little point in converting people from diesel back to petrol, especially if we use taxpayers’ money to do that.

Geraint Davies (Swansea West) (Lab/Co-op): I support everything that the hon. Gentleman is saying. He knows that today I am publishing my Clean Air Bill, which deals with wider mapping to provide infrastructure for electric and hydrogen, more powers for local authorities and a broader fiscal strategy to confront the escalating number of people dying because of diesel emissions. Will he lend that Bill his support—I know he has put his name to it—today?

Neil Parish: The hon. Gentleman’s Bill is a good idea, because we all have to work together on air quality to lengthen the lives of many of our constituents and certainly of many people in the hotspots. That is where electric vehicles, the charging points, taxis, buses and all
those things come in. We need to look at hydrogen cars; we need to look at a whole range of vehicles, and perhaps sometimes we need to take people out of vehicles altogether. Norman Tebbit’s “On your bike” may have a whole new meaning. If people go to work on a bike, that is good for the environment as well as for getting to work.

David Simpson (Upper Bann) (DUP) rose—

Neil Parish: I will give way to the hon. Gentleman, who is a member of the Select Committee.

David Simpson: I thank our esteemed Chairman of the EFRA Committee for giving way. Let us say that a diesel vehicle scrappage scheme is implemented. Does he envisage that it will be rolled out across the whole United Kingdom, or will it be left to the devolved nations to sort it out themselves?

Neil Parish: That is probably a decision for my right hon. Friend the Minister and the Government. We have such an esteemed Minister here this morning. As I was his Parliamentary Private Secretary at one stage, I especially know what an esteemed Minister he is and I expect to hear some very good and detailed policy from him in our debate this morning, so I look forward to his response. I suspect that it will be down to the devolved nations to roll out such a scheme, but I also suspect that devolved nations will be looking for a little cash to do that.

Charlie Elphicke (Dover) (Con): I congratulate my hon. Friend on securing this important debate. Does he agree that many drivers of diesel cars will feel that they were encouraged to buy those cars, but now they face the prospect of local authorities seeking to fleece them for taxes in order to raise money to plug their own funding gaps, and that they will feel that that is deeply unfair?

Neil Parish: Yes. My hon. Friend makes a very good point. The idea behind the scrappage scheme is that it will not only help with air quality but provide some recompense for people, in that those who were moved towards diesel will get a carrot as well as a stick. A stick, in the form of a £12.50 charge, will be applied here in London in 2019. I do not necessarily disagree with it, but a poorer family, who may not be able to afford another car, do need some help. A scheme such as the one under discussion is part of the balance that must be struck. As I said, people were encouraged down the route of diesel. We also have to get over a certain amount of scepticism among the public. They will be saying, “For years you were saying, ‘Drive diesels.’ Now you say, ‘Don’t drive diesels; drive hybrids and electric cars.’” That is absolutely right, but we have to explain exactly why we are going down that route, and a scrappage scheme would help to ease the pain.

Andrew Selous (South West Bedfordshire) (Con): Will my hon. Friend give way one last time?

Neil Parish: I certainly will to my hon. Friend.

Andrew Selous: My hon. Friend is being unbelievably generous to us, and we must not carry on trespassing on his generosity. So far he has not mentioned gas. Like him I am a huge fan of electric vehicles, but does he accept that for heavy goods vehicles, refuse collection vehicles and so on, gas-powered vehicles could provide an important interim stepping stone, given that at the moment electric cannot shift that weight of vehicle in an economic fashion?

Neil Parish: My hon. Friend is absolutely right. The conversion to gas can reduce the particulates back to about 60% to 70% of what they were previously, so a big gain is to be had there. I also understand that most lorries would have to carry their full capacity load weight in batteries in order to drive themselves, so at the moment the electric lorry is not an option. We will probably build towards some hybrids in the future. We also have to look at taxis; we want electric taxis, but for those that cannot become electric in the first instance we should perhaps convert them to gas and then to electric. It is the same with delivery vans and other vehicles. Part of our lifestyle these days is that we order a lot online and find a lot of vans going round. This is about a whole combination of those things.

Mr Spellar: Will the hon. Gentleman give way?

Neil Parish: As long as the right hon. Gentleman makes it brief, please.

Mr Spellar: I thank the hon. Gentleman. The one thing that has been absent from his wide exposition over a range of transport issues is any actual costings of the changes he proposes. Has his Committee actually done any of that?

Neil Parish: I actually converted one of my own vehicles to gas. Usually, converting a vehicle is something like between £1,500 and £2,000, so it is not ridiculous money to convert to gas. All the bus companies and taxi firms will do all the costings and will know firmly how much it is. As I said, a certain amount of help is therefore needed to help the commercial sector to convert to the new world. Otherwise they will not do it because of the economics.

The Government have twice lost in court over their failure to tackle poor air quality. In November, the High Court forced the Government to come up with a new, better air quality plan. The draft will be published imminently—by 24 April at the latest—so we may hear something on that matter from the Minister this morning. Already, from this October, pre-2006 diesels and petrol vehicles will face a £10 charge when they enter London at peak periods. It is expected that diesel drivers will be hit hard. Separately, the Budget Red Book stated that the Government would consider appropriate tax treatment for diesel vehicles ahead of the 2017 Budget. Diesel owners who bought their vehicles in good faith are expected to be hit with higher bills.

Of course, I understand the need for tough action. These new measures are the stick to reduce diesel vehicle numbers, but what about the carrot? Where are the incentives to encourage drivers to move away from diesel? The Prime Minister recently said, “I’m very conscious of the fact that past governments have encouraged people to buy diesel cars and we need to take that into account”.

Of course, I understand the need for tough action. These new measures are the stick to reduce diesel vehicle numbers, but what about the carrot? Where are the incentives to encourage drivers to move away from diesel? The Prime Minister recently said, “I’m very conscious of the fact that past governments have encouraged people to buy diesel cars and we need to take that into account”.

"I’m very conscious of the fact that past governments have encouraged people to buy diesel cars and we need to take that into account".
That is where the case for a targeted diesel scrappage scheme comes in; it perfectly complements the Government’s clean air zone plans.

Graham Stringer (Blackley and Broughton) (Lab): I am grateful to the hon. Gentleman, who is being extremely generous with his time. Given that most of the concentration of nitrous oxide, nitrogen dioxide and particulates is in urban areas, does he think that in any scrappage scheme a priority should be given to people living in urban areas? It seems slightly generous and pointless to support people who own diesels in the middle of North Yorkshire, say.

Neil Parish: The hon. Gentleman raises an interesting point. Yes, priority does need to be given to the inner city, because that is where we are particularly trying to improve the quality—in the hotspots of poor air quality. There is perhaps also a need to help beyond the inner city, because—this is the point I have been making—people bought their diesels in good faith. Certainly, there should be a targeted approach. One of the problems with the previous scrappage scheme was that it was to boost car sales at that time—it is a lovely position for middle England to decide, “Let’s change our car.” In some ways, there may be a need to target partly by income as well. If we are not careful, a lot of the people who we most want to trade in their older diesels may be those who can least afford a new car. That is perhaps beyond my pay grade, but it is not beyond the pay grade of the Minister, who will reply in a minute.

The Minister of State, Department for Transport (Mr John Hayes): Almost nothing is.

Neil Parish: Good; I look forward to the Minister’s words of wisdom. The hon. Member for Blackley and Broughton (Graham Stringer) raises an interesting point—it is the hotspots in particular that we need to sort.

Road transport still counted for 34% of the UK’s NOx emissions in 2015, and the rate of reduction from the sector has slowed down because of the increased contribution from diesel vehicles. Turning to the Government’s plans, I was therefore disappointed that a scrappage scheme was not announced at the Budget. Of course, we are a little hopeful that something may be announced very soon. The Transport Secretary stated on “The Andrew Marr Show” in February that the Government were considering a scrappage scheme, but there have been no further announcements. I know that there are concerns about the costs of any scheme, and that is why it should be targeted and proportionate. It can be a key weapon in the Government’s armoury in tackling air pollution problems.

What is more, a scrappage scheme is very popular with the public. A recent survey of over 20,000 AA members showed that seven in 10 backed the policy, rising to three quarters among young people. A separate survey published by the think-tank Bright Blue just two weeks ago showed that 67% of Conservatives backed a scrappage scheme. Ministers, this is a policy with significant public support, especially as we move, dare I say it, towards a general election—that was not in my speech.

What would a scrappage scheme look like? First, it would mean replacement by ultra-low emission vehicles. Any potential scrappage scheme should have a stringent condition on the replacement vehicle. It should mandate users to swap their vehicles for an ultra-low emission vehicle or other forms of transport.

Mr Gregory Campbell (East Londonderry) (DUP): I thank the hon. Gentleman for giving way and congratulate him on securing the debate. He is outlining some of the things that he hopes will happen. At the weekend we saw some publicity regarding the explosion in credit for purchasing new and recently second-hand cars. Does he agree that the last thing we want to see is a further explosion of credit on the back of an issue that has resulted from the expansion of diesel cars over the past 20 years?

Neil Parish: That is always the problem. Naturally, in order to buy a new car, people often need credit. I suppose the argument is that if a certain amount of support is available for a new vehicle, people will not need to borrow quite as much credit to get that vehicle. I understand what the hon. Gentleman says, but we have to balance that with the fact that we need to improve air quality dramatically. That is why a scheme should perhaps be particularly targeted towards our inner city.

What I was talking about could include a public transport ticket, a car club membership, a rail season ticket or cleaner transport such as a new bicycle. A scrappage scheme may not necessarily be just about people changing their cars. I could do with a new bicycle to come in from Battersea every morning—it would be ideal. The scheme would work in a similar way to the pollution reduction voucher scheme operating in southern California. The whole idea of this morning’s debate is to think slightly outside the box. The scheme also has a potential to provide a substantial boost to the UK’s emerging electric vehicle market.

Secondly, the scheme would be means-tested. I do not want a scrappage scheme becoming a subsidy entirely for the middle classes. Households should not just be able to trade in multiple diesels for a cash subsidy. Instead, the Government should consider targeting a scrappage scheme at poorer households or those earning less than 60% of the median UK household income in particular.

Dr Poulter: My hon. Friend is kind to give way again. I congratulate him—as I should have done earlier—on securing this important debate. As he has outlined, one of the challenges is making sure that the incentives support lower-income families. Does he agree that we will need to learn lessons from past incentives that failed to do so, such as the green deal, if we are to make the scheme effective and help people in the poorer parts of our cities?

Neil Parish: I am sure that the Government, especially the Treasury, will be looking at this issue particularly closely, first because the best use of taxpayers’ cash is to target those who most need it and secondly because it may be possible to widen the scrappage scheme while ensuring that those on lower incomes receive the most support. There are ways of tailoring the scrappage scheme to do exactly what we want, which is to get older diesels out and to help those, particularly those on lower incomes, who cannot otherwise afford to do so.
Geraint Davies: I am grateful for the hon. Gentleman’s generosity in giving way. Does he accept that there is a strong case that the motor manufacturers, not just the taxpayer and the consumer, should make a major contribution towards the cost of such a scheme? Volkswagen has had to pay billions of dollars in the United States because of its cheat devices; we know that emissions on the road were at five or six times their supposed laboratory levels, and a lot of cars in France, Germany and elsewhere have been withdrawn for a refit. Is there not a strong case that the Government should go to the manufacturers for a contribution towards the scheme?

Neil Parish: I know that the Minister has had some strong discussions with Volkswagen. It is not just Volkswagen; car manuals often give a figure for miles per gallon and then a true figure that is about two-thirds of the ideal figure. They will say that the car does 60 mpg when it really does 45 mpg or 40 mpg, so there has been a certain amount of deception there. I also think that companies such as Volkswagen could buy themselves some public esteem by helping to support a scheme for moving towards electric vehicles. Not only should the Government talk to Volkswagen and other vehicle manufacturers; it would be good for those companies, which have manufactured so many diesels, to say, “We can help to convert people away from diesel.” The hon. Gentleman makes a good point.

Andrew Selous: Further to the point about Volkswagen, does my hon. Friend agree that there has also been a loss of tax revenue and that the Government should seek to get it back from Volkswagen and others? We taxed these vehicles believing that they were much lower-emission than they really were.

Neil Parish: My hon. Friend raises a good point. It is not just that people have paid less tax because they and the Government believed that their vehicle was emitting less. Those people were also sold vehicles that did not achieve the emissions levels that the manufacturer said they did, which raises the question of whether not only the Government but the individual motorists who bought those cars are entitled to some compensation. I suspect that some cases will end up in the courts, and it will be interesting to see what the courts have to say about them.

The Government should particularly consider targeting a scrappage scheme at poorer households and those that earn less than 60% of the median UK household income. They could taper support, with lower-income households entitled to a higher level of support for exchanging their vehicles.

My third proposal for a new scrappage scheme is that it should be targeted. I would limit it to the 5.6 million diesel cars on British roads that were registered before 2005, which are on Euro standards 1, 2, 3 and 4 and have higher NOx levels of at least 0.25 mg per km. This would complement current clean air zone plans to charge vehicles of Euro 4 standard and below, as well as the London T-Charge that will begin this October. A scrappage scheme would give diesel owners the chance to replace their older, dirtier vehicles before clean air zone charging is implemented, which is quite important.

Another option would be to geographically target the scheme at this country’s pollution hotspots. The think tank IPPR—the Institute for Public Policy Research—has estimated that there are around 900,000 Euro 4 or older diesel vehicles in the 16 top pollution hotspots in the country. By creating a targeted scrappage scheme, the Government could help to remove more than half the dirtiest vehicles from the worst polluting hotspots.

My fourth proposal relates to funding. The previous scrappage scheme in 2009 was targeted at cars that were more than 10 years old. A vehicle could be scrapped in exchange for a £2,000 discount—£1,000 from the Government and £1,000 from car manufacturers. I propose that a new scrappage scheme could follow a similar model. Funding should also be capped and time-limited, like the last scheme, which set deadlines of February 2010 or £400 million, whichever was achieved first. If the Government earmarked £500 million for the scheme, that could take nearly 10% of the 5 million dirtiest diesel vehicles off our roads. Evidence from the previous scheme shows that it was generally the oldest and therefore more polluting cars that were being replaced. Moreover, past schemes have generally brought forward investment decisions.

I know that Ministers have baulked at the costs of a scrappage scheme, but they should not be put off. It need not be an open-ended funding commitment. A targeted scheme capped at £500 million would be a real tonic to get dirty diesels off the road quickly. Even better, they would be replaced with ultra-low emission vehicles or a clean transport option. The Government still have vast air quality problems and the last thing we want is for them to end up having to pay fines. It would be better to go forward with something positive.

I will finish with two thoughts. The Secretary of State for Environment, Food and Rural Affairs has called air quality her Department’s top priority. The Secretary of State for Business, Energy and Industrial Strategy has said that electric vehicles are at the heart of the Government’s new industrial strategy. I cannot think of a policy that would better target both of those aims. A targeted, means-tested scrappage scheme in which diesel vehicles could be swapped for an ultra-low emission vehicle or a cleaner transport option should be a key weapon in the Government’s armoury for tackling air pollution. It would be the perfect complement to the new clean air zones strategy. I look forward to hearing from the Minister and other colleagues.

Geraint Davies (Swansea West) (Lab/Co-op): As I mentioned earlier, I will publish my Clean Air Bill today. I should put on record that I completely agree with the sentiments and words of the Chair of the Environment, Food and Rural Affairs Committee, the hon. Member for Tiverton and Honiton (Neil Parish). We all recognise that we have limited resources, so a targeted, capped scheme would send the right signal to consumers and producers about the future and put the focus in the right place. The electric car company Tesla, which produced just 76,000 cars last year, is worth $49 billion—$3 billion more than Ford, which produced 6.6 million cars. In other words, the marketplace is ready for these changes, and the Government need to facilitate them.

My Bill sets out a wider plan to provide a hydrogen infrastructure, an electric infrastructure and new powers for local authorities to get the evidence on localised air...
pollution, in order to have evidence-based restrictions and charges that protect the elderly, young people and general communities, alongside a fiscal strategy. This is a brave and sensible first step in that endeavour.

**Mr Spellar:** My hon. Friend talked about the market deciding. Which market is he talking about? Is it the bubble stock market, maybe reflecting fashionable thought, or is it the actual car market, which shows overwhelmingly that people are buying from the mainstream manufacturers?

**Geraint Davies:** Obviously, we can influence the market. More than 50% of new cars are now diesel. Margaret Thatcher knew about the problems of particulates and there was a judgment call on public health versus carbon. Since then, the problems with NOx have grown. The fact is that the amount of particulates and NOx being produced is much, much greater than people previously thought, partly because of the deception of Volkswagen and others. This is a public health catastrophe.

I will present the case for my Bill this afternoon with support from the Royal College of Physicians, the Royal College of General Practitioners and UNICEF. People will know that last year’s report by the Royal College of Physicians found that 40,000 premature deaths were due to these emissions, as well as presenting emerging evidence about foetuses suffering long-term damage and about the damage to the neurology, and general physical and mental health, of young children in urban spaces, particularly in poor areas. Those children are being poisoned, which has a disastrous impact on the rest of their lives. I am not prepared, as my right hon. Friend the Member for Warley (Mr Spellar) appears to be, just to go on with business as normal, backing the poison of the current industry, which seeks to maximise profits.

It is the function of the Government to regulate markets in the interests of the public and it is an outrage that parents are unable to protect their own children, and that—as we speak—hundreds of thousands of children are in playgrounds enjoying themselves but inadvertently inhaling poisonous fumes. We need to take action and I am glad that we are moving forward in that endeavour. I want to make it clear that Margaret Thatcher knew about the problems of particulates and that—as we speak—hundreds of thousands of children are being poisoned, which has a disastrous impact on the rest of their lives. I am not prepared, as my right hon. Friend the Member for Warley (Mr Spellar) appears to be, just to go on with business as normal, backing the poison of the current industry, which seeks to maximise profits.

**Graham Stringer:** I agree with the general thrust of my hon. Friend’s argument, but we should not let off the Government and all the parties in this House who supported the incentives for diesel. The health risks were known more than 25 years ago. A report by the then Environment Department in 1993, a piece in 2001 by the European Respiratory Journal and other sources all pointed out the health problems of NOx and particulates. People got the balance wrong between the perceived threat of carbon dioxide and the real threat of those poisons, but we should not pretend that there was ignorance of this issue in the past; there was not.

**Geraint Davies:** That is a point well made. I mentioned in passing that Margaret Thatcher and subsequent Governments were aware all along of these public health issues. Ironically, it is also the case that, with NOx and particulates, people got the balance wrong between the perceived threat of carbon dioxide and the real threat of those poisons, but we should not pretend that there was ignorance of this issue in the past; there was not.

Of course, ClientEarth has taken the Government to court, as we do not even satisfy minimum EU standards, let alone World Health Organisation standards, and I very much hope that as and when Brexit happens we will ensure that air quality standards are legally enforceable and at least at the level of the minimum EU standard, while moving towards the WHO standards.

These are difficult issues. I appreciate that people have bought cars in good faith. They feel that the current Government, which has been in power for seven years, the previous Labour Government and even the Government before that should have alerted them to these problems, and there is a move, alongside what is being said, perhaps to index fuel duties differentially. In the case of diesel, the real cost of diesel may not go up because of upwards inflation and because the cost of other fuels does not go up. Basically, the signals should be given that people would be wise to move forward.

I will ask the Minister a couple of technical questions. I would like him to comment on displacement issues regarding the targeting of the scrappage scheme; obviously, there are various incentives, which will affect different groups. I think we all share the view that many poorer communities will suffer the worst impacts of air pollution on their children. In addition, many poorer people have the worst cars, which they cannot afford to replace. Therefore, I welcome the progressive thrust of this debate, and to allow others to speak I will conclude my remarks there.

10.4 am

**Mr John Spellar** (Warley) (Lab): I will depart slightly from the prevailing tenor of this discussion. I declare an interest, as one of the 11.7 million drivers of a diesel vehicle—in fact, I am a long-standing driver of a diesel vehicle—and as a Member of Parliament who represents one of the poorest areas of the country, but one that is at the heart of the British motor industry.

One of the things that I found slightly disturbing about the contribution by the hon. Member for Tiverton and Honiton (Neil Parish), who is the Chairman of the Environment, Food and Rural Affairs Committee, who is someone I hold in high regard, was about the cost of this scheme. When I asked him about costs, he just talked about the cost of converting an individual vehicle. There was no mention of what the overall cost to the Exchequer would be, nor about how we would deal with the infrastructure cost. For example, he talked about gas vehicles, but what would be the cost of creating a gas infrastructure across the country? Part of the essence of any scheme must be a national infrastructure to back it up, otherwise it would be exceedingly unattractive to individual motorists, notwithstanding the fact that, for buses and major truck fleets for example, it might make an important contribution.

One thing I found interesting was when the hon. Gentleman talked about fines. I was really surprised that he showed so little confidence in the ability of his Prime Minister to negotiate an effective Brexit that he thinks the EU will still be in a position to fine us.

**Dr Poulter:** The right hon. Gentleman is making an important point about cost, but many car manufacturers have a global market, so much of the innovation, particularly in the electric and hybrid car market, has
already been achieved, because other countries have different regimes for taxing cars and providing incentives. That will reduce the cost of the roll-out of electric cars in the UK, which will be very helpful to us.

Mr Spellar: I am not entirely sure I follow that. I will break it down into two areas. One is about infrastructure cost. Whatever contributions have been made by the Toyota car company, for example, in creating a very successful hybrid vehicle, that does not alter the fact that people will need an infrastructure to charge up those vehicles. Although the hon. Member for Tiverton and Honiton, who introduced this debate, may well be able to plug in his vehicle on his country estate, he may have noticed that in urban areas such as mine there is very tight terraced housing and a lot of high-rise flats—and an increasing number, by the way, of apartments in our urban areas. I would be interested if he could tell us how people will be able to charge their vehicles, what the infrastructure cost will be and what Treasury contribution will be required. A decision may have to be made, but at the very least people need to know what the overall cost will be.

Neil Parish: If I could just put the right hon. Gentleman right, I do not have a “country estate”; I have a farm. There is a little bit of a difference, and I was also a working farmer before I got here. Let me make that abundantly clear.

To be serious, the Government are already rolling out an infrastructure for charging points; we also want the fast charging points, so that people can charge up their cars quickly. As far as gas is concerned, there is an infrastructure out there already. A lot of garages supply liquid gas. There are probably not as many as we might need, but there is quite an infrastructure for gas out there already, so that does not need to be reinvented.

Mr Spellar: I think the hon. Gentleman is underplaying the position. I acknowledge the fact that he is a farmer—which is why I threw it in the way I did—but I would ask whether he and his neighbours use red diesel. There was no mention in his contribution as to whether the enormous discount on red diesel should be included in our considerations. Again, I note that there was no figure—no estimate—for how much all of this will cost.

Geraint Davies: The hon. Member for Tiverton and Honiton (Neil Parish) mentioned the cap of half a billion pounds for the scrappage scheme, but if the signal from the Government to the market is that having points for hydrogen and gas is the direction of travel, the market will accelerate the infrastructure provision. As has been pointed out, there is a gas and an electric infrastructure. We need to pump prime a hydrogen infrastructure and the market will invest. The old-style socialist view that everything has to be paid for by the state is not the case.

Mr Spellar: But we are talking about dramatic change, with 11.7 million diesel cars, let alone trucks, buses and so on. The idea that the current infrastructure or even a massively ramped-up infrastructure will be able to deal with that without major Government investment seems entirely fanciful.
Mr Spellar: That is absolutely right, and I thank my hon. Friend for that. I suspect that the transmission capacity, particularly locally, will be affected in the same way. Equally, we have to look at the availability of petrol if we remove a great chunk of the diesel market, which may or may not also happen in the rest of Europe. What discussions has the Minister had with his European counterparts? The duty levied on diesel there is considerably lower, which is why they have much lower diesel prices in the EU. Reference was made to the European Commission putting the UK Government on notice and our Supreme Court responding to that, but it is interesting to note that the European Commission also mentioned a whole number of other countries, including Germany, France, Spain and Italy. Is there any common factor among those countries, apart from them being the major industrial countries of the EU? I therefore find it rather strange that we are looking at a major upheaval that does not seem to be mirrored by our European counterparts without getting proper figures in an impact assessment, and at a time when we are considering the uncertainties of Brexit. Apart from one or two towns and cities in one or two countries, there seems to be no similar reaction from other countries.

Equally, there seems to be no consideration as to whether, as was rightly said earlier, we could actually have alternative fuels for many heavy goods vehicles. There is a reason why, across the whole world, goods vehicles are overwhelmingly diesel. It has to do with torque, traction and so on, and that applies to many builders’ vehicles, which are for lifting and generate power to do that. That would not be possible with an electric vehicle—certainly not with the current state of technology.

Electric vehicles may have some minor advantage when sitting in traffic, but many of those arguing for this proposal should perhaps be looking at better traffic management. With a number of cities, and particularly London, quite a bit of the congestion has been aided and abetted by the construction of cycle lanes. Boris Johnson’s cycle lanes have generated congestion in central London, as taxi drivers and others will all attest, so we need to be looking at how we can deal with the problem in its various segments. With petroleum, it is true that we can keep cracking the oil in different stages and get more petroleum out, but that adds considerably to the cost—I will come to the cost to the individual in one second, after I give way to the Chairman of the Select Committee.

Neil Parish: I am finding the right hon. Gentleman’s contribution very interesting, because he is going into great detail on all the problems we have, but he is then saying that bicycles are causing problems. Surely people on bicycles are not emitting any emissions at all, other than breathing in and out as they are riding along. It is no good coming out with a whole list of things that are wrong with the proposal. I would like to see a bit of a more positive approach to the whole argument.

Mr Spellar: As the hon. Gentleman rides in on his bike from Battersea, he may notice that the bridges across the Thames are always much more congested than they used to be. That is because there is much less road space because of the introduction of cycle lanes.

Geraint Davies: I may be paraphrasing my right hon. Friend, but he said that the EU did not really care about the issue. My understanding is that there was a move for an EU air quality regulator that was blocked by the British in some sort of dodgy deal related to avoiding a banking regulator. There is movement towards air quality improvement and innovation in Europe. In the Council of Europe, in which I sit, an urban air quality study is going on. Given that 3 million people are dying across the globe, with 400,000 in Europe, there is an imperative to develop sustainable transport technology. The thrust of his argument seems to be—

Mr Christopher Chope (in the Chair): Order. Interventions are getting longer and longer. At least one other hon. Member wishes to participate in this debate.

Mr Spellar: In that case, I will speed up, Mr Chope. A considerable number die as a result of air quality because of cooking with solid fuel in enclosed spaces, particularly in Africa, which is certainly something we should look at and is certainly something to do with photovoltaic and storage. Also, on the assessments and the figure of 40,000, Roger Harrabin of the BBC has said that it could be anything between a fifth or five times as much as that. It is not about cardiac arrests or even lung cancer, but about the average reduced periods of life. A real study of the data is needed, accepting that there is a problem, but that this is about scoping it.

There is also the issue of sources of generation. In coastal areas, particularly in ports, what is the contribution of shipping to the numbers of particulates? What is the contribution of diesel trains? Perhaps the Minister will explain why the Government are cutting back on some of the electrification, which will mean more diesel trains going into urban areas. What is the contribution of power stations, central heating boilers and the burning of solid fuel? Interestingly, what is the contribution, as I mentioned earlier, of urban incinerators, of which we have a large number to deal with the problems of waste? Also, what is the contribution of tar, which is believed to be considerable, particularly in terms of small particulates?

As for the scrappage question, it is all very well to say we will give somebody £1,000, but £1,000 towards what? Towards buying a new vehicle? What does that say to someone who needs his car to get to work and who has probably already seen a drop in its value of about £2,000? What does it say to people who are asset poor and who need their vehicle to get to work? If we give them £1,000, who will lend them the money to buy new vehicles? Will they buy vehicles from further up the chain? There may be answers, but figures came there none during this debate.

What about taxi drivers? Birmingham City Council is proposing a purge of diesel taxis. Taxi driving is entry-level employment for many in this country in all communities. Are we telling them we will take them off the road and put them on the dole? That is certainly not an attractive proposition for many constituents who are active in the taxi trade.

I have already mentioned the question of where people will charge their cars. Even if we have fast chargers, how many can we put through the average service station on the motorway compared with how many can fill up there? How many can we have at any other service station? What about city centre areas? I accept there is
probably a lower percentage of car ownership in some of those areas, but there are still a hell of a lot of cars. How will we have a charging system on the congested urban streetscape of Britain? And what will we do in isolated and rural areas?

Mr Chope, I am aware that we want to hear from the Front-Bench spokespersons, and, as you rightly drew to my attention, one other speaker wishes to participate, so I shall end now. This is a big debate. I do not think we should move forward with disconnected local schemes or without a well-thought-out, well-costed Treasury-backed scheme. We should not rush into this. The matters are serious. They are about international competitiveness, people's financial welfare, and, as people have rightly said, people's health and welfare. This is a big issue. We should not go ahead on prime ministerial whim or just on what local government decides. We need a proper national debate and proper national answers.

10.24 am

Charlie Elphicke (Dover) (Con): It is a pleasure to speak under your chairmanship, Mr Chope. I congratulate my hon. Friend the Member for Tiverton and Honiton (Neil Parish) on securing this important debate. It was fascinating to listen to the speech by the right hon. Member for Warley (Mr Spellar), who set out in pithy terms the policy issues concerned with this matter. I draw attention to my declarations in the Register of Members' Financial Interests. Also, I chair the all-party group for fair fuel.

Pollution is a serious problem, but it is important that we look at the science and the statistics and do not go around the place scaremongering. We must not allow the people who for a long time have not been in favour of cars to find another excuse to attack motorists and to seek to visit extra taxes upon them. So when we look at the serious problem of NOx we need to look at what has happened to pollution over the past decade and beyond, because it is revealing that NOx pollution levels have halved in the past decade. They have gone from 1.6 million tonnes in 2005 to 0.9 million tonnes in 2015.

Particulates are also down. Between 1990 and 2015 the most harmful particulate emissions reduced by 47% in the UK and PM10 fell by 51%. I think we should spend a little less time beating ourselves up and a little more time congratulating ourselves and our nation on the advances we have made. Much has been done, but there is much yet to do, and I want to address what we need to do next.

Geraint Davies: If the hon. Gentleman looks at the associated data, he will find that from 2010 to 2017 there was a levelling off and a gradual increase in particulates and NOx.

Charlie Elphicke: The hon. Gentleman always looks on the positive side of things. The Department for Environment, Food and Rural Affairs figures show that there has been a levelling off, but they are still hugely down. The hon. Gentleman should try to be more of a glass half full sort of person and look at the progress that has been made. He has promoted the Clean Air Bill, which, from the way he talks about it, will attack motorists, diesels and cars. However, let us look at the scale of the problem in the round. Let us look at the science rather than the rhetoric. Let us look at the numbers. What percentage of nitrogen oxide pollution in London comes from diesel cars? The Labour Mayor of London proposes to try to fleece motorists out of £20 every time they visit the city. According to the London Assembly Environment Committee's report, the percentage is 11%. Separate figures from Transport for London indicate 12% from the diesel car. Some 750,000 diesel cars in London produce that amount.

Why has there not been any focus on the other 90% of the problem? The risk is that we only attack the motorists who thought they were doing the right thing when they bought the cars, because they were advised to do so. They were advised that it was a clean, environment-friendly thing to do. We are at risk of unfairly targeting and demonising those people, and of ignoring the other 90% of the problem. If we focus on 10% of the problem, we risk not looking at the other 90%. So what is in that 90% that needs to be in the air quality plans? I hope the hon. Gentleman will talk about that when he discusses his Bill and will look at the science and statistics and not just go after the poor motorists, many of whom live in his constituency. Let us look at where the problem comes from.

The answer is that 8% comes from rail: ageing trains chuffing up fumes at Paddington. Some 14% comes from non-road mobile machinery; generators on building sites. The system does not seem to allow plugging them into the main grid, which would be the obvious thing to do, so we have to have diesel generators. Why has action not been taken on that? Why have we not heard about that from the medical and the green lobby who want to target the motorist? We ought to hear about that. We ought to look at the diggers that do not have the filters that they should have, that do not have the same quality. We ought to clean up our building sites. We ought to look to do that, because if it is important, it is important across the board.

We need to look at non-domestic and domestic gas—gas central heating systems produce nitrogen oxide. So do Transport for London's buses—10% of nitrogen oxide in London comes from buses, which the right hon. Member for Warley mentioned.

It is very important that we do not demonise diesel drivers and that this is not seen as an opportunity for Labour Mayors and Labour councils up and down the land to fleece motorists with more taxes—many have set out such plans. As the right hon. Member for Warley pointed out, in many cases that would hurt the poorest, who have been priced out of cities, and would be unfair. We should make sure that we have an across-the-board plan to deal with a problem that affects everyone; we should focus not on the 10% but on the 100%. It is my plea that we treat motorists fairly—that we treat ourselves, wherever we are, fairly. We should treat the whole problem and all of the pollution. That is how we will have the best chance of making sure we have cleaner air, a cleaner country, cleaner cities and a cleaner nation, for our sake, and the sake of our children.

10.30 am

Alan Brown (Kilmarnock and Loudoun) (SNP): It is a pleasure to serve under your chairmanship, Mr Chope. I congratulate the hon. Member for Tiverton and Honiton
Daniel Zeichner (Cambridge) (Lab): It is a pleasure to serve under your chairmanship, Mr Chope. I thank the hon. Member for Tiverton and Honiton (Neil Parish) for securing this important debate. Having read some of the minutes of his Committee, I can tell that he gives Ministers a hard time—he is exactly the kind of friend any ministerial team needs.

This is a very timely debate, although I have to say that I think it is the first debate in which we have heard only male voices in my short time in this place. I am not quite sure what that tells us, but clearly women and children are among the 40,000 people who, as the Royal College of Physicians tells us, suffer premature death in the UK every year because of these issues. To take one local example, Brixton Road in south London breached
its annual air pollution limit for 2017 after just five days. The Government's continued failure to address the problem meant that they were taken to the Supreme Court.

Labour recognises the need for action. In our view, clean air is a right, not a privilege. I pay tribute to my hon. Friend the Member for Swansea West (Geraint Davies) for the work he is doing on the Clean Air Bill and I note his powerful point about the role that manufacturers should be playing in sorting out some of the problems.

We heard a powerful speech from my right hon. Friend the Member for Blackley and Broughton (Graham Stringer) made a very strong point when he suggested that any such scheme should focus on cities, and I think the hon. Member for Twerton and Honiton agreed with that point.

Have the Government considered the RAC Foundation findings? Has the Minister considered the Mayor of London’s proposals for a targeted scheme that supports low-income families? Without targeting the right drivers operating in crisis areas, a scrappage scheme risks having a limited impact. It is therefore absolutely essential that the Government publish robust environmental evidence and a cost-benefit analysis for any proposal.

Scrappage schemes are only one of the measures that need to be taken if we are really to tackle the air quality crisis effectively. Not only are we awaiting the Government’s third attempt at producing an air-quality plan following a judicial review, which should happen imminently, but I am afraid that they are more than 1.5 million vehicles short of their 1.6 million 2020 target for electric hybrid and alternative fuel vehicles. They are also going backwards on the 2020 renewable transport fuel targets. In our discussions on the Vehicle Technology and Aviation Bill, Labour pressed for strong action on reviewing the plug-in grant and charging point schemes, both of which were cut by the Government, for licensing and accreditation for technicians—both proposals were backed by the Institute of the Motor Industry—and for a clear review of vehicle excise duty, which was backed by the RAC Foundation, the Society of Motor Manufacturers and Traders and many other motor and active travel organisations.

As someone who has spent much of my time in Parliament talking about buses, I know that there are huge opportunities to improve the environmental performance of our bus fleets. As was pointed out, in some areas they are ageing and very polluting. It was disappointing that the Government did not take up some of the Opposition’s constructive proposals on the Bus Services Bill. I urge them to think about that further. There is an opportunity to create a greener bus network, so I ask the Minister to assure us that analysis will be done to look at how we can make better use of the Bus Services Bill to improve our fleet’s environmental performance.

The Environment, Food and Rural Affairs Committee told us last year that only five of the 12 worst-polluted cities have been given the ability to charge to enter clean-air zones. Will the Government also look at extending the network of clean-air zones, which Labour committed to in 2015?

The Government have some serious questions to answer about air quality. We believe that to breathe clean air is a right, and the health, environmental and economic case for acting is overwhelming. Action on diesel is part of the solution, but measures must be cost-effective and targeted actively enough to affect the high-mileage vehicles that operate in our towns and cities. That means investing in greener buses and public transport, reviewing the plug-in grants and excise duty rates for electric vehicles, reducing other barriers to electric vehicle uptake and extending clean-air zones to more local authorities. One way of rising to these challenges is to back the London Mayor’s call for a new clean air Act that is fit for the 21st century. That would send a powerful message to everyone that clean air is not a privilege but a right. A YouGov survey shows that two thirds of the public support that.
As we eagerly await what must only be an exhaustive and robust air-quality strategy—at the third attempt—I hope the Minister considers his response. The truth is that we can no longer hold our breath while we wait.

10.45 am

The Minister of State, Department for Transport (Mr John Hayes): It is a pleasure to serve under your chairmanship, Mr Chope, and to speak in this debate. I have just 15 minutes to deal with this important subject—I hope it will be 15 minutes of pure joy.

Disraeli, the greatest Conservative Prime Minister, said:

“The fool wonders, the wise man asks.”

My hon. Friend the Member for Tiverton and Honiton (Neil Parish) has indeed asked a question about what he feels is an important contribution to the developing strategy on air quality, which, as he knows, I have been working on with colleagues at DEFRA and others across Government so as to put it in place in a way that is both practicable and demanding. I say practicable, because I am not in the business of penalising drivers—particularly those on modest incomes who bought their diesel vehicles in good faith. They were badly advised, largely by the previous Labour Government, as we heard from various contributors to the debate. There has been refreshing honesty in that respect today.

Mr Spellar: Will the Minister tell us whether he or the Conservative Opposition in any way opposed those measures at the time?

Mr Hayes: I can answer that question directly. The Conservatives took an entirely different approach in opposition. In our 2001 environment manifesto, the then Conservative Opposition called for a vehicle excise duty to be based on air pollution and vehicle emissions rather than just carbon dioxide. None the less, Gordon Brown went ahead with the scheme unaffected by that advice. That is the direct answer to the right hon. Gentleman’s question. Ministers do not give many direct answers, but that is a model example of one.

Mr Spellar: Will the Minister tell us how the Conservatives voted in Parliament on that?

Mr Hayes: In the short time available to me, I do not have access to Hansard, and it would absolutely wrong for me to give any information that is not pinpoint accurate. That is not my habit, Mr Chope, and it is certainly not something you would permit in this Chamber. I now need to rush on to deal adequately with the contributions that have been made to this debate.

It is absolutely clear that the prosperity of our nation and, more than that, the common good depend on our wellbeing. Closely associated with wellbeing is the health of our people—urban and rural, young and old. If we are going to promote a better Britain to fuel—if I can put it in these terms—the common good, we need to look at air quality and pollution, as that is critical to health.

Marcus Fysh (Yeovil) (Con) rose—

Mr Hayes: I want to deal with a pseudodox before I give way to my hon. Friend. It is important to recognise that air quality has improved. I do not want there to be any misunderstanding about that. Over time, air quality in this country has improved. That goes right back to the Clean Air Acts of the late 1950s and through the 1960s. Even in recent years, air quality has improved with respect to nitrogen monoxide emissions by something like 20%, so let us not start from a series of misassumptions.

Marcus Fysh: I am very heartened to hear that the Minister estimates that we should look after the rural areas just as we look after the cities. I was a little worried that the Opposition spokesman’s contribution suggested that we should purely focus on cities. In Yeovil, we have an air quality management area, which needs managing. I am a supporter of this potential scrappage scheme as one means of alleviating that. We have a congestion issue. I would love the Minister to come look at a bypass scheme to alleviate that on Sherborne Road. This is an excellent part of what we should be doing to address that issue.

Mr Hayes: My hon. Friend is right that in implementing any set of policies we need to be clear about the particularities of different localities. The circumstances in rural areas are different in all kinds of ways. The biggest problem with air quality and pollution is obviously in urban areas, and the Government’s approach—of which clean air zones are the exemplification—has, of course, focused on just such areas. It would be inconceivable for us not to be sensitive to different circumstances, which is why we are so determined to work with all agencies and local government in particular to ensure that the specificity of any proposals that we put into place is sufficient to deal with those particularities. He is absolutely right to raise that.

Having said that air quality has improved, let us be clear: we must do more. There is no complacency in making a bald statement about the facts. We have to go further, for, as Disraeli also said:

“The health of the people is really the foundation upon which all their happiness”

depends. It is right that high nitrogen dioxide levels exacerbate the impact of pre-existing health conditions, especially for elderly people and children, as my hon. Friend the Member for Tiverton and Honiton and others made clear; it is right that we protect those most affected by poor air quality. I am absolutely committed to that objective.

People know this already, but I am not afraid or ashamed to restate it: Government can be a force for good. I mentioned the Clean Air Acts, and in those terms Governments were a force for good and can continue to be so if we get the regulatory environment right. Air pollution has reduced, but we need to tackle it with a new vigour and determination. Road transport is at the heart of that, because it is the single biggest contributor to high local concentrations of nitrogen dioxide, and it is nitrogen dioxide that has featured large in the debate.

Geraint Davies: The Minister mentioned the reduction of pollution, but will he not accept that the aggregate reduction of pollution in Britain is linked to the demise of the coal mines and the exporting of our manufacturing base, as well as the financial disaster in 2008? If he
We should therefore support the scheme.

Mr Hayes: In recent years emissions have been a problem in particular areas—I acknowledge that clearly—and the Government are particularly keen to deal with the effects on those areas. The air quality plan will of course have a national footprint, as it is a national plan. The particularity I described was about Government setting out an appropriate and deliverable framework, and then working with localities to ensure that in the implementation of that framework all those local circumstances are put in place. That is the point that I was making about urban and rural areas and the different circumstances that apply there.

Clean air zones cover a designated area and involve a range of immediate local actions to support cities to grow while delivering sustained improvements in air quality and transition to a low-emission economy. Measures that could be implemented include the promotion of ultra-low emission vehicles; upgrading buses and taxis; promoting cycling schemes; and, in the worst cases, charging for the most polluting vehicles. In 2015 we named five cities, Birmingham, Leeds, Nottingham, Derby and Southampton, that are required to introduce a clean air zone. The Government are engaging with the relevant local authorities on the schemes’ detailed design.

Clean air zones will support the transition to a low-emission economy, but the Government are considering how to mitigate the zones’ impacts on those worst affected. I am not in the business of disadvantaging those who are already disadvantaged and in exaggerating the circumstances of those who already face tough choices and have a struggle to make their way in the world. That is not we are about and would not be the kind of fair politics that I believe in and to which this Government are committed. A fairer Britain is one that takes account of such disadvantages and we will do so in the construction and delivery of this policy.

My hon. Friend the Member for Tiverton and Honiton suggested that a means-tested scrappage scheme could address some of those issues. He emphasised the fact that his scheme would be means-tested, and he did so with a fair amount of passion. Hegel said:

“Nothing great in the world has ever been accomplished without passion”,

and my hon. Friend has displayed that very passion today. Let me be clear: I note his points and I will ensure that they are considered as part of our consultation and as part of our work. I do not think you get much better than that typically in Westminster Hall.

It is absolutely right that the Government’s clean air zone policy recognises all the challenges that have been set out by various contributors to the debate and it tackles the problems of the most polluted places by acknowledging that low-cost transport is vital to people’s opportunities and wellbeing.

Mr Spellar: I have a one-sentence question. How much money have the Department and the Treasury designated to deal with the problem?

Mr Hayes: I am happy to give another straight answer to another straight question from the right hon. Gentleman. In February this year we awarded almost £3.7 million of funding to projects, including one in Gateshead to encourage cycling and to upgrade traffic management, and another in Nottingham to trial fuel cell technology and to encourage ultra-low emission vehicles in the local NHS. Alongside that, we are making significant investment in a range of green transport initiatives. Since 2011 the Government have invested more than £2 billion to increase the uptake of ultra-low emission vehicles and to support greener transport schemes, as well as pledging £290 million to support electric vehicles and low-emission buses and taxis in the 2016 autumn statement. More than that, just last week, £109 million of Government funding was awarded to 38 cutting-edge automotive research and development projects focused on greatly reduce automotive emissions and their footprint. Those are the facts.

Charlie Elphicke: Will the Minister give way?

Mr Hayes: I will not, for the sake of time, but I put on the record that my hon. Friend has been a great champion of his constituents’ interests in this and so many other ways.

We are going further and have introduced a Bill, the Vehicle Technology and Aviation Bill, which has been referred to in our debate and has gone through Committee. It is designed to promote a charging infrastructure for electric vehicles and we also dealt with autonomous vehicles in our consideration of it. The Bill was debated in Committee without acrimony or contumely. There seemed to be a cross-party view that we need to move ahead both with care and with a degree of unprecedented vigour to promote the take-up of electric and other low-emission vehicles. We will therefore put in place appropriate infrastructure, which was a point made in the course of this debate. I said today, in a breakfast meeting with the sector from which I rushed to come to Westminster Hall, that I will be rolling out the competition for the design of electric charging points which I mentioned in that Committee.

In the brief time I have available, I need to draw the whole of the Chamber’s attention to the breakdown of where the emissions emanate from. The question was asked several times: why and where? It is all here, on this list, which is exhaustive. I have not time to deal with it now, but I will make it available to every Member who has contributed to and attended the debate. It breaks down the very points that were made. For example, are emissions coming from shipping? By the way, shipping is important, and I want to do more in that respect, as argued for by the hon. Member for Poplar and Limehouse (Jim Fitzpatrick), the chair of the maritime all-party group, as well as in respect of railways and so on and so forth.
Let me move to my exciting conclusion in the couple of minutes that I have available—

Mr Christopher Chope (in the Chair): Order. Does the Minister intend to allow the mover of the motion to respond?

Mr Hayes: I will give my hon. Friend the Member for Tiverton and Honiton a brief time, if he is happy with that.

One of the other big problems has been Europe, and the failure of the Euro testing regime has come together with increased use of diesel vehicles following tax incentives introduced by the Labour Government. The failure of that EU regime to put in place real tests that made a difference has been a contributory factor that, as in so many other ways, was injurious to the interests of the British people. This Government are determined to put the wellbeing, welfare and health of our people at the heart of all we do. We will bring forward the plan and the policy, and they will be balanced and certainly not penalise those who are worse off. I am grateful to my hon. Friend for giving me the chance to say so.

10.59 am

Neil Parish: I thank everyone for their contributions and the Minister very much for his reply. We need a scrappage scheme along with public transport and everything that we have discussed this morning. We need to reduce the amount of pollution in order to get better quality air in our cities and throughout the nation. A diesel scrappage scheme is very much part of that.

_Motion lapsed (Standing Order No. 10(6))._

**EEC, EC and the EU: UK Financial Contributions**

11 am

Mr Philip Hollobone (Kettering) (Con): I beg to move,

That this House has considered the UK’s total net financial contribution to the EEC, EC and EU since 1 January 1973.

May I say what a huge pleasure it is to serve under your chairmanship, Mr Chope? I thank Mr Speaker for granting me this important debate. I hope that the debate will do what it says on the tin, because if my hon. Friend the Minister is unable or unwilling to do so, I shall reveal this country’s total net financial contribution to Europe since we joined the Common Market on 1 January 1973. It is a huge figure, which British taxpayers have had to spend over the past 44 years.

Mr Hollobone, you will recall that we joined what was then called the Common Market with effect from 1 January 1973. Its official title was the European Economic Community. Since that date, it has changed—sometimes with and sometimes without the consent of the British people—into the European Community, or the EC, and from that into the European Union. According to detailed and authoritative research published by the Library, over the past 44 years this country has contributed a net total, in real terms—in today’s money—of £187 billion. That sum has been transferred from British taxpayers to European Union taxpayers. That does not include this year, next year or the bit of 2019 before we leave that dreadful organisation. If the real-terms total is something like £187 billion today, it will be well over £200 billion by the time we leave. I estimate that we will have spent £209 billion on being a member of that organisation—that is our membership fee.

It is simply outrageous for any EU negotiator to demand that this country continues to pay to leave when we have contributed all that money, net, since we joined on 1 January 1973. I look to my hon. Friend the Minister, who is an excellent Minister in the Department for Exiting the European Union, to be extremely robust when he negotiates our exit from that institution.

Graham Stringer (Blackley and Broughton) (Lab):

Will the hon. Gentleman give way?

Mr Hollobone: I would be delighted and honoured to give way to the hon. Gentleman.

Graham Stringer: I am grateful. I assume that the figures the hon. Gentleman is giving are cash figures and are not updated to current value. Does he agree that, had that money been put in the country’s wallet, we would now have the largest sovereign wealth fund in the world?

Mr Hollobone: That is an extremely good point. The cash figure—the total of our actual payments each year in the value of money at that time—is £137.4 billion. In real terms—in today’s money—it is £184.5 billion, so £185 billion. I have added £2 billion just for fun. That is the sort of tactic that the EU negotiators will adopt, so we should start playing them at their own game. Of course, they will demand that we pay an exit or divorce bill for leaving. My argument is that we should not pay anything at all.
The European Commission's chief negotiator, Michel Barnier, has reportedly put the exit bill at close to €60 billion. Estimates of the payment are contingent on what liabilities and assets are included and how those are shared. For example, the Centre for European Reform has produced estimates ranging from €24 billion to €73 billion, while the House of Lords European Union Committee, in its excellent report, “Brexit and the EU budget”, which was published on 4 March, points to evidence suggesting that the EU will demand between €15 billion and €60 billion. That range of estimates highlights the fact that almost every element of the potential payment is subject to interpretation and the Commission has laid out no official bill or rationale. Negotiations will determine which liabilities and assets are shared and how they are shared.

The Lords Committee concluded that if no agreement was reached with the EU, “the UK would be subject to no enforceable obligation to make any financial contribution at all.”

The Committee received competing interpretations but felt that that interpretation was the most persuasive, although it stressed that there could be political and economic consequences of the UK leaving without reaching an agreement on the payment. I say to my hon. Friend the Minister that there will be political and economic consequences in this country if we have to pay a massive exit bill. That would be unacceptable to my constituents and, I suspect, to most Members of this House.

There are three big sources of potential liabilities as we leave, which I would dismiss almost in their entirety. The first is called—I am sorry to use French in the Chamber—reste à liquider, or RAL. In its annual budgets, the EU commits to some future spending without making payments to recipients at the time. The EU refers to those outstanding commitments as reste à liquider, and it has been suggested that the UK may be asked to contribute to that RAL when we leave.

Again, estimates of the potential size of those payments vary. Evidence to the Lords Committee suggests that the EU will argue that we could be liable for a share of between 5%, based on our share of allocated financing, and 15%, based on our gross contribution to the EU budget. The Commission’s current forecast of total RAL across the whole EU by the end of 2020 is €254 billion. Using that forecast and our maximum potential share of 15%, our liability would amount to some €38 billion. At the other end, were we to pay 5% based on our proportion of allocated pre-financing under the multi-annual financial framework, our liability could be as low as €12.7 billion. Obviously, I say that our liability should be zero, but if it is going to be at the bottom end, it should be no more than €12.7 billion.

There are other potential liabilities under the multi-annual financial framework. I am sorry about all this jargon, Mr Chope, but as you and I know, that is the way the EU has been run for the past 44 years. There is an outrageous suggestion that, because the multi-annual financial framework runs until the end of 2020, were we to leave in April 2019, we might be liable for payments made between that date and the end of 2020. Quite how the EU comes up with that is beyond me, but that is apparently its serious negotiating stance. Again, estimates vary from €14.8 billion on a 5% share to €44.4 billion on a 15% share.

However, even the German Finance Minister, Wolfgang Schäuble—I am sorry to use German in the Chamber, Mr Chope—has suggested that actually a new multi-annual financial framework could be negotiated, which would come in as soon as we leave in April 2019, thus reducing our liability to nil. The Lords Committee said that “in Germany at least, there is an acknowledgement that the commitments made in the MFF may not be legally or politically due.”

It would seem to me that even the Germans are embarrassed by some aspects of the EU’s early negotiating stance. I argue that our liability should be zero, but the low end of the estimates is just short of €15 billion.

Then there is the thorny issue of potential pension liabilities for British nationals serving in the European Commission. The Commission of course might argue that we are liable to pay some of the pension contributions for the non-British nationals there, on the basis that the nationality of the pension recipients is irrelevant under pension law. Again, the range of estimates for our potential liability for those pensions ranges from something like €1.2 billion to €9.6 billion. If we add up all those potential liabilities, €12.7 billion, €13.2 billion and €1.2 billion at the low end for the three different categories—RAL, MFF and pension liabilities—the potential bill is €27.1 billion.

Against that, however, there is a strong moral case: we will have contributed just short of €210 billion in real terms during the lifetime of our membership. Surely that entitles us to a big slug of the EU assets. That is what would happen in any divorce court if a couple were getting divorced. According to the excellent note from the House of Commons Library, the EU has €154 billion of assets, including property, equipment, loans and investments, cash and other fungible assets. The Lords Committee concluded that the theoretical maximum that the UK could claim would be €23 billion, using 15% as a relevant share.

The UK is a member of the European Investment Bank and has capital invested in it. The Lords Committee expects that if the UK were no longer to be a member of the EU, and was therefore not a member of the EIB, it would have its capital returned, potentially with a share of the bank’s equity. The Committee says:

“The UK might expect its €3.5 billion in called up capital to be returned if it ceased to be a shareholder. Based on the current net worth of the EIB, the UK may be due a share of equity in the region of €10 billion.”

Of course, Baroness Thatcher negotiated a rebate while she served her glorious 11 years as Prime Minister. In one of her finest moments, she secured a far better deal for many years of our membership of the European Union. Without the rebate, our net real-terms contribution would of course have been even higher. I can in fact reveal that since it was introduced in 1985, it has saved British taxpayers in real terms—today’s money—£117 billion. That is a huge saving for the country as a result of what Mrs Thatcher did. We can imagine that our total net financial contribution would not have been £210 billion; it would have been £117 billion higher, had it not been for Maggie’s efforts. Sneakily, however, the EU pays us the rebate a year in arrears, so I urge the Minister in negotiating to make sure it does not...
try not to pay us the extra years’ payments we require when we leave. That is one of the sneaky tricks that it might try, and it would be worth £6 billion.

If we add up the £6 billion rebate, £10 billion from our share of the European Investment Bank, and £23 billion as our reasonable share of the assets, it comes to £36 billion potential assets coming our way against potential liabilities of £27.1 billion. So I would argue the EU needs to pay us. We have contributed north of £200 billion in real terms over the lifetime of our membership. If we look closely at the negotiating areas, we can see that a robust negotiator such as my hon. Friend the Minister at the table, eyeball to eyeball with Michel Barnier, should be banging the table in defence of this country and insisting that we will pay not a penny piece when we leave, because we have already contributed far more than our fair share.

I am looking to my hon. Friend the Minister, on behalf of my constituents in Kettering, 61% of whom voted to leave the referendum, as did 52% of the people of the country: let us make sure that we have a sensible, reasonable and fair deal for the country when we leave the European Union. I hope that the Minister will stare it down.

11.16 am

The Parliamentary Under-Secretary of State for Exiting the European Union (Mr Robin Walker): I congratulate my hon. Friend the Member for Kettering (Mr Hollobone) on securing the debate. Like you, Mr Chope, he has been a doughty champion for UK taxpayers and the UK national interest over a number of years.

My hon. Friend asked about the UK’s total net financial contribution to the EEC, EC and EU since 1 January 1973, the year that the UK joined the European Economic Community. Neither the UK nor the European Union publishes an aggregate audited figure representing that contribution. However, details of annual UK public sector contributions to the EU budget are published in a document entitled “European Union Finances”, most recently in February 2017. In the past three years our net contributions to the EU budget were £9.7 billion in 2014, £10.7 billion in 2015, and £8.6 billion in 2016. It is true that UK has been a net contributor every year, with the exception of 1975, since our accession to the European Economic Community. Our status as a net contributor reflects the fact that the UK is one of the largest economies in Europe and, indeed, in recent years has outperformed many of the others. However, there are no aggregate audited figures in the public domain that represent our net contribution over all that time.

Graham Stringer: The Minister mentioned audited reports. If I were a councillor anywhere in the country I would be sent to prison if I paid money to organisations with unaudited books. Why do we keep making contributions to the EU when it has not had audited books for 20 years?

Mr Walker: The hon. Gentleman raises an important point, which was well made during the referendum debate, which determined that we should end the relationship in which vast contributions were made.

Aside from the issue of auditing, to aggregate the figures a range of complexities and variables would need to be addressed, such as differences—as my hon. Friend the Member for Kettering mentioned—between the cash value of our payments and the real-terms 2017 prices, exchange rate fluctuations, and corrections to contributions in future years. Although the House of Commons Library paper includes a list of the UK contributions since 1973, no consolidated figure has been released by either the EU or the UK Government. The net contribution figures that I mentioned earlier are based on the UK definition, which includes the EU revenue generated through traditional own resources, VAT contributions and gross national income share of contributions. That is then netted off against the public receipts received through EU funding and the UK rebate. Private sector receipts do not flow back through the Government, so they are not included in the net contribution calculations.

As my hon. Friend also mentioned, the UK Government led by Margaret Thatcher successfully secured the rebate in 1984, which was introduced in 1985. It sought to correct a particularly pronounced imbalance between the amount the UK had to contribute and the receipts it received. The rebate was designed to reimburse around two thirds of the difference, thereby reducing the UK’s net contribution, although the exact method of calculation—like many things in the European Union—is highly complex, because certain areas of EU spending are excluded. The last Labour Government gave away some of the rebate, which contributes to the higher level of our recent contributions. I assure my hon. Friend that, encouraged by his exhortations, we will pay close attention to the detail of the rebate, including the timing of its payment, in our approach to the coming negotiations.

The European Commission also publishes outturn data on all member states’ contributions to the EU budget and their receipts on a calendar-year basis. The figure that gives for the UK’s net contribution are different from the numbers derived from the Office for Budget Responsibility’s forecasts and UK data. The main reason for that difference is that the European Commission’s numbers take into account all of the UK’s receipts, including those that go directly to UK-based recipients, such as funding for research paid to UK universities.

On 29 March, the Prime Minister confirmed the Government’s decision to invoke article 50 of the treaty of the European Union, acting on the democratic will of the British people. The article 50 process is now under way, but while we remain a member of the EU, the UK will continue to play a full part in EU business, including EU budget negotiations. We will remain committed to budgetary restraint and ensuring that we live within the current deal on the multi-annual financial framework. However, it is important that, once we have left the EU, control over how our money is spent will reside with the UK’s Government and Parliament—something I know that all the hon. Members in their places have campaigned for over many years.

We will also need to discuss how we determine a fair settlement of the UK’s rights and obligations as a departing member state, in accordance with the law and in the spirit of the deep and special relationship that we seek with the EU. I cannot prejudice the outcome of the negotiations. Debate over UK payments according to the rights and obligations of our membership is only speculation at this stage. However, I will address some of the key aspects of our financial settlement with the
EU. As the House of Lords EU Committee’s report acknowledged, there are a range of opinions about the legal interpretation of existing obligations between the UK and the EU—both liabilities and assets. There is also significant uncertainty over those potential rights and obligations, and how to calculate the UK share.

Disagreement and uncertainty over the potential assets and liabilities of a member state leaving the EU are to be expected when this process has never been undertaken before. The House of Lords EU Committee’s report, “Brexit and the EU Budget”, which my hon. Friend the Member for Kettering rightly praised, notes that:

“The total UK contributions to and receipts from the EU budget are variable, difficult to calculate, and subject to interpretation. It is therefore difficult to reach an unequivocal figure for the UK’s current commitments.”

It also notes that different approaches can be taken to calculating any UK share of the EU budget as a departing member state. It concluded that the process of disentangling the UK from current financial contributions will be a matter for negotiation and dependent on the political decisions made—which is the point my hon. Friend quoted.

Mr Hollobone: One of the weapons my hon. Friend has at his disposal, as the hon. Member for Blackley and Broughton (Graham Stringer) said, is that Her Majesty’s Government operates audited accounts; our accounts are true. When negotiating with Michel Barnier, my hon. Friend can make the point again and again to him that his accounts are not audited; whereas our figures are verifiable, his are not.

Mr Walker: My hon. Friend makes an excellent point, and the Government certainly have confidence in our figures, as we always do. The fact that they are audited adds strength to that confidence.

In addition, as my hon. Friend and the House of Lords report mentioned, the UK is one of the largest shareholders in the European Investment Bank, and we benefit from investment opportunities that that bank supports. As we exit the EU, we will need to address questions over our future relationship with the European Investment Bank. There may be European programmes in which we might want to participate in future. We are an active participant in Horizon 2020, for example—the EU’s main funding instrument for collaboration on research and innovation.

The UK has a proud history of leading and supporting cutting-edge research and innovation within the EU. As we exit the EU, we would welcome agreement to continue to collaborate with our European partners on major science, research and technology initiatives. If so, it is reasonable that we make an appropriate contribution. However, that will be a decision for the UK as we negotiate the new arrangements. There are clearly various ways in which that could be done, and the Government are confident that we can achieve an outcome that works in the interests of both sides. That would form part of a new deep and special relationship between the UK and the EU.

As the European Union considers its future and the UK builds its new role in the world, we will also redefine our relationship with the EU and our neighbours in Europe. The Prime Minister has now set out the Government’s plan to achieve a new positive and constructive partnership between the UK and the European Union. The UK is a country that meets its international obligations. It is in the interests of both the United Kingdom and the European Union to agree a new partnership in a fair and orderly manner, with as little disruption as possible.

We want to play our part in making sure that Europe remains strong and prosperous and able to lead in the world, projecting its values and defending itself from security threats. We want a deep and special partnership that takes in both economic and security co-operation. However, as the Prime Minister set out in her Lancaster House speech on 17 January 2017, having been a net contributor to the European budget since we joined the Common Market in 1973, “the days of Britain making vast contributions to the European Union every year will end.”

My hon. Friend the Member for Kettering called for us to be extremely robust in our approach. I assure him that, as befits the tough reputation of my Secretary of State, we will be robust in defending the UK’s national interest throughout the process.

Question put and agreed to.

11.25 am

Sitting suspended.
Universal Credit

[Geraint Davies in the Chair]

2.42 pm

Catherine McKinnell (Newcastle upon Tyne North) (Lab): I beg to move,

That this House has considered the roll-out of universal credit.

It is a pleasure to serve under your chairmanship, Mr Davies, not least because I have been attempting to hold a debate on this issue for several weeks, if not months, because of the sheer volume of universal credit-related problems raised with me by constituents. I originally secured the debate for 22 March, but it was understandably cut short following the appalling attack on Westminster that afternoon, so I would like to take this opportunity to place on the record my eternal gratitude for the selfless and incredible bravery of PC Keith Palmer on that day. My thoughts very much remain with his family and with the families of those from around the world who were killed or injured as a result of that sickening incident.

Before I expose the myriad issues that my constituents have faced in dealing with this Government policy, and at the risk of repeating what I said on 22 March, I want to set out the context for this debate. As all hon. Members are aware, universal credit is a new benefit that is being introduced to replace means-tested social security benefits and tax credits for working-age individuals and families, including working tax credit, child tax credit, income-based jobseeker’s allowance, income support, income-related employment and support allowance, and housing benefit. According to the Government, the aim of universal credit, using real-time information on claimants’ circumstances, is “to simplify and streamline the benefits system for claimants and administrators, to improve work incentives, to tackle poverty among low income families, and to reduce the scope for fraud and error.”

Following years of repeated delays and false starts, the infamous reset in 2013 after the Major Projects Authority told the Government to go back to the drawing board, and concerns expressed by the National Audit Office that delivery of universal credit had been beset by “weak management, ineffective control and poor governance”, the new benefit is finally, but very painfully, being rolled out across the country. As the Library briefing note helpfully produced for the debate highlights, since the 2013 reset, the Department for Work and Pensions has been developing and roll-out universal credit using a twin-track approach. The briefing note states: “This involves rolling out Universal Credit using IT systems developed prior to the 2013 reset (the ‘Live Service’) while, simultaneously, DWP develops the Digital Service (now known as the ‘Full Service’) from which Universal Credit will eventually be operated.”

I hope everyone is still following me. That means that, since spring 2016, universal credit has been available in all jobcentres across the country, but in most areas it is available only for new claims from people with relatively simple circumstances—single unemployed people, or people with very low earnings, who satisfy the gateway conditions. In the small but increasing number of areas that have full service universal credit, all new eligible claimants will receive universal credit, as will existing claimants of legacy benefits who report a change in their circumstances that results in their being “naturally migrated” to universal credit.

Following the “reshaping” of the next phase of universal credit’s roll-out announced in a written statement on 20 July 2016, the Secretary of State confirmed that the DWP intended to continue the roll-out of full service universal credit to five jobcentres a month until June 2017 and expand that to 30 a month from July 2017. There will be a break over the summer of 2017. The Government hope to scale up full service roll-out to 55 jobcentres a month between October and December 2017 and accelerate that to 65 a month by February 2018, with roll-out to the final 57 being completed in September 2018.

As a consequence, under the Government’s current plans, universal credit should be available across the country to all new claimants and existing claimants with changed circumstances by September 2018, and the final stage of the roll-out of universal credit, the “managed migration” of existing benefit claimants with no change in their circumstances, will commence in July 2019 and be completed by March 2022—some five years later than the original target. Quite how that complicated timetable now fits alongside the DWP’s proposals, published in January, to close an estimated one in 10 jobcentres and merge or co-locate many others is something on which it would be helpful to receive confirmation from the Minister when he responds to the debate.

It is clear that the roll-out of universal credit is a hugely complex task and that hard-working jobcentre staff are being placed in an incredibly challenging situation. The Library briefing note states that it involves “not simply the creation of a new benefit but development of entirely new administrative systems to support it. This includes development of the Digital Service, the online IT system via which claimants and DWP will manage a wards, and training staff to administer a new conditionality and sanctions regime that imposes requirements on in-work as well as out-of-work claimants.”

As universal credit requires a broader span of people to look for work than is the case with legacy benefits—for example, by including those in receipt of housing benefit or child tax credits and, indeed, the partners of universal credit claimants—there has been a marked effect on the claimant count in areas that have full service universal credit. In the year to January 2017, there was a 25.5% increase in the claimant count in full service areas, compared with an increase of 0.1% across the UK as a whole.

There are numerous concerns about the impact of universal credit on existing claimants, particularly families with disabled children whose caring responsibilities prevent them from working. The charity Contact a Family estimates that those families could be up to £1,600 a year worse off after being transferred to universal credit. We also still have the disturbing two-child limit for the child element of universal credit for all families making a new claim, regardless of when their third child was born, and the totally unacceptable situation in which women will be forced to prove that any third child was born, and the totally unacceptable situation in which women will be forced to prove that any third child was born as a result of rape. Serious concerns remain about the cuts to work allowances introduced from April 2016 for universal credit claimants. The Children’s Society highlights that they mean that “Universal Credit support for most working families was considerably reduced.”
The Government have pressed ahead with their potentially deeply damaging decision to remove entitlement to the housing benefit element of universal credit for 18 to 21-year-olds, subject to certain exemptions—a move that has been roundly condemned by homelessness charities including Centrepoint and Crisis. Meanwhile, organisations including the Federation of Small Businesses and the Low Incomes Tax Reform Group are pressing the Government to think again about the minimum income floor, given its potential impact on many genuinely self-employed people with incomes that fluctuate from month to month.

There is, of course, the fact that the change in the universal credit taper rate from 65% to 63%, as announced in the 2016 autumn statement, does not come close to outweighing the cuts to work allowances. The general secretary of the Union of Shop, Distributive and Allied Workers recently commented:

“The very modest reduction in the high clawback rate of 65% of net earnings to 63% is a tiny step in the right direction, but is worth less than £300 for most working parents. It goes nowhere near offsetting the enormous £2,000 to £3,000 annual cuts that Universal Credit represents or taking the taper back to the 55% rate that was originally intended. Universal Credit is a ticking time bomb that will plunge far more working families into poverty, when they are transferred on to it. We supported the general secretary of the Union of Shop, Distributive and Allied Workers recently commented:

“Universal Credit represents or taking the taper back to the 55% rate that was originally intended. Universal Credit is a ticking time bomb that will plunge far more working families into poverty, when they are transferred on to it. We supported the self-employed people with incomes that fluctuate from month to month.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I thank my hon. Friend and neighbour for securing this important debate and for ensuring that it took place today. She knows that I have raised the issue of the increase in housing debt for those on universal credit, and that in Newcastle the proportion of tenants in debt has increased greatly. The Minister said that that increase had not actually occurred; however, I have figures showing that the average debt for non-universal credit tenants in council housing is £300, whereas for universal credit tenants it is £636. Does my hon. Friend agree that that is a huge increase for working and non-working families?

Catherine McKinnell: I thank my hon. Friend and constituency neighbour for her insightful intervention, which highlights one of the major issues caused by the roll-out of universal credit when combined with the impact of the cuts agenda. This is a ticking time bomb and it is of particular concern to areas such as ours—Newcastle—given recent analysis by the TUC highlighting that while employment in the north-east grew by 60,000 between 2011 and 2016, a staggering 40,000 of those new jobs were without guaranteed hours or baseline functions.

Chi Onwurah: Those concerns include a universal credit verification process that requires claimants to produce photographic identification such as a passport or driving licence, which many simply do not possess and certainly cannot afford, even though some have been in receipt of benefits for several years. Deciding that universal credit must be digital by default has also created significant difficulties for many, making it extremely difficult to obtain information about their claim from a human being. Constituents face long and expensive telephone queues, and when they do get through, they are told to report any concerns or queries via their online journal, following which they have to wait for increasingly long periods to receive a response. The fact that universal credit is centred on an online journal system assumes that all claimants have access to the internet or are computer literate. That is certainly not the case for many people across Newcastle, and it can make it very hard for people to verify updates on the status of their claims or post information about their work activity, which is necessary to prevent their claims from being suspended.

I also have numerous examples of universal credit claims being shut down before they should be; of documentation being provided to the DWP, at the constituent’s cost, and repeatedly being lost or even destroyed; and of totally conflicting, often incorrect, information being provided to constituencies about their claims. That is because of a clear lack of understanding about universal credit by the staff who are trying to administer it, and it also results in incorrect payments being made. Indeed, one of the cases I have been handling involves a constituent who received a £600 universal credit payment, while no one at the DWP is able to explain what it is for. There are significant inconsistencies in payment dates and amounts paid, even for people who work regular hours and have regular incomes, leading to overpayments of universal credit that the introduction of real-time information was supposed to prevent.

Claimants are waiting significantly longer than the commonly advertised six-week period to have their universal credit payments processed. That leads to many finding themselves in very serious financial difficulties as they wait for the DWP to get its act together—hardly surprising when all their benefits are rolled into one payment, which, if delayed, can make just about managing feel like an aspiration.

To put this into context, the universal credit live service was rolled out to three jobcentres in Newcastle in April 2015, following which full service universal credit was introduced to Newcastle’s Cathedral Square city centre jobcentre in May 2016, the Newcastle East Jobcentre Plus in February 2017 and finally the Newcastle West Jobcentre Plus on 15 March. To return to the written ministerial statement of 20 July, the Secretary of State clearly said:

“It is essential that the Universal Credit rollout for all claimants types is delivered in an orderly and successful manner; that claimants receive the support they need in a timely fashion; and that welfare reforms are delivered safely as the roll out continues.”—[Official Report, 20 July 2016; Vol. 613, c. 23WS.]

I welcome that aim, but I have to tell the Minister that it simply is not happening in Newcastle. Indeed, it is fair to say that my office has been deluged with complaints from constituents about a universal credit system that is clearly struggling to cope and failing to deliver the support that claimants need in anything like an orderly or timely fashion.

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Peter Grant (Glenrothes) (SNP): I am listening with considerable concern to the hon. Lady’s account of what the universal credit roll-out is doing to her constituents. My constituents are due to suffer the same fate in December 2017, which means that, with the six-week non-payment period, a lot of them will face the entire Christmas and new year period with no source of income at all. Does she agree that at the very least the roll-out should be suspended, and that the best result would be to follow the Scottish Government’s request to stop this process immediately, fix the problems and then continue with expanding it or rolling it out, if that is the right thing to do?

Catherine McKinnell: I take on board the hon. Gentleman’s serious concerns and, indeed, implore the Government to get this process right before they roll it out across the country.

There are also some fundamental flaws in the system. The fact that payments are made monthly and in arrears effectively embeds debt into the system—as landlords awaiting receipt of the housing benefit element of universal credit know all too well—and requires repeated applications for advance payments from DWP and/or budgeting skills, which many people sadly do not have. Indeed, the Joseph Rowntree Foundation recently commented:

“People risk debt, destitution and eviction while they wait…to receive their first UC payment”—

a description that surely belongs in the world of Charles Dickens, rather than in the modern, fit-for-purpose and efficient social welfare system that we should have in 21st-century Britain.

So what was the DWP’s initial response to the increasing number of complaints about universal credit claims? In a letter dated 20 January 2017 and addressed to

“Colleagues working in the welfare advice sector”,

MPs in full service universal credit areas were informed that they could not receive any information about a constituent’s case unless the constituent in question had provided online explicit consent directly to the DWP. The letter stated that such consent

“must be given freely, unambiguously and in an informed way. The claimant must be clear on the information that they want to be disclosed and who the information can be disclosed to…Consent does not last indefinitely, but covers a particular query or piece of business.”

Even when I had been sent an email by a constituent that provided me with all the details of their case and that specifically asked me to intervene on their behalf—usually because they had reached the end of their tether—that was not deemed sufficient proof for the DWP to provide me with information about the case. I am, of course, pleased that that ridiculous situation has now been reviewed, after complaints by many hon. Members and an intervention by the Leader of the House, but I must emphasise that it caused weeks of additional challenge for my constituents and for my caseworkers in Newcastle, who were deluged with universal credit cases but could not receive any sensible information about them.

The Minister need not take my word for the problems that people face in Newcastle. He can come and visit the Newcastle citizens advice bureau, for which the DWP’s explicit consent edict remains in place. He can hear about the 85 universal credit clients from Newcastle upon Tyne North alone that the bureau has supported in the last year, who have faced severely delayed payments and, in the bureau’s words,

“unnecessary hardship through no fault of their own”. They face that hardship because of difficulties in finding or accessing a computer, failure of jobcentre staff to provide information about advance payments, incorrect information held on claimants’ records, incorrect advice being provided by jobcentre staff, and incorrect payments being made.

Alternatively, the Minister can come and meet staff from Your Homes Newcastle, the arm’s length management organisation responsible for managing Newcastle’s council housing stock, to discuss the significant level of support that they are having to provide to tenants through the universal credit process. Indeed, Your Homes Newcastle has highlighted that it and Newcastle City Council have so far provided support to 506 people, “specifically to help those who may be unable to manage monthly payments or don’t understand UC and need explanations at the very start of their claims. The time taken to support customers in personal budgeting varies between 2 and 15 hours of support, although there are some exceptional cases where this can take considerably longer. The average time per case is currently 3.5 hours and this is carried out by staff co-located at Jobcentres. The cost of placing three staff in Newcastle Jobcentres to provide this service is £93,651 annually.”

That support is above and beyond the 25 minutes to two hours that it can take Your Homes Newcastle staff to assist tenants through the initial universal credit claim process. Some of the more complex cases can take significantly longer. Indeed, Your Homes Newcastle staff have highlighted the case of one tenant whose universal credit application has taken them approximately 100 hours to progress. Throughout that time, the woman has seen a significant decline in her health and wellbeing, as well as real financial hardship because of the severe delays and mistakes on the DWP’s part. If this represents a simplification and streamlining of the benefits system, I dread to think what a more complicated system would look like.

Of particular concern to Your Homes Newcastle is the significant impact on rent arrears of the roll-out of universal credit and the associated delays. I know that the Minister has repeatedly claimed—no doubt he will do so again this afternoon—that a large number of cases that enter universal credit have existing rent arrears. However, Your Homes Newcastle has made it clear to me that its current income collection rate is 93.9% of the rent due from tenants who are on universal credit, compared with 99.8% of the rent owed by other tenants. As a result, there was a reduced income collection of £220,000 for customers on universal credit at the end of the financial year. Your Homes Newcastle went on to state that tenants on universal credit owe a total of £784,000 in rent arrears, of which some £381,000—just under 50%—are solely as a result of universal credit. As Newcastle City Council has informed the Select Committee on Work and Pensions, of the 1,380 Your Homes Newcastle tenants claiming universal credit on 10 March, some 1,186—more than 85%—were in rent arrears. The average level of those rent arrears was £686, more than double the average of £300 for YHN tenants in rent arrears. Clearly the situation is completely unsustainable.
Housing-related concerns about universal credit are shared by the homelessness charity Crisis, which clearly states that, as it currently operates, universal credit “is causing rent arrears, threats of eviction and homelessness for our clients”. Meanwhile, the Residential Landlords Association has raised concerns that “as it currently operates, Universal Credit is causing rent arrears problems for a considerable number of tenants. Changes are needed to provide tenants and landlords with greater confidence that rent can be paid on time and in full.”

All three organisations—Your Homes Newcastle, Crisis and the RLA—are pressing the Government to make alternative payment arrangements much easier to set up.

It is clear to me and to many other hon. Members that the roll-out of universal credit is having a significant detrimental impact on far too many of our constituents. These issues are not unique to Newcastle; they are being replicated across the country, as other parliamentary debates—including one recently secured by the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry)—have made all too clear. Indeed, some of the concerns that I have highlighted this afternoon recently caused the Work and Pensions Committee to reopen its inquiry into the impact of universal credit. The Chair of the Committee, my right hon. Friend the Member for Birkenhead (Frank Field), commented:

“Despite a growing body of evidence about the very real hardship the rollout of Universal Credit is creating for some, often the most vulnerable, claimants—and the struggles it is creating for local authorities trying to fulfil their responsibilities—it is flabbergasting that the Government continues to keep its head in the sand.”

I agree.

On behalf of my constituents, of people in other areas in which universal credit has been fully rolled out, and of people in the rest of the country who will still have to endure this process, I strongly urge the Minister to take his head out of the sand and start addressing the very real issues that the roll-out of universal credit—the Government’s flagship policy—is causing. We must ask ourselves: how many times, from how many people and organisations across how many parts of the country must the Minister hear that universal credit is not working before he finally accepts that it is time to act?

**Geraint Davies (in the Chair):** I will call the Front Benchers at 3.42 pm, half an hour before the end of the debate at 4.12 pm. I ask hon. Members to speak for five and six minutes, so that everyone gets an equal share.

3.8 pm

**Stuart C. McDonald** (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): It is an honour to serve under your chairmanship, Mr Davies. I congratulate the hon. Member for Newcastle upon Tyne North (Catherine McKinnell) on securing this important debate and on her thorough and comprehensive speech.

Like the hon. Lady and probably every other hon. Member present, I am contacted daily by constituents who have encountered significant problems with the benefits system. In some parts of my constituency, principally Kirkintilloch and surrounding villages, that situation has been made many times worse by the roll-out of full service universal credit. I know from speaking to local people, advice agencies and landlords that, in short, the roll-out of universal credit there has been a dog’s breakfast. It has had profound implications for the constituents concerned, and I support those who call for it to be halted now.

I was contacted recently by a constituent who is suffering from depression, anxiety and agoraphobia. She described the “living nightmare” of waiting six weeks for her payment, which itself represented a £30 cut to her previous social security payments. She concluded her email to me by relating to the “enormous negative effect on my mental health. I can honestly understand now why so many people struggle and give up and end up taking their own lives. This has to stop”.

I agree.

The hon. Member for Newcastle upon Tyne North has already pointed out some of the major flaws in universal credit. A key point is that those flaws are not teething problems that can be simply ironed out as we muddle along, which is what the Government seem to think. As the hon. Lady has said, all the evidence suggests that there has been an incredible upsurge in the number of cases of claimants building up rent arrears caused by the huge gaps between applications and payments, the very restricted ability to request direct payments to landlords and significant problems resulting from the system of monthly payments, all of which create huge budgeting problems and personal budget crises.

Most fundamentally, as the hon. Lady has pointed out, many of the changes referred to, combined, are set to punish families with children. We have heard from some organisations that families will be left worse off by up to £1,000 a year by 2020, but single-parent families are particularly hard hit by a massive £2,380 cut on average. We know that overall the Government’s pursuit of cuts looks set to force up to 1 million more children into poverty in the years ahead.

When a social security system acts completely contrary to its original purpose, and when its so-called reforms are substantially increasing rather than reducing poverty, it is surely time to go back to the drawing board and ask what we are seeking to achieve. While people and families suffer, landlords and advice services in my constituency are also finding this situation a nightmare. There are concerns that it is leading private landlords to shy from accepting tenants who are in receipt of universal credit payments.

I want to raise one specific issue that has not been touched on yet: what seems to be the shambolic system for processing applications for alternative payment arrangements. The class of people entitled to make such applications is limited, but it will become significant in volume because it includes many of those in arrears. Housing associations in Kirkintilloch tell me that problems arise even from the outset, with applications for APAs not acknowledged or processed. Indeed, multiple application forms are sent out to the organisations involved. Most importantly, payments appear to be utterly erratic. As I understand it, the housing association is supposed to receive one payment for all the tenants on APAs each four weeks.

However, I understand from one housing association that since an initial payment was made in December it has only received payments for perhaps two or three tenants when there are supposed to be around 14 or 15 on APAs.
In addition, they are receiving APAs for ex-tenants, despite notifying the DWP that they have moved on. Their concern is that if this is happening in a relatively small area such as Kirkintilloch, roll-out in places such as Glasgow will be an even bigger disaster both for constituents whose arrears are going through the roof and for the housing associations relying on the payments. As Crisis argues, the mechanisms for allowing direct payments must be made simpler and more accessible.

In addition, as with other advice services, advisers working in housing associations highlight the huge logistical problems caused, as the hon. Lady has said, by the abolition of implicit consent. To go beyond that, advisers have also raised the lack of places for them to go now to escalate and resolve issues faced by clients and tenants. For all those reasons, I argue that the roll-out should be stopped now. If the Government insist on carrying on regardless, they should take urgent action to resolve the predicament of too many claimants, just as the Scottish Government are looking to use their limited flexibilities to alleviate the worst features of the system. So, allow tenants to choose to have payments made directly to landlords and to have the option to receive twice-monthly payments. If the Government do not listen, their universal credit promises will have been broken, and a reform that was said to bring simplicity will instead bring complexity and cuts.

3.13 pm  
**Rosie Cooper** (West Lancashire) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies. I congratulate my hon. Friend the Member for Newcastle upon Tyne North (Catherine McKinnell) on securing this important debate, as the daily lives of our constituents are being adversely affected by the operation of the universal credit system. I want to highlight for the Minister a couple of examples of West Lancashire constituents who are in receipt of universal credit and what their experience is. The system is far from improving work incentives and tackling poverty among low-incomes families and far from developing a particularly effective new administrative system. Families are not paying only the financial cost of the system failures; there is an emotional cost as well.

As for improving work incentives, a young person in West Lancashire was offered four days’ work. In accepting, he had to get the jobcentre adviser to sign a form confirming that he was in receipt of universal credit. If he had to get the jobcentre adviser to sign a form confirming that he was in receipt of universal credit, experienced problems receiving payments in four consecutive months, which included their claim being incorrectly closed after the information that the claimant provided was not entered in the system. Having not received their payment, they called the Department to seek an explanation and asked for a call back. Owing to the request being processed incorrectly, there was no call back. In months three and four, payments were again not paid. What did the DWP do? It sent a letter apologising for the repeated failures, which it said were due to an “oversight” on the part of the Department for Work and Pensions. Well, that’s okay, then—I think not. Anybody with an ounce of compassion for the people they deal with would not even put such words on a piece of paper.

For their trouble, the family received a £25 consolatory payment, although the DWP could not say when that would be paid because it takes weeks to process. I am sure that, for the Minister and the people operating the universal credit system, such failures seem to be minor administrative mistakes. I raise them in the desperate, perhaps forlorn, hope that the Minister will begin to understand that such mistakes have monumental and disproportionate consequences for the people on the receiving end. It is not only about the financial costs; there is a lasting emotional cost.

I look forward to hearing the Minister’s reply, but I remind him that he will be judged by his actions in making the system better for families, rather than contributing to their daily struggles. He has that responsibility.

**Geraint Davies (in the Chair):** I have been advised that, as names have rolled over from the previous time, unfortunately I have to restrict the time limit to four minutes. I apologise for that, but there are many people with an interest in such an important subject.

3.18 pm  
**Jim Shannon** (Strangford) (DUP): It is a pleasure to speak in this debate, Mr Davies. I congratulate the hon. Member for Newcastle upon Tyne North (Catherine McKinnell) on setting the scene so well. The subject is a concern for my constituents. Although there is no roll-out at the moment in Northern Ireland, it is on its way and September will be the witching hour for it coming in, so we have some concerns. I am worried about my constituents who have mental health issues, which are exacerbated by stress. Health issues have been very much in the media over the past few days. Prince Harry and Prince William are examples of those with stress-related issues, and I wish to express concern about such issues. I firmly believe there is a better way of doing things.
We are all aware of the report submitted by Crisis, which I am sure Members have read. It is not easy reading for any parliamentarian. It relates to the most vulnerable in our society. The report suggests that the overwhelming majority—89%—of English local authorities surveyed for “The Homelessness Monitor” in 2017 have expressed concern. New claims for universal credit are typically taking eight to 12 weeks to process—much too long. Delays are being experienced by people with more complicated circumstances, including those who have lost identification documents during a period of homelessness. Those were issues that I did not expect. I certainly did not expect people to be waiting for up to three months to receive the calculation of their benefit entitlement. I will never forget seeing a billboard for the Simon Community homelessness charity, stating that one in three could lose their cheque away from losing their home. That is something that sticks in my head. So one in three could lose their home before universal credit would be processed to pay them. That is almost incredible, and it is totally unacceptable.

What is being done to address the failure in the system? What is in place to help those who may lose their home during the waiting period? The monthly payment to people who are not used to budgeting and, indeed, do not know where to start to budget their finances is not helpful. Crisis clients are struggling to budget over a monthly period, and because many have had their rent paid directly to their landlord for years and simply do not know how much their rent is, it is a massive issue. The same issue is relevant to landlords. 68% of whom say that direct payments of universal credit housing costs to claimants have made them more reluctant to let to people receiving universal credit. If the system disadvantages applicants to start with, and disadvantages them again with the landlords, we must look at it. Sixty-six per cent of landlords say the current situation has made them more reluctant to let to homeless people. That was not the intention behind universal credit, but if it is now a fact of the process, we must address the issue as well.

As well as the planned six-week delay in first payment, waiting days and the maximum backdating period of one month, people are experiencing unforeseen delays as a result of administrative errors: a third penalty—and the administration system lets them down again. Those issues are causing rent arrears, threats of eviction and homelessness. It is clear that the DWP should reduce the waiting time between submitting the online application and being invited to appointments necessary to progress the claim, and that waiting days at the start of a claim should be abolished. At the very least an exemption should be introduced so that people who are homeless do not have to serve waiting days. Where is the compassion and understanding in the system? I have great concerns about what the impact will be on households across the Province and, indeed, in my constituency. There must be a rethink of the scheme, with special reference to circumstances in Northern Ireland. Let us learn for the future from the problems of today. The most vulnerable people are being put into an untenable situation and we must help them, not worsen their living situations. I again urge the Minister and the Department to rethink the whole scheme completely, immediately.

Universal credit is a vital part of our being able to deliver record employment in every region of the country and, crucially, to help improve people’s future opportunities and not just simply get them into work. The fundamental difference—this helps with many of the challenges that have been raised—is that for the first time the claimant has an individual, named work coach, someone they can turn to throughout the whole process. When opportunities and challenges come up, there is someone to help them to navigate the securing of additional childcare, training and support. Evidence has already shown that those on UC are typically able to spend 50% more time looking for work. For every 100 people who found work under jobseeker’s allowance, 113 found it under universal credit. It has removed the dreadful 16-hour cliff edge that under the old system prevented people from progressing towards full-time work, and it makes sure that work always pays better than benefits, with the support of claimants and taxpayers.

Crucially, the individual support is allowed to be personalised and tailored. I was interested to see what difference that makes, so in the past month I have twice been to visit the Swindon jobcentre to see how claimants are progressing through the system and to meet the staff, who in the past 20 years have navigated a huge amount of change from Governments of different parties and political persuasions. I went to see what was making a big difference. Swindon is an early adopter and we have been rolling out UC for quite some time. I understand that perhaps there is more experience there than in some areas where it is only beginning to come in.

I made notes on my visit. The staff are not people who will always give representatives of Government an easy ride, but they made it clear to me that they saw UC as a cultural change. The morale of the staff had significantly improved, as they were empowered to offer personalised, tailored support for the people who are often those furthest away from the jobs market. As we get close to structural full employment, the people seeking work need additional support, and we have empowered the staff to give it. In conjunction with the introduction of UC, jobcentres are being refreshed. The layout is brighter and less cluttered and the centre is a hive of activity, which is less intimidating for the claimants coming in. It is interactive and vibrant, and the staff felt they were a collective team, working together to help to support the people most in need of it. They felt that the ethos was now about what they could do to help; it was a conversation, and small steps. It was not rigid. It was removing the stigma of the jobcentre and encouraging external organisations to work in partnership to deliver the key improvements.

Justin Tomlinson (North Swindon) (Con): It is a pleasure to serve under your chairmanship, Mr Davies. I pay tribute to the hon. Member for Newcastle upon Tyne North (Catherine McKinnell) for obtaining this important debate. All the hon. Members who have spoken have made many constructive and proactive points based on individual experiences and the casework that we all regularly do. I know that in the Minister we have someone who is keen to listen and engage, and to take many of the challenges that have been raised today. I hope that he will further improve what is an important way of dealing with benefits in a modern society.
For me, the final thing was the recognition that the issue is not as simple as getting someone into work, typically on the national living wage. It is about providing support and making sure they can turn up, and shown their dedication. It is about their being able to increase their hours, get promotion, become a supervisor and get additional training, so that they can progress up the career ladder. It is about the misery involved.

Temporary accommodation—at huge cost to the taxpayer, the authorities are, and will be, picking up large families in poor and slow processing of universal credit, local housing market, where social housing vacancies are being undermined and threatened the tenancies of a considerable number of people. When housing benefit administration was part of the local authority, there was an officer responsible for preventing homelessness. In my case, I am fortunate that Mr Langley has been in charge of the housing department for as long as I have been the MP for Mitcham and Morden. When I had a problem with a constituent being threatened with homelessness, he would get down to housing benefit and have a conversation with them and say, “You’ve got to get on top of this case and process this claim.”

That intervention is no longer happening. Most of the constituents I see are in work. They all go to work but have no opportunity to earn the sort of money that would pay a private rent, often in the region of £1,200 or £1,500 a month. It does not take many weeks for people to find that they have got behind by hundreds or thousands of pounds, and for it to feel impossible that they will ever get on top of that. Officers of jobcentre Plus and researchers may tell Ministers all sorts of things, but my experience is that when I recently attended a private landlords forum and asked, “Does universal credit make it universally capable of listening or caring, especially on issues such as the rape clause. The Minister could listen to people; there are still the same problems that there were at the time of that earlier debate, and still the same problems that there were when we were originally scheduled to have this debate. The UK Government should listen and halt this faulty roll-out. People are going months without money; the roll-out is increasing poverty. It is hitting the most vulnerable the hardest, and it is causing real harm. In my constituency, we now have well over a hundred cases of people with universal credit issues, and those are just the people who have reached out to us as an MP and his office. Many more people are going under the radar. Also, there are new people visiting my office every day.

I want to refer to one person, Rachael, who came to see me. She went 16 weeks without payment. At the time she sought our support, she was 22 weeks pregnant and also had a three-year-old daughter to look after. Her pregnancy left her very unwell, but she was still told to travel to Aberdeen, which is 100 miles away, because it was not accepted that she had the correct national insurance number for universal credit purposes. She was fainting and had other symptoms due to the pregnancy. She had virtually no money left, and what little she had she was using for food and warmth as she could.

Rachael could not afford to go to Aberdeen and was scared of going 100 miles without any support, which caused her significant mental distress. She even had a letter from her midwife saying that she was unfit to travel. She was already in receipt of child tax credit and child benefit without any issues arising. Until a couple of weeks prior to contacting us, she had been in work and paying NI, and even though the NI number was never contested for universal credit purposes, she had paid NI and also had a P45 after leaving that employment.

Eventually, and following my intervention, it was agreed that Rachael could attend a face-to-face interview at the jobcentre in Inverness, and she has now started receiving payments. However, her story is symptomatic of the stories of many other people who face making long phone calls to get through to people, causing them high phone bills. Departments are unable to communicate, conflicting information is given, and delivery partners are unable to speak directly with Department for Work and Pensions colleagues.

I have asked the Minister to come to my constituency to speak to the staff at the citizens advice bureau and to the partners that the UK Government have employed to deal with this issue, such as Highland Council. The hon. Member for North Swindon (Justin Tomlinson) should come to the highlands as well to speak to people there, because he will find a very different reception to this roll-out. The DWP staff and jobcentre staff are under enormous pressure; it is not fun to work there.

I do not have much more time today to say what I would like to say. There is much, much more that I could put to the Minister. This roll-out is devastating the lives of people in my constituency, and it is coming to other constituencies. It is a shambolic roll-out, which means hardship and pain; it is simply brutal to people. There has been no sign that the Tory Government are capable of listening or caring, especially on issues such as the rape clause. The Minister could listen to people;
he could visit; he could learn; and he could and should stop the roll-out. He can fix it and treat people with dignity. Will he agree to do so today?

3.33 pm

Stephen Timms (East Ham) (Lab): Universal credit is often described as a troubled programme, and the problems with it go right back to the initial naivety of Ministers about implementing a programme of this scale. My hon. Friend the Member for Newcastle upon Tyne North (Catherine McKinnell) pointed out in her excellent opening speech that we were originally told that it was all going to be done and dusted by October 2017. I was the Opposition spokesperson in this area at the time that was said, and I pointed out that that was not a plausible timescale. We are now told that it will be done by 2022, which is five years’ late, and it will be delayed further still.

The most astonishing example of naivety was in “21st Century Welfare”, a document published in July 2010. Paragraph 7 of chapter 5 says:

“The IT changes that would be necessary to deliver a more integrated system would not constitute a major IT project”.

That is the heart of the problem. There was an utter failure at the outset to grasp the scale of what was involved; there has been not just one major IT project but several.

There is an enduring problem, which probably underpins a number of the difficulties that we have heard about today, including the unexplained overpayments that my hon. Friend referred to in her opening speech. That problem is the fact that real-time information does not work properly. RTI is the system through which employers notify Her Majesty’s Revenue and Customs in an automated way about how much they are paying to each of their employees in each month. It appears that there are serious inaccuracies in the data being sent to HMRC.

Of course, those data are then sent on to the Department for Work and Pensions, and as a result errors are being made in the calculation of how much universal credit is due. It looks as though that will become an increasingly major problem.

It is well-known that there have been problems with RTI. We were promised that a post-implementation review was going to be published last month. It has not been published and there is no sign of it as yet, which reflects the scale of the problems that HMRC is facing. The Institute of Chartered Accountants in England and Wales submitted evidence to the post-implementation review almost exactly a year ago, saying:

“There is a significant risk to the successful roll-out of universal credit…if immediate steps are not taken to resolve the underlying system issues that lead to data corruption within HMRC systems, which are then passed on to universal credit claimants.”

Can the Minister give us any reassurance that these very serious problems will be fixed by HMRC before we have more problems of the kind that we have heard about today, or can he at least tell us when the post-implementation review of RTI will finally be published?

There are benefits, in principle, from universal credit; the hon. Member for North Swindon (Justin Tomlinson) has a point. Community Links—which works with jobseekers and claimants in my constituency and which has pointed out repeatedly what a grim experience going to the jobcentre has become since 2010 because of the changes that have been made—also says: “At its best, universal credit has transformed client-coach relationships for the better”. There is real potential and the system could be significantly better, but it will not improve and its potential will not be realised unless these major technical problems are resolved. I hope that the Minister will be able to give us some encouragement that they will be resolved.

3.37 pm

Richard Graham (Gloucester) (Con): I want to speak today to try to balance the picture of doom and gloom that some Members have painted about not just universal credit but the entire welfare system and indeed all the welfare reforms of the past seven years.

In early 2009, I received an extremely emotional letter from a constituent who had tried to do the right thing by going back to work. However, she immediately found that by working more than 16 hours a week she was in fact far worse off. She asked me how that could be—why did welfare policy trap her and not help her? I promised then I would work as hard as I could for a system where work always pays.

When I hear the hon. Member for Newcastle upon Tyne North (Catherine McKinnell) saying that people working through universal credit are only 37p in the pound better off net of reduced benefits, rather than the 45p in the pound that was originally intended, I want to remind her that that same person was not only nought pence better off per pound under the previous Labour system but was significantly worse off as a result of being unable to keep any of the money she was earning and losing significantly as a result of the benefits lost. So universal credit delivers on the “work always pays” approach and I hope that we will never go back to a system where work does not pay.

Equally, when other Members complain about the delayed roll-out of universal credit, I remind them how disastrous the “big bang” approach of the roll-out of tax credits only a decade ago actually was. The gradual process of rolling out universal credit is infinitely preferable.

Let me also give some reassurance to the hon. Member for Strangford (Jim Shannon), who is not currently in his place. He is awaiting the arrival of universal credit, but it is good news for his constituents and, when it arrives in his constituency, he should go and see the people on it, as I have done in my constituency of Gloucester, and hear from them what their own experience is. In fact, earlier today I spoke to the Jobcentre Plus in Gloucester. Its staff are broadly very positive about universal credit. We now have 720 people on it, of whom roughly 220 are working. Many of the others are on training courses, including for things such as forklifts.

That is broadly good news, but that does not mean that everything is perfect.

The Work and Pensions Committee started an investigation into universal credit only a few weeks ago. I am afraid we will be unable to finish it before Parliament is prorogued, but it has flagged up two issues that others have alluded to and which I hope the Minister will touch on in due course. The first is the delay in payments to individuals, and the second is the inability of some who are claiming universal credit to manage their finances adequately so they do not get into arrears on their rent payments. Both are real issues.
There is a case for saying that some housing associations need to engage with their tenants more effectively than they have in the past. Guaranteed payments are an extremely easy business for any landlord; none the less, there are problems, and most jobcentres and housing associations will confirm that.

In conclusion, universal credit is happening. The slow and arguably delayed roll-out is a good thing in terms of allowing for the problems that occur with any big system to be rectified early, before the system goes nationwide. It is coming on faster now, and there are two specific areas where the Department will need to look closely at whether improvements can be made.

3.41 pm

Dr Eilidh Whiteford (Banff and Buchan) (SNP): I think a profoundly concerning picture has been painted for us today of how the roll-out of universal credit is proceeding in practice. I warmly congratulate the hon. Member for Newcastle upon Tyne North (Catherine McKinnell) on focusing her attention on that, and I am glad we have had the opportunity to debate these issues prior to Dissolution. She and the other Members who have spoken have constituencies that have been at the forefront of the full roll-out of universal credit, and they have outlined a litany of problems that are having a severe impact on the people affected—problems that are causing immense hardship, debt and insecurity and are putting huge, unnecessary and wholly avoidable pressure on other public agencies.

Many of those problems were widely predicted. For example, a range of stakeholders—everyone from social landlords to homelessness charities and those working with disadvantaged groups—warned that the full service roll-out was likely to lead to a sharp rise in rent arrears and evictions. Many warned that the move to monthly payments could lead to hardship for people on very low incomes. Unfortunately, from the testimony of MPs this afternoon, those fears were well founded. Some of the other problems highlighted today, such as the unacceptable delays in receiving payments, the exorbitant cost and prolonged call handling problems with the telephone helpline, were not anticipated, in that they are not policy changes, just failures of the system. People claiming universal credit in the full service roll-out areas have been human guinea pigs in the process and are paying a heavy price.

Two key issues have arisen today with the delays in payments. First, even if the system was working perfectly, many claimants would wait six weeks for any money. That is an excessively long wait for new claimants, particularly when we know that people rarely claim as soon as they become entitled to benefits. Usually they exhaust their savings or redundancy package.

3.43 pm

Sitting suspended for a Division in the House.

3.52 pm

On resuming—

Geraint Davies (in the Chair): The debate will go on until 4.22 pm. I call Dr Whiteford.

Dr Whiteford: Usually people have exhausted their savings or redundancy money before they claim benefits, but if someone starts a new job, it is normal to be paid at the end of the week or month in which they start. The Government have said consistently that they want universal credit to mimic the world of work, but in that respect it really does not, and they need to look urgently at waiting times.

We all understand that processing a claim will take some days, but the monthly payment and discounted first seven days slows down the process unnecessarily and leaves people in considerable hardship. In reality, many claimants are having to wait a lot longer than six weeks. Eight to 12 weeks is more typical in some full service areas, and often longer. That is just not okay, and we have heard today about how those problems are not just abstract. I know from previous discussions on the subject that people have lost their homes. Many people on universal credit will be in work already so may have some other source of income, but a significant minority of new claimants will be sick and disabled people, assessed as unfit for work, and people who have just lost a job. The advance payments available are simply inadequate and are driving people into food banks, into debt and into trouble with their landlords. The bottom line is that the system is failing. It is in chaos.

Rent arrears are possibly the most far-reaching adverse impact of the full service roll-out. The Highland Council alone has seen rent arrears soar by £1 million, which is entirely and solely attributable to the roll-out of universal credit. My concern is that that is just the tip of the iceberg. We can get accurate figures of the scale and extent of the problem from local authorities, but the impact on other social landlords is likely to be profound.

I know that housing associations in Scotland have warned that increases in arrears damage their financial stability, hitting their ability to invest in existing properties and build new ones. Private sector tenants and landlords face significant problems too, given that landlords may be servicing mortgages and may not have the level of solvency needed to wait several months for unpaid rent. We are already witnessing evictions. Just as worrying, we are already seeing evidence that some landlords are simply refusing to consider universal credit tenants.

Evictions and homelessness cause untold upheaval and misery for all involved and have a huge impact on other public services. The homelessness charity Crisis reports that 89% of English local authorities fear that the roll-out of universal credit will exacerbate homelessness. That situation is avoidable. We do not need to go down that road. The Government need to get a grip.

The Government have offered the excuse that the sharp increase we have seen in arrears appears to fall over time, several months down the line, but, frankly, that obfuscates the scale and extent of the increase in arrears. It also obscures the debt and hardship that those tenants, on desperately low incomes, are enduring in order to pay off a level of arrears that they would never have incurred under the previous system. It is yet another way in which the universal credit system fails to mimic the world of work, where most landlords require rent to be paid upfront a month in advance and, certainly in the private sector, expect sizeable deposits. Once again, the systemic pressures of the new system are being borne by people on marginal incomes—those with the fewest assets and means, working in the lowest paid jobs, recently unemployed or unable to work because of ill health or disability.
The other major breakdown in the system is in relation to the online accounts and problems with call handling on the telephone helpline. In many parts of rural Scotland, digital connectivity is well behind that in urban areas, notwithstanding significant recent progress. In my own constituency, 25% of people do not have access to the internet. It also remains substantially more expensive than in urban areas, and because of that, there are significant numbers of people with limited digital skills and experience who rely heavily on public access terminals.

My hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) highlighted the high costs and time involved in travelling from rural areas to a diminishing number of jobcentres. I do not think a 200-mile round trip is acceptable. To put that trip in perspective, it would be like asking somebody here in central London to travel to Nottingham or Stoke-on-Trent for a DWP appointment. I do not think that is realistic.

My hon. Friend also highlighted a litany of problems with the telephone helpline. If someone calling from a mobile phone has to wait half an hour on the line, they could spend as much as a third of their weekly income on food, heating and essentials. Twenty quid may not sound like a king’s ransom to higher rate taxpayers, but for someone on a very low income, it is an enormous amount of money. Even if the Government’s assertion that waiting times are only eight or nine minutes was backed up by the documented experience from MPs’ offices and citizens advice bureaux, that is still a fiver. Proportionately, that is a lot of money for someone in receipt of £73 a week who is struggling to pay rent, heat their home and buy food.

Universal credit should have been quite easy to roll out in the highlands, in that there is a relatively buoyant labour market and universal credit should, in theory, be better suited to managing patterns of seasonal employment, which is widespread in the region. But it is proving to be a disaster, not just there but, as we have heard today, across the UK.

My last point is this: leaving aside the catalogue of incompetence that has dogged universal credit from the start, the new benefit is turning the screws on low-income working families and is now unrecognisable from its original design. According to the Child Poverty Action Group, by 2020 families with children will be, on average, £960 pounds a year worse off than they would have been under the previous system. The effects are magnified for families where one parent is working full time and the other is working part time or is at home with the bairns. Parents of severely disabled children are losing out. Those who will be most disadvantaged are single parents working full time in low paid jobs, who will be, on average, £2,380 pounds worse off. That is almost £200 a month.

The idea that work always pays under universal credit is just nonsense. It is a massive cut in household income and it punishes people who are already working full time, doing everything they can to make ends meet. For some of those people, work will no longer pay, and they would be better off if they cut their hours. That is exactly the opposite of what universal credit was designed to do. The policy has been so filleted by successive austerity cuts that it is no longer able to deliver the improvements it promised. Instead, it is set to drive up child poverty.

As we have heard today, the full service roll-out of universal credit is proving to be a disaster. It is causing chaos for landlords, housing associations and local authorities. It is causing turmoil, upheaval and real hardship in the lives of claimants who are entitled to support. We have had no adequate assurances from the Government that the systemic failures are being addressed. In those circumstances, I believe that we need to call a halt to the universal credit roll-out and go back to the drawing board, because at the moment it is an unmitigated mess and ordinary people are paying the price.

3.59 pm

Margaret Greenwood (Wirral West) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies. I congratulate my hon. Friend the Member for Newcastle upon Tyne North (Catherine McKinnell) on her persistence in securing today’s debate and on delivering an excellent, wide-ranging speech. I associate myself with her remarks about the debt of gratitude we owe to PC Keith Palmer. My thoughts are with his family and friends, and all those who lost their lives or were injured in the attack on 22 March. Today’s debate is really important, and we have heard compelling contributions from many Members, including my hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh) and for West Lancashire (Rosie Cooper) and my right hon. Friend the Member for East Ham (Stephen Timms), who spoke with real authority and insight.

In 2010, the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith), the then Work and Pensions Secretary, announced that universal credit would radically simplify the existing social security system, make work pay and help lift people out of poverty, but the stories we have heard today show that that is simply not the case. Universal credit brings with it a huge range of problems. Its roll-out has been repeatedly delayed. So far, the completion date has been moved back seven times. It was originally set for the end of this year, but the Department is now aiming for March 2022. The roll-out is still mainly restricted to groups whose claims are reasonably straightforward, such as single people without children. However, the Government now intend to speed up the roll-out, and my hon. Friend the Member for Newcastle upon Tyne North described how the introduction of the full digital service is now causing major problems in areas such as her constituency. The former Work and Pensions Minister, Lord Freud, told the Work and Pensions Committee in February that universal credit could take decades to perfect. Does the Minister agree with Lord Freud on that point?

The design of universal credit means that claimants are left for six weeks at the start of their claim without any income while their initial claim is processed. In some areas, the wait is even longer due to delays in dealing with claims. Croydon Council said in January that the average delay is 12 weeks. That can cause people to be in arrears with their rent, leaving them at risk of eviction and turning to food banks. What are the Government going to do to reduce the delays, and will they end the six-week initial wait for payment?

Then there is the Catch-22 that arises when universal credit meets a council’s legal obligations in relation to housing. If councils house people waiting for a payment
in temporary accommodation, they are legally obliged to ensure they do not remain there for more than six weeks. However, to claim help with housing costs through universal credit, someone must have lived in a property for at least six weeks. Will the Government reconsider that rule, which does not fit in with councils’ legal obligations?

Once a claim has begun, payments are monthly under universal credit, rather than fortnightly, as with tax credits. That causes some claimants problems with budgeting. There is evidence that private landlords are becoming increasingly reluctant to rent to universal credit claimants because there is no provision for direct housing payments to the landlord except where someone is assessed as being vulnerable or already has two months’ rent arrears. Will the Minister look again at the issue of direct payment of the housing cost element to landlords so all tenants claiming universal credit can choose to do so?

[Mr David Nuttall in the Chair]

An investigation by The Guardian recently revealed widespread evidence that thousands of tenants on universal credit are running up rent arrears because the minimum waiting period for the first payment is just too long. Surveys by housing associations found that up to nine in 10 tenants on universal credit either run up rent arrears or increase the level of pre-existing arrears because many of them are not financially equipped to cope with long waits without any income. In September 2013, a National Audit Office report on universal credit revealed that IT failures had already cost £34 million, and highlighted the “weak management, ineffective control and poor governance.”

Since November 2014, DWP has been gradually rolling out the full digital service to a limited number of areas as well as the original live service in others. There are differences not just in the way the services are managed and in the kind of claims, but in the rules for claimants between the two versions in relation to childcare costs and assessment periods, for example. Even now, the universal credit IT system is not capable of coping with the two-child limit this April. Families with more than two children who make fresh claims will actually be directed to tax credits until November 2018. DWP insists on pressing ahead with a policy that is not just morally wrong, because of the way it implicitly treats some children as more important than others, but which the Department cannot even technically implement properly. Will the Government reconsider the two-child policy?

Universal credit poses further challenges. Just as the Government were speeding up the roll-out of UC, they announced plans to close more than one in 10 jobcentres throughout the UK. It is simply not good enough to quote figures about online claims to justify closure plans. Making a claim online can present real difficulties for people who are not confident in using IT or do not have easy access to the internet. DWP admits that it is likely that online claims are sometimes made only with help from jobcentre staff. Sorting out problems that arise is complicated by the requirement that claimants who contact their MP for help also authorise DWP online to release information to the MP. DWP recently said it will not be necessary to do so for MPs, but said nothing about advice agencies and welfare advocates. Will the Minister make it clear that the DWP will release information to advice agencies acting on behalf of a claimant without further online authorisation?

Universal credit will place other new demands on staff, who will have to assess whether self-employed people claiming universal credit have a viable business plan, and operate in-work conditionality, which will require people already in work to increase their pay. Will the Minister look again at the model of generalist work coaches that DWP is adopting to assess whether it is appropriate to the new challenges that universal credit will involve?

Staff will also have to deal with an increased number of claimants. As universal credit is based on household income, the partners of somebody claiming universal credit can be invited to attend a jobcentre to discuss work even if the partner has not themselves made a claim. People not in work who claim child tax credits or housing benefit but not jobseeker’s allowance are not required to look for work at present, but they are required to do so under universal credit. Will the Government reconsider their plans for jobcentre closures, which risk chaos as the speed of the roll-out of universal credit is increased?

Alongside the practical problems that the roll-out presents, changes to universal credit since 2010—especially cuts to in-work support—have undermined its capacity to reduce poverty. The Government have refused to listen to criticisms of cuts to the work allowance from Labour and voluntary organisations. Analysis by the Child Poverty Action Group and the Institute for Public Policy Research shows that families with children will be worse off by an average of £960 a year by 2020, compared with the income they could have expected under the original design of universal credit, and single-parent families could lose £2,300 on average. Will the Minister review the impact of work allowance reductions on working families—particularly working single-parent families?

The combination of the delayed roll-out of universal credit, the U-turn on tax credit cuts and the dramatic changes to universal credit work allowances is actually increasing the complexity of our social security system. If two families have exactly the same circumstances but one claims tax credits and the other claims universal credit, they may receive very different rates of social security. It is a genuine postcode lottery, because that is how universal credit has been rolled out.

Given all that, it is little wonder that the Government are now silent about how many people they believe universal credit will lift out of poverty. In 2011, they estimated that it would be 950,000. Two years later, it had fallen to 400,000, and by last year they preferred to keep silent. Will the Minister tell us the DWP’s current assessment?

We are seeing different rates of social security for people on tax credits and universal credit and different rules for people on the live and full digital services. We have even heard that the Office for National Statistics is concerned that the statistics for the claimant count no longer present an accurate picture of the labour market because they include all universal credit claimants. Is it really a simpler system? Our social security system is already struggling to cope with its introduction, even before the jobcentre closures go ahead. Far from lifting people out of poverty, there is growing evidence that universal credit risks impoverishing people waiting for payments and making it more difficult for claimants to find affordable housing. Severe cuts to in-work support
mean that it can no longer genuinely claim to improve work incentives. Even the right hon. Member for Chingford and Woodford Green has called for the cuts to be reversed, as they go against the key principles of universal credit.

Really important issues have been raised in this debate about the effect of the Government’s roll-out of universal credit. There is a huge range of issues, such as debt, eviction, the stress and anxiety for some of our most vulnerable citizens, and pressures on DWP staff and the system itself. I ask the Minister to respond clearly to the points raised in this important debate and explain how the Government intend to get a grip on universal credit.

Mr David Nuttall (in the Chair): I remind the Minister that the debate will finish at 4.22 pm, and I ask him to try to leave a couple of minutes for Catherine McKinnell to wind up before that.

4.9 pm

The Minister for Employment (Damian Hinds): It is a pleasure to serve under your chairmanship, Mr Nuttall. I echo what the hon. Members for Newcastle upon Tyne North (Catherine McKinnell) and for Wirral West (Margaret Greenwood) said about PC Keith Palmer and all the victims on that terrible day when last this debate was convened. I congratulate the hon. Member for Newcastle upon Tyne North (Catherine McKinnell) on securing this important debate. We have had a wide-ranging debate today.

Let me be clear at the outset that the roll-out of universal credit continues to plan. As Members are aware, universal credit is now in every jobcentre in the country. The programme has just passed an important milestone of more than 1 million claims. The service has been deliberately rolled out in a steady way, as alluded to by some of my hon. Friends, using a test-and-learn approach to allow us to user-test the service and get immediate feedback.

In such a large system and organisation, with so many branches and so complex a set of data, I admit that sometimes things go wrong. That is not unique to universal credit, but happens and has happened on occasion for many years throughout such systems. Of course we very much regret that when it does happen, but it does not change the fundamentals of what the universal credit programme is achieving.

The longest-standing senior responsible owner and programme director in the programme’s history are in place, and both have been in post for well over two years. In that time the programme has stabilised and delivered all its key milestones on time and on budget. When last scrutinised by the Major Projects Authority, the programme was moved to an amber rating, which is rare for a project of this size.

Even having the best team in charge is not necessarily enough: it has to be combined with the right project disciplines and the proper oversight to ensure success. That is why the team is implementing a fully developed, agile approach to delivery, explicitly designed to ensure that the service is continuously improved, based on the user feedback and is flexible enough to adapt to changing circumstances or new information. The programme is also subject to comprehensive and rigorous review internally and externally.

All that combines to create the safest, most secure programme delivery achievable. We are working quickly, and will continue to do so, to deal with any challenges, which will of course emerge, to ensure that universal credit is delivered safely and securely. I recognise that there are concerns, and I welcome another opportunity today to discuss and address them.

As part of the UC full service implementation process, we had a full external stakeholder plan to ensure that those stakeholders have a proper introduction to the full service before it goes live in their area. The full service was launched at the Newcastle West jobcentre on 15 March 2017, making Newcastle one of the first core cities to transition fully to the service. I am also aware that the hon. Member for Newcastle upon Tyne North has been in contact with the local district manager for Jobcentre Plus on more than one occasion and that she has been invited for a visit.

A couple of hon. Members asked about the changes being made in the DWP estate. I reassure them that in the planning and modelling we of course account for all the changes to welfare systems and our support for claimants. An important point to make is that although we are changing some of the physical estate, which involves some jobcentres merging with others, we are not cutting back on our frontline people—in fact, we expect to have more work coaches working with and supporting people into and in work at the end of this process than we do at the beginning.

The scale and nature of the change represented by universal credit is bound to cause some anxiety, but the benefits it brings are many, going far beyond the £7 billion in annual economic benefits and even beyond the advantages to claimants of simplicity, stronger work incentives and personalised support. UC represents a generation-changing culture shift in how welfare is delivered and how people are helped, creating a system that allows people to break free from being dependent on welfare, to take control of their lives and to move into work. That will have an impact on a large number of people: we estimate that by the time UC is fully rolled out, about 7 million recipients will benefit from the advantages of universal credit.

We must remember that universal credit picks up from a flawed pre-existing system and strives to solve a number of problems that have for some time been thought to be near intractable. In the old system, complexity and bureaucracy had often served to stifle the independence, to limit the choices and to constrain the outlook of its recipients. With UC, we are untangling the bureaucracy, strengthening the incentives and simplifying the system and the signals it gives.

The behavioural effects we are seeing are strong. Claimants are responding to the clear incentives to work and, as my hon. Friend the Member for North Swindon (Justin Tomlinson) said, spending twice as much time looking for a job as they did under the legacy system: 113 people are moving into work under the new system for 100 under the old system. People throughout the country are therefore already benefiting from universal credit, and more will do so.

The design and structure of UC is transformational in its focus on replicating the world of work. UC encourages claimants to take greater responsibility for their finances and incentivises them to earn more and to make progress once in work. A flexible, clear and tailored claimant
commitment helps claimants to understand fully their responsibilities, and a work coach provides personalised support, helping people to stay close to the labour market and to overcome whatever barriers they have to work.

Critically, universal credit removes the hours rules and the cliff edges that have long been a feature of our systems, plaguing legacy benefits and tax credits. UC removes the need to switch between different benefits as people move into and progress in work, simplifying the system and ensuring continuity. It provides a consistent taper for claimants as they move into and through work. The recent taper reduction will benefit 3 million claimants once UC is fully rolled out, providing further tangible and visible benefits to making progress in work.

Thanks to the real-time information link, immediate adjustments can be made to the UC award, which is far beyond the blunt mechanism of annual reconciliation. That also means that people can quickly see the effect of the changes they are making. For the first time we now have simple levers to optimise the system, creating a fully dynamic and adaptable welfare system fit for the modern world. Digital is at the heart of the new system. The majority of jobs these days require some computer capability and competency, so it is also right that the system to help people into work is digital, too, as well as more efficient as a result.

Stephen Timms: Will the Minister give way?

Damian Hinds: If the right hon. Gentleman will forgive me, I will not, or I will run out of time.

Let me assure the House that I recognise what a complex and important issue housing arrears are. Many different factors are at play. As colleagues know, UC pays housing costs directly to the claimants and they pay rent to their landlord. That mirrors the world of work, which is an important part of the fundamental culture change I mentioned. That of course has been the case for some time, since the Labour Government rolled out the local housing allowance in the private rented sector in April 2008.

Catherine McKinnell: Will the Minister give way?

Damian Hinds: I will give way to the hon. Lady, because it is her debate, but I am also conscious that I am running out of time and will not be able to cover everything.

Catherine McKinnell: The Minister made reference to housing payments mirroring the world of work, but I am aware of no workplace in which the employee is expected to wait six weeks or more for payment.

Damian Hinds: I am grateful to the hon. Lady for her debate, but I am also conscious that I am running out of time and will not be able to cover everything.

Damian Hinds: I am grateful to the hon. Member for Strangford (Jim Shannon) mentioned. Various exemptions include those for prison leavers and for people coming across from other benefits, such as income-related JSA or ESA. For those exempt from the waiting days, the wait is no more than 38 days. A claimant who cannot wait that long, however, may apply for an advance of up to 50% of the total award to provide support through to the UC payment being made. That is an important facility, and we continue to work on raising awareness of its availability.

There have been some delays in the payment of the UC housing element, largely because of, for example, mismatches between what claimants tell us and what landlords tell us is the rent due. We continue to work on process improvements around that. The pre-existing system was itself far from perfect, and we believe the processing times for the UC housing element are about the same as those for local authorities paying housing benefit. According to research by the national organisation for ALMOs—arm’s length management organisations—three quarters of tenants on universal credit were already in arrears before coming on to UC. Nevertheless, we continue to address those issues and we recognise that further improvements can still be made. That includes a dedicated team to handle the processing of rental information for both claimants and landlords.

In Newcastle upon Tyne North, the claimant count has come down by 36% since 2010, but of course we have to continue to support more and more people into work as they fulfil their potential and ambitions. Colleagues will know that implicit consent has been restored to UC. There are particular sensitivities and difficulties about the breadth with which implicit consent can be granted, given the depth of personal and sensitive information within universal credit to which the individual claimant holds the key, but claimants are able to give explicit consent to advice agencies and so on as appropriate.

I fear that I am out of time. I conclude by saying that we must continue to work together to resolve issues as they arise and ensure a successful roll-out. We are standing on the cusp of historic change in our welfare state—a dynamic and fundamental change that is already transforming lives for the better and will improve many more. This is welfare reform in action—changing the dynamics in the system, making things simpler and ensuring that work always pays, to the benefit of millions.

4.20 pm

Catherine McKinnell: I am sorry to say that I am not reassured by the Minister’s response to the significant issues with the current system. We are not talking about the principles or the aims of universal credit; we are talking about the serious reality on the ground for people trying to access the support that they are entitled to. The Minister appears still to have his head in the sand. I hope that that is simply because he has not had time properly to address the issues that several hon. Members outlined and he will go a way and look at them. These are not just glitches in the system. The consequences are disastrous for the individuals concerned. The Minister did not address the issue of embedding debt in the system and has not taken seriously the impact of the issues that people are experiencing. I am also not convinced about his commitment not to reduce jobcentre staff, given that two of the jobcentres in Newcastle are set to close. This debate will continue.

Motion lapsed (Standing Order No. 10(6)).
Cavity Wall Insulation: Wales

Hywel Williams (Arfon) (PC): I beg to move.

That this House has considered cavity wall insulation in Wales.

It is a great pleasure to serve under your chairmanship, Mr Nuttall—I think for the first time—and to lead a debate on this issue. Unfortunately, after many years of campaigning, lobbying and debates, it is still unresolved.

Many of my constituents had cavity wall insulation installed, having been persuaded—in fact, I would use the phrase “deceived by omission”—that it was suitable for their homes and for local weather conditions. How wrong they were. Many have found that out to their cost, as they have suffered damp and damage, stress, threats to health and ever-present black walls.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): The whole of Wales and indeed much of the UK’s western seaboard is categorised as having very severe exposure to wind-driven rain. Does my hon. Friend agree that the Building Research Establishment maps that point that out should have been widely publicised by the Government so that people could assess whether cavity walling was appropriate in their area?

Hywel Williams: That is certainly the case. It is an elementary step. One just needs to look at the map of the UK. The west of Wales, the south-west of England, the north-west of England and Scotland are all coloured a deep blue, and areas such as East Anglia are coloured white. A five-year-old could look at that map and see where the rain was going to be and where there might be problems. Unfortunately, many people were not aware of those maps or of this issue.

The consumer redress process so far has been unsatisfactory. Vulnerable people have been left in damp and damaged homes. The industry guarantee scheme has failed many victims and has shortcomings, including sometimes—I am sorry to say this—a hostile attitude to victims. There is an opportunity for the Government to put things right, and my demand—I put it as strongly as I can—is for the Minister to take decisive action to protect consumers from further bad practice, identify all victims and fully compensate all those who have been affected by what is clearly a Government-backed scheme.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): I wholeheartedly agree with the hon. Gentleman’s comments. I, too, have constituents who have been terribly affected. In one case, an elderly couple had cavity wall insulation installed 10 years ago by Domestic and General, which subsequently went into liquidation, and they have the shambolic experience of dealing with the Cavity Insulation Guarantee Agency—particularly its head of customer service—and all sorts of other agencies. It has just become one shambles after another, and they have not had redress.

Hywel Williams: I am afraid that the picture the hon. Gentleman paints is all too common, especially in Wales but also in parts of the north-west of England. For example, people from Blackpool have travelled all the way to Bangor and Caernarfon to see me to explain the difficulties that they have had in areas where cavity wall insulation has been installed without explanation and there is wind-driven rain, which is the danger.

I welcome the long-awaited report of the Bonfield review entitled “Each Home Counts”, which was released on 16 December last year; some hon. Members may have seen it. A review was first considered by the then Under-Secretary of State for Energy and Climate Change, the right hon. Member for Hastings and Rye (Amber Rudd), on 3 February 2015, during the second debate we had on the issue. I spoke in that debate and expressed my concern about the attitude towards victims of cavity wall insulation of some in the insulation industry and the official bodies that allowed this to happen.

Chris Elmore (Ogmore) (Lab/Co-op): The hon. Gentleman speaks about this issue with great authority and passion for his constituents and people across the UK. My constituent Sarah Morgan recently discovered that she had two different CIGA guarantees for her property—one with a clause detailing the homeowner’s responsibility for property maintenance and one without. Does the hon. Gentleman agree that that subtle change is being used by CIGA as nothing more than a get-out clause?

Hywel Williams: Perhaps the hon. Gentleman is blessed with clairvoyance, because I was going to raise that matter. It is extraordinary that the maintenance clause is in the small print, as I understand it, and then suddenly reappears in the rather less than a “better late than never” review and some positive steps.

As CIVALLI and I rather expected having met Paul Bonfield, the review focuses on recommendations for future cavity wall insulation but does not place responsibility or blame for redress or provide compensation for those who have been disadvantaged. The review is forward looking, and quite reasonably so, but our concern is with the large number of historical cases.

The review underlines some positive progress. The British Board of Agrément and CIGA have launched a scheme whereby property assessments are independently reviewed for compliance with industry specifications to ensure that cavity wall insulation installations are carried out only on suitable properties. It strikes me, though, that the review’s publication and the progress made so far is much too little, much too late. I might say that the Titanic, alas, is already going down.

My concern is about the millions of homes already treated with cavity wall insulation, a proportion of which are problematic. I do not know what that proportion is,
and it seems that no one else does either, for that matter. We do not know how many there are or where they are, but it is clear that cavity wall insulation has been installed in properties unsuitable due to their location, the size of the cavity, the state of external walls, rendering or pointing.

My constituency, Arfon, is in the category 4 area; in fact, much of west Wales is category 4, as my hon. Friend the Member for Dwyfor Meirionnydd (Liz Saville Roberts) noted. When I raised this issue with the then Under-Secretary in the debate in February 2015 and asked her whether cavity wall insulation should have been installed in these areas, her response was:

“My recollection is that mostly it should not have been.”—[Official Report, 3 February 2015; Vol. 592, c. 20WH.]

That is as clear as can be: it should not have been put in, but it was. Installers, CIGA, manufacturers of cavity wall insulation, Governments and everyone seemed to claim that insulations were preceded by a full assessment of the suitability of the property. I am yet to see an assessment report, and seriously wonder whether such reports exist in any real sense.

In my experience, installers failed to take customer complaints seriously and to provide adequate redress. There seems to be a culture of avoiding customer queries, not responding at all, failing to provide full answers to straightforward questions and denying liability. I have heard people say so many times that they were told that it was just condensation—“Open a window and let all that expensive heat out; we’ll sell you some more”, presumably.

Extraction of failed cavity wall insulation is only one element, and most customers will not be offered even that. In my opinion, customers should also be able to recover costs for interior and exterior damage due to poor installation and extraction, plus compensation for the distress caused. When I have talked to CIGA, it has said—quite reasonably, I think—that it is a guarantee scheme, not a compensation scheme. However, people have suffered, and they deserve compensation.

Many people complain that they signed up for cavity wall insulation only because they were explicitly told that it was a Government-backed scheme, and they feel that the Government should take responsibility for putting things right. In fact, I have seen a sales video that, after about eight minutes of hard sell, has a prominent TV personality saying clearly that it is a get-out clause. In my opinion, customers should also be able to recover costs for interior and exterior damage due to poor installation and extraction, plus compensation for the distress caused. When I have talked to CIGA, it has said that it is a guarantee scheme, not a compensation scheme. However, people have suffered, and they deserve compensation.

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We know that CIGA proffered a 25-year guarantee but, again, that guarantee was worth little to most people after it became clear that there was not a suitable system of quality assurance for installers. Indeed, that was a matter I took up with the previous Minister.

Mr David Nuttall (in the Chair): The debate may now continue until seven minutes past 5.

Hywel Williams: I was talking about the guarantee and the fact that a clause in the small print has now been amplified to the main document. My friends in CIVALLI have told me that, on one property, there are two guarantees, two versions of the same guarantee—one with and one without that clause. It seems to me that CIGA sometimes uses the maintenance condition as a get-out clause. If people had been properly aware of the stringent maintenance rule, many of them would not have risked having CWI. The guarantee is pointless if the maintenance is unaffordable. Many of the people who put this material in are older, disabled or on low incomes; in fact, in Wales 25% of people are living in fuel poverty. Those people will not be up a ladder making sure that the rendering under the roof is proofed against wind-driven rain. The fact is that people in deprived areas were targeted, because they were keen to take part in the scheme and save money on their heat.

Many of the companies that carried out the installations are now defunct. Through recent correspondence with the British Board of Agrément, I have been notified that provisions have been put in place to help consumers where cavity wall insulation has been abandoned, for either company liquidation or inadequacy reasons. I think that is to be respected, but I am worried about this matter more generally.

I am worried that CIGA is under-resourced, hence the resistance to addressing remedial damage and to funding extraction properly. It is adamant that installers should assume liability, but in my constituents’ experience, that often proves impossible, especially given that so many of the companies have gone into liquidation—they were something of a fly-by-night set of organisations. That is resulting in a pattern of CIGA offering to extract from one wall only, which is against expert guidelines and will lead to other problems.

My constituent Alwyn Williams has been battling for three years with this problem. The original installers went bust. CIGA refused to help and refused all liability for two years, on the basis of the poor maintenance clause. It has now offered to extract from one wall. I have spoken to several experts in the field of extraction, including Andrew Quayle of Titan Insulation and Damian Mercer of Cavity Extraction Ltd, who tell me that extracting from one wall creates a cold spot and is likely to severely worsen the problem in the long term.

CIGA does offer an alternative dispute resolution, which I am glad of, and CIVALLI offers support and advice. There is, however, a yawning power gap between the two sides here. Of course, victims require an independent private survey, which can cost around £300; otherwise, there is not a lot of chance of them winning their case.

Due to the sheer number of failed CWI installations, the extraction industry is now booming, and I fear we are putting ourselves in line for a further scandal, as extractions are carried out but not properly inspected.

My speech today has been on many of the industry’s failings, but as I said earlier, this is a Government-inspired scheme. Successive Governments have advocated unpolicing and unregulated cavity wall insulation schemes in the race to secure carbon reduction targets—energy companies are being fined by Ofgem for not reaching those targets. That is all at the expense of the quality of life of the victims; their lives have been ruined.
[Hywel Williams]

At the very least, the UK Government should have the answer to the following questions. How many people have suffered at the hands of this particular scheme? I have heard estimates of 1% or 2%, but given that there are millions of installations, that is a large number of people. Who are the people who have been affected? Where do they live? I think they live on the west side of Britain. How will their problems be rectified? The big question is, who is going to pay for all this? To be fair to CIGA, it is under-resourced. It depends on its guarantee income, which surely will not be sufficient.

I will end by saying that, in the debate in 2015, the then Minister, who is now the Home Secretary, said that an election was due and she would leave the file open on her desk for her successor. We now have an election due again, and I hope the Minister is not going to sign off by saying that the file will be left open. We really do need some action as soon as possible on what I can only describe as an emerging scandal.

4.53 pm

The Minister for Climate Change and Industry (Mr Nick Hurd): It is a great pleasure to serve under your chairmanship, Mr Nuttall. I start by congratulating the hon. Member for Arfon (Hywel Williams) on not only securing this debate but his persistence over many years on this subject on behalf of both his constituents and a wider population of people who feel their voices are not being represented clearly enough. In that context, I would like to place on record my appreciation for the work of the Cavity Insulation Victims Alliance, members of which I had the pleasure of meeting briefly before the debate started again. We must work towards a situation in which no one feels they are a victim, but we are clearly not there yet.

I would like to say something briefly about the context of the debate and the consumer protection that we think is in place and that should be working. I will also try to answer some of the hon. Gentleman’s questions about the scale of the problem as we understand it and perhaps give him some reassurance about the progress we think is being made and the Government’s commitment to continue to press for an even better response on something that is clearly causing a great deal of hardship, difficulty and distress.

The hon. Gentleman knows the context very well and alluded to it. This Government, like previous Governments, have been keen to make it easier for people to take insulation and other energy efficiency measures that will help to make their homes more comfortable, warmer and more environmentally friendly. He knows as well as I do that if cavity wall insulation is fitted appropriately—that is a big if—it can be very effective in reducing consumption and cutting people’s bills. We have therefore committed to the insulation of a further million homes in this Parliament through a policy tool known as the energy company obligation, which is increasingly focused on trying to provide support for the poorest and most vulnerable households. That is the policy context, which he understands well.

Given that ambition, it is incredibly important that a good level of trust underpins the supply of these services. That trust is what we are really talking about today, and in too many places it does not exist. Consumers need to feel confident that they can trust the quality of the advice that they receive and of the installation that takes place in their homes. We need consumers to have the confidence to make decisions about their properties to improve the energy efficiency of their homes. This will not work unless there is that element of trust in the system.

On consumer protection—I think the hon. Gentleman knows this, but it is worth briefly placing on the record—a lot of regulation is in place to give the kind of consumer protection that we all want to see for our constituents. The installation of all cavity wall insulation must meet the requirements of the Building Regulations 2000. Materials used in cavity wall insulation are subject to specific standards and must be certified by an independent technical approval body. All cavity wall insulations installed under the energy company obligation are subject to a survey prior to installation. I understand his point about independent services, but the requirement for a survey is in place, in part, to verify that the measure is suitable for the property; I think that that is one of his major points, particularly about the part of the country that he represents. All installers working under ECO must also comply with a PAS—publicly available specification—that sets out requirements for the installation of energy efficiency measures in buildings, including cavity wall insulation. Ofgem requires technical monitoring inspections of 5% of measures installed under ECO. It also requires, as the hon. Gentleman noted, that cavity wall insulation measures installed under ECO be accompanied by a 25-year guarantee. As ECO administrator, Ofgem sets out clear requirements for those guarantees as part of its scheme guidance: they must include assurances not only about the quality of installations and the products used, but that funds will be available to honour the guarantee, which must cover the costs of remedial and replacement works.

Those are the protections in place. We recognise, because the data show it, that sometimes things may not work out as expected for consumers. When that happens, it clearly causes a great deal of distress. If there is a problem, our advice is that consumers should initially contact the installer who carried out the work and see whether the problem can be rectified. If that is unsuccessful, they should contact the guarantee provider of the energy company that originally carried out the work. If a consumer’s claim is covered under the terms of a guarantee, either the guarantee provider or the installer will arrange for the necessary works to be completed at no cost to the householder. In many cases that should provide a solution to the problem. However, if for any reason there is no effective guarantee in place, consumers may wish to obtain further guidance from their local trading standards office or seek professional legal advice.

The hon. Gentleman asked about the scale of the problem—the number of insulations completed and the number of consumers who have reported concerns. According to CIGA—the Cavity Insulation Guarantee Agency, which is the largest provider of guarantees for cavity wall insulation, as he knows—since 1995, 330,000 cavity wall insulation installations have been completed in Wales and 3,663 consumers, or 1.1%, have reported concerns. Some may argue that that is a statistically relatively small number, but as far as I am concerned it is 3,663 consumers too many. We need to work towards a situation in which there are no victims and no problems with the quality and probity of insulation work, as he set out powerfully in his speech.
The important thing is that when problems are reported they are addressed. Of the 3,663 recorded cases, CIGA claims to have resolved 2,939 while installers have resolved 724. In answer to the hon. Gentleman’s question, that is what the statistics show. My concern—I will be candid with him because he alluded to this—is that the statistics may understate the problem because they cover people who have reported a problem. He told me anecdotally that in his constituency there may be a much higher number of people who have not reported a problem and who are passive in their misery about what has happened to their homes. The Government must be sensitive to that.

We are not remotely complacent, which is why, as the hon. Gentleman said, we commissioned a review of quality, standards and consumer protection across the whole domestic energy efficiency and renewable energy sector, including cavity wall insulation. I am glad he welcomed that. I know he thinks it may not be sufficient, but I thank him for welcoming it.

The “Each Home Counts” review published on 16 December 2016 recognises that there should be consistent, high quality work in this sector and has made a number of recommendations, which will be taken forward by the industry with the Government’s support. This work is enormously important to our constituents because it is about their homes and very little is more important to them. There should be no room for cowboys in this market and we must hound them out. The review engaged with a diverse range of stakeholders and demonstrates the potential for a new approach to increase consumer trust.

Ensuring a clear and robust standards framework, not just when work is undertaken as a result of Government policy but wherever it happens, is fundamental and that is one of the key actions that the industry is now taking forward, which we will monitor carefully. The review includes recommendations to improve the provision of advice to consumers, as well as for improving skills and training in the workforce. We expect to see implementation plans—words are not sufficient—and delivery proposals from the industry in the coming month.

The hon. Gentleman expressed concerns about CIGA that have been expressed before and those concerns and criticisms have clearly been valid. CIGA is the largest guarantee provider and an important institution in this context. I have been assured—I will follow this up after the debate to seek extra assurance—that it has taken steps to improve the service it provides to consumers. It is under new leadership, as the hon. Gentleman probably knows, and those steps include hiring additional technical inspectors, appointing a consumer champion and introducing access to an independent alternative dispute resolution service operated by a provider approved by the Chartered Training Standards Institute. I will not repeat what previous Ministers said about leaving an open file, but I will write to the chief executive of CIGA setting out clearly some of the reservations that the hon. Gentleman eloquently expressed in this debate, and I will seek an explicit response.

I assure the hon. Gentleman, other hon. Members, CIVALLI and all those out there who are concerned about the issue that we genuinely recognise their concerns. It is in everyone’s interest that the market operates efficiently and that there is trust between customers and service providers. We are focused on ensuring that consumers can choose the right energy efficiency measures for their homes to deliver carbon and bill savings. We share hon. Members’ concerns that the work should be done consistently well and, if not, that appropriate redress should be available.

I am assured that CIGA has listened to the concerns expressed in previous debates in this House—it would have been deaf if it had not—and that steps have been taken to make the organisation much more customer service-friendly, but it needs feedback from Members of Parliament and other representatives on how much progress is really being made. I hope that the details I have set out about the significant steps that have been taken to improve customer service are reassuring.

I assure the House that the Government will continue to work with the industry to improve further the standards and quality in the energy efficiency and renewable energy sectors so that, as we move forward and try to encourage more of our constituents to upgrade their homes to make them warmer, more comfortable and more environmentally friendly, they can do so with trust.

Question put and agreed to.

Resolved.

That this House has considered cavity wall insulation in Wales.
Regional Flags: Driving Licences and Number Plates

5.5 pm

Scott Mann (North Cornwall) (Con): I beg to move,

That this House has considered the use of regional flags on driving licences and number plates.

It is a pleasure to serve under your chairmanship, Mr Nuttall, and to have secured this debate. It is worth while bringing this debate before the House as we begin the process of withdrawing from the European Union. As Members will be aware, we see the EU flag on driving licences and number plates throughout our daily lives. All licences have the EU flag as well as the flag of the United Kingdom. While we can display the EU flag on number plates, at the moment it is optional.

In around two years’ time, the UK will be leaving the European Union. That means that our laws will no longer be influenced by European bureaucrats or politicians and the UK will be an independent sovereign state once again, where motor vehicles will no longer be under EU jurisdiction. The EU flag will disappear from UK licences and number plates. That not only symbolises Brexit, but provides us with a great opportunity to be much more inclusive when it comes to the flags representing different parts of our great United Kingdom. Post-Brexit, a standard UK driving licence will just have the UK flag on it. We will also have number plates that will just display registration numbers and letters. That said, it is worth pointing out that motorists have the option of displaying the Union flag, the cross of St George, the Scottish saltire or the red dragon of Wales, along with the other accompanying identifiers, on their current vehicle number plates. That was legislated for in 2009, and the addition of the Union Jack to driving licences was announced in 2012.

With the EU flag disappearing from both, there is a real opportunity for us to consider displaying flags that represent different parts of Britain. First, I would at least like to see the current rules on number plates extended to driving licences. If motorists are allowed to have the flags of England, Scotland or Wales on their number plates, that should be extended to driving licences too. Where the flag would go on the licence is a minor detail, but considering that the Driver and Vehicle Licensing Agency produces tens of thousands of individual licences every year with individuals’ names, addresses, IDs and other details, I cannot see why it would be any more difficult to include a second flag, which could be chosen by the licence holder.

Alongside the flags of England, Scotland and Wales, I urge the Minister to consider flags from other parts of the United Kingdom. I am a very patriotic Cornishman, and it would give me great delight to see the St Piran’s cross on my driving licence. The flags could go on licences and number plates, but if the Minister is in favour of a slower approach, groups of flags could be extended to number plates first and then to licences, if consultation proved to be positive.

Sir Greg Knight (East Yorkshire) (Con): My hon. Friend is making a very strong case. Does he agree that it is not just the people of Cornwall and Devon who would like to have something different on their number plates? I am sure that many people based in Yorkshire would like to have the Yorkshire rose on their number plate, rather than the pretentious and increasingly irrelevant EU flag.

Scott Mann: It is almost as if my right hon. Friend has read my mind. Later in my speech I will go on to talk a little about Yorkshire, and he has made a passionate case for his area. The Minister may have concerns about the financial and administrative burden for the DVLA from licences, but when it comes to number plates, many motorists will be willing to pay for new plates displaying the flag of their region or of their choice. That could be a way forward, where motorists are allowed to display a greater variety of flags on number plates at their own cost. That could then be extended to licences at a later date, if that was deemed suitable.

The Minister may be concerned that the proposal may create confusion for authorities overseas when vehicles are taken abroad. To address that, I propose that, should a motorist want to have a flag for their country or county—or, in Cornwall’s case, duchy—the flag could be accompanied by a Union Jack to make it clear that the vehicle was from the United Kingdom.

There are many fascinating flags in this great country that represent the whole of the UK. Ultimately, I think our Union Jack is the best. It represents the union of our four great nations and is looked upon by millions of people around the world as a flag of democracy, the rule of law and freedom of speech. Thankfully, the Union Jack has been reinstated on UK driving licences and is permitted on number plates. People are proud of where they come from, and that should be allowed to be expressed in the form of licences and number plates.

As the former Secretary of State for Local Government, my right hon. Friend the Member for Brentwood and Ongar (Sir Eric Pickles), said on St George’s day in 2013: “The tapestry of the United Kingdom’s regions and counties binds our nation together...we are championing traditional local identities which continue to run deep...by considering the use of regional or county flags, we formally acknowledge the continuing role of our traditional counties in our united country’s public and cultural life. This government is championing local communities, continuing to cherish and celebrate traditional ties and community spirit.”

That brings me on to my favourite flag, the black and white flag of St Piran, which represents a symbol of many people’s Cornish identity.

Although not a country, Cornwall is the duchy. Its Cornish population has been granted national minority status under the European Council’s framework. I have been conducting constituency surveys through communities in North Cornwall. When asked about having the option of the St Piran’s flag on their driving licence or number plate, a big majority say that they would like that to be considered. This debate goes far beyond the St Piran’s flag. The point of having the debate today is to give Members the opportunity to voice any support they have for flags within their areas of the UK. In England, for example, that could include the flag of Yorkshire, with its white rose, the flag of the Isle of Wight, with its diamond shape hovering above the ocean waves, or the Invicta flag of Kent, with its white horse against a red background. In Scotland, it could include the flag of Caithness, with its blue and gold cross representing its beaches and seas. In Wales, it could include the flag of Anglesey, with its three yellow dragons. At this point, I am sure that many people do not even know these flags, but we have gone too far on the Brexit process, and I would welcome the thoughts and those of fellow Members.
In conclusion, the United Kingdom is a collection of many different areas that have proud histories, identities and cultures. As we extricate ourselves from the European Union and embrace the brighter future of our sovereignty, it is worth having a debate about the idea of flags on driving licences and number plates. I will now be glad to sit and listen to what other MPs and the Government have to say on the record. [Interruption]

Mr David Nuttall (in the Chair): Order. I would ask any Member wishing to speak to stand up.

5.13 pm

Derek Thomas (St Ives) (Con): I am sorry, Mr Nuttall, but I was stunned by the speech of my hon. Friend the Member for North Cornwall (Scott Mann). I thank you for the opportunity to speak and I thank my hon. Friend for securing this debate. We share an office and have discussed this subject many times. His constituency is North Cornwall, while mine is the furthest west it is possible to get, and as he said, our constituents say they would like to see flags on driving licences and number plates.

I know that the Government are ambitious for local areas and are keen to devolve more responsibility to them. They want local areas such as Cornwall to seize the day and take charge of their own destiny. They want to promote regional strength and identity, and of course they want to make a success of exiting the EU. Cornwall is a place of significant interest. Those of us who live there are immensely proud of our heritage, our culture, our natural environment and how we work together as a community to help and care for one another. We know that is true, and every year tens of thousands flock down to see us and covet all that Cornwall is and stands for. Cornwall is a special place in the UK, and I make no apology for asking for special treatment from time to time. My hon. Friend was very generous in describing the various flags that could go on licences or number plates. As far as I am concerned, Cornwall would be a perfect pilot for this. I am ambitious for Cornwall to lead the way in having the St Piran’s flag on number plates and licences.

Cornwall wants to be treated fairly, but we also want more attention than we perhaps get at the moment. On this occasion, our request is straightforward and in the gift of the UK Government, once we leave the EU. My hon. Friend and I are simply arguing that Cornish residents, if they choose, can celebrate Cornish identity by placing our Cornish flag, the St Piran’s flag, on driving licences when they are issued or replaced, and also on vehicle registration plates.

As my hon. Friend said, since 2009 it has been legal to display the Union flag, the cross of St George, the Scottish saltire and the red dragon of Wales on vehicle number plates. Extending that right to Cornish residents and to other regions would be welcomed by my constituents and others elsewhere. Permitting motorists to display the flag of St Piran on their vehicles is a relatively simple yet effective way of enabling people to proclaim their Cornish identity, and I know that many residents in the county would be proud to do so. With modern technology, that cannot be beyond the wit of man. Any costs incurred could easily be recovered from the charges already payable for driving licences and number plates.

I am keen not to prolong this debate more than necessary, so to conclude, Cornwall is a unique and special place. I am unbelievably proud to represent the far south-west of the county. Once Britain has left the EU, there will be more opportunity to safeguard and promote our Cornish identity. Allowing such measures on licences and registration plates provides a tangible way in which a local area can celebrate its heritage, culture and identity. I believe that it would be a great way to celebrate the new Great Britain that we want, post-membership of the EU.

5.17 pm

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): It is a pleasure to serve under your chairmanship, Mr Nuttall. I congratulate the hon. Member for North Cornwall (Scott Mann) on securing this debate. I loved his line about an independent, sovereign state, which is something that has been close to my heart for a long time. I hope to see Scotland as an independent, sovereign state in relatively short order.

We can all support the principle of being able to choose to show a regional or national identity in flags on driving licences and number plates. We should be open to the ability for people to choose the representation to promote their individual area and the nation that they are from—it is incumbent on us to be as open as possible. I fully support the choice for the option of the St Piran’s cross and for it to be set next to the Union flag or indeed the cross of St George. Similarly, in Scotland, if the good people of Caithness want to have their flag next to the saltire on their driving licence, that is something that should be taken forward too. There is lots to agree here and there should be flexibility from the Minister in how that goes forward.

I will be brief in my summing up, because, although we can say that we agree with the principle, it is difficult to pick a lot to challenge. But I would say this: while there is a collective rubbing of hands of some people who favour the Brexit position and cannot wait to exit the European Union, I would remind people that the European flag has been a symbol of free movement across Europe. When that symbol is connected with and on vehicles, it shows how easy it is for people to move from one country to another without any restriction.

One of the biggest challenges coming is not the question of what flag will be on a hon. Member’s or a member of the public’s number plate. It will be what happens to the customs rules, cabotage arrangements and people’s ability to move around and do business in Europe. Although we are enjoying a debate about flags, there are serious issues to be dealt with by the Government. As of yet—the Minister will know this well, because he has been challenged many times by me directly—there are no answers on what is happening with free movement.

The ability for people to choose, and to reflect their area, should be supported, and, as regards the main thrust of the argument advanced by the hon. Member for North Cornwall, I absolutely support people’s ability to make that choice. They should have the choice nationally, they should have the choice regionally.

5.20 pm

Daniel Zeichner (Cambridge) (Lab): It is a pleasure to serve under your chairmanship again, Mr Nuttall. I, too, congratulate the hon. Member for North Cornwall
(Scott Mann) on initiating the debate. In the light of the Prime Minister’s decision to invoke article 50 last month, and ahead of the general election in June, it is right that we discuss in this place the many and varied ramifications of leaving the European Union, from the big issues right down to what some might see as the finer detail about the symbols that appear on our driving licences and number plates. Detail it may be, but it is important nevertheless, because symbols matter. The questions of who we are as a society and as a country and who we identify with are at the heart of the decision taken last June, so the significance of these issues should not be underestimated. I still carry my “Sack Boris” Oyster card holder from previous London mayoral contests, partly because its message is timeless, but also because it makes a small statement. Doubtless others could cite similar examples.

On the issue of number plates and driving licences, as things stand, the United Kingdom is still a member of the European Union, and as such we operate within the body of EU legislation to which we have agreed. Accordingly, it is clear that we are not at the moment in a position to introduce regional flags on driving licences and number plates, because only the use of national symbols is permitted. With regard to number plates, the relevant legislation is regulation 16 of the Road Vehicles (Display of Registration Marks) Regulations 2001. That allows the display of “the international distinguishing sign of the United Kingdom”. Although it was not until April 2009 that the UK Government introduced regulations to permit the display of national symbols, we now see number plates bearing not just the Union flag, but, as we have heard, the cross of St George, the saltire and the red dragon of Wales, as well as letters denoting the UK or one of the individual nations that form the Union.

The EU legislation relating to photocard driving licences is set out in annex I to the third driving licence directive and came into force in January 2013. It states: “After consulting the Commission, Member States may add colours or markings, such as bar codes and national symbols.” Since July 2015, all photocard licences issued in England, Scotland and Wales have carried the Union flag alongside the EU flag. However, unlike with vehicle registration plates, symbols of individual nations within the UK are not permitted on driving licences. That has led to some consternation in certain areas of the country; in fact, I am reliably informed that it has even spawned a thriving cottage industry in very small stickers of saltires and Welsh dragons for those who wish to accessorise their driving licence. It does seem inconsistent that number plates are permitted to bear a number of symbols of the various nations that make up the United Kingdom, whereas driving licences are allowed to bear only the Union flag.

The responsibility for deciding which national symbols are put on UK driving licences rests with the Secretary of State for Transport, except in Northern Ireland, where that power has been transferred to the Department of the Environment. As the EU directive does not explicate what constitutes a national symbol, the Secretary of State has to determine what, if any, national symbol they would like to introduce, and consult the EU Commission. That is perhaps the crux of this discussion—what constitutes a nation? That is a very big question indeed and one that, as we know, can both inspire and divide and so has to be handled with care and discretion.

Of course, the party of nations and English regions is Labour, unlike the Conservatives and Liberal Democrats, who tore asunder our regional structures in the last Parliament—an act of vandalism that Vince Cable famously described as “Maoist”. In the spirit of supporting thriving and healthy regions, I happily endorse the notion of regional symbols, but I gently say to the Minister—

Sir Greg Knight: Will the hon. Gentleman tell us how far he would go in deregulating in this area if he was in office? For example, would he go beyond regional symbols and allow other symbols, such as a motif or artwork used by a sports club or local car club?

Daniel Zeichner: I have to say that our detailed policy discussions in the run-up to the general election have not extended to that level of detail so far. It is an interesting suggestion that I will happily consider in the future, but for the moment I will concentrate on regional symbols. The point I was about to make to the Minister is that symbols are important, but if one is to have a symbol for a region, there needs to be a region first; I suggest that that is where we ought to head back to. However, that is possibly a bigger debate for another day.

I conclude by giving an assurance that a Labour Government will bring the policies on number plates and driving licences into line with one another so that, if nothing else, we have consistency. If that helps to build community, solidarity and a positive sense of identity in our nations and regions, that can only be a good thing.

5.25 pm

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): It is always a pleasure to serve under your chairmanship, Mr Nuttall. May I start by congratulating my hon. Friend the Member for North Cornwall (Scott Mann) on securing this debate about the use of regional or national flags on driving licences and number plates? I welcome this opportunity, because this is clearly an area of much interest to colleagues from all over our country.

We all know that, on 23 June last year, we voted as a nation to leave the EU. My hon. Friend is correct that many opportunities will arise from that decision. For example, one of the many implications may well be that we will be able to alter the design and components of our driving licences and number plates. I will take each issue separately, and I will start by commenting upon driving licences, which is actually quite a complex area.

The Driver and Vehicle Licensing Agency has been issuing driving licences since 1973. It holds the records for around 47 million drivers and issues around 11 million licences each year. While I appreciate that my hon. Friend and other colleagues see the outcome of the referendum as an opportunity to include regional flags on our driving licences, I have to highlight that that could have practical implications that I ought to share with the House. There would be an administrative burden on the DVLA, and associated costs that would, in due course, be passed on to motorists.

I will explain a bit about the photocard driving licence itself. As we are all aware, there are different designs for a provisional licence and a full driving licence...
At first glance, the driving licence looks a little like a credit card. It is credit card-sized and is plastic, and it contains a photograph and some details about the driver, including their name, address and the vehicles that they are entitled to drive. However, it is much more sophisticated than that. For example, it is made entirely from polycarbonate and is built up of multiple layers. It has been rigorously tested to the highest standards to ensure that it complies with international security standards, and to ensure that it is fit for purpose and will retain its integrity for the 10 years of its lifespan.

In terms of the licence’s production, the DVLA is supplied with base cards, which arrive at the DVLA containing only the title—“DRIVING LICENCE”—the Euro flag, the Union flag and the background print; everything else is printed on-site. The driver’s photograph is actually not so much printed, as one might expect, but laser etched on to the polycarbonate material. The driving licence has many other security features, and is therefore one of the most secure and recognisable public documents that we have.

As my hon. Friend is aware, the Government introduced a new driving licence design in 2015 that incorporated the Union flag. When that change was made, the DVLA explored the possibility of giving drivers the option of having the Union flag on their licence or not, so some of the thinking on the prospect of consumer choice has been started. That work showed that the cost to the DVLA would be between about £14 million to £20 million, and it would potentially take two years to implement. The Government decided, therefore, to include the Union flag on all driving licences, without offering a choice, to underpin the sense of national identity and pride that we all share, notwithstanding that the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) may take a slightly different view of that. Overall I think there is pride in our national flag and our identity as British citizens.

At the same time the DVLA looked at whether it would be desirable to offer drivers the option to have other symbols on their driving licence, such as the cross of St George, the saltire, the red dragon of Wales or indeed, potentially, the cross of St Piran. While it may seem a simple undertaking to give motorists a choice of what to display on their licence, the cost of doing so was even greater than the cost of providing an optional Union flag, which I mentioned earlier. If the optional element is removed—for example if all licences in Scotland were issued showing the saltire—that obviously would have a cost implication, by reducing it. Then, of course, there would be further complications; how would the distribution of the design be decided? Would it be a question of where the driver lived? Of course Scots live right across the United Kingdom, and people from other parts of the country live in Scotland. That presents some quite complicated operational implications for the DVLA.

There are also some potential road safety and security risks. Among the most obvious would be the credibility of our driving licence in the eyes of foreign enforcement agencies. When so many people from the UK drive in places around the world, the recognisability of our driving licence in the eyes of foreign enforcement agencies is greatly lessened, and that by choosing hard Brexit, without taking into account cabotage and customs or keeping access to the EU, the Government will create problems for drivers?

Andrew Jones: I fear that that is potentially temptation to rerun the referendum debate. We have been there, and we need to come together and implement the decision of the British people. Obviously, there are practical implications, some of which are risks, and some opportunities. The key thing, of course, is to make sure that we have the best possible deal for the country, and far more opportunity than risk.

My point about the interoperability and recognisability of driving licences is reasonable, because they are perhaps the most common form of identity document that people use. They are not designed to be an identity document but they are used for that purpose in many cases, and it is important that a driving licence should be a robust and secure document that retains its identity. A further implication is that its integrity should not be compromised by more fake licences being in circulation. A lack of familiarity with the licence could of course make it easier for fakes to go undetected.

We estimated what might happen if each county or region were allowed a design. I recognise that few parts of the country have the sense of identity that Cornwall has—

Sir Greg Knight: And Yorkshire.

Andrew Jones: I am coming on to Yorkshire. We have heard from two proud and passionate Cornishmen in the debate, speaking up for their county; as ever; but other parts of the country also have strong identities. I am a proud Yorkshireman and I think nowhere beyond Yorkshire and Cornwall can match that sense of identity. However, I am treading into dangerous territory, and that is partly the point. We would be treading on regional and county identities that are very complicated. I notice that even within the ceremonial county of Cornwall the Isles of Scilly have their own flag, and their population is just over 2,000, with just 600 vehicles registered on the islands. They may want their own flag displayed on their licences, and I am sure that that would apply to many parts of the country. There are strong affiliations and loyalties across our marvellous, united nation.

Building various designs into the card manufacturing process would obviously have an impact on printing and despatch costs for the DVLA and would also have implications for turnaround time. All those points need to be considered as we take the debate forward.

We have regional identities on our number plates. As my hon. Friend will be aware, the registration number is a unique means of identifying a vehicle for taxation, law enforcement and road safety purposes. It has a proper and significant practical implication. It is important that the police are able to quickly identify a vehicle and that witnesses are able to recall registration marks. To that end, the law requires that number plates are clearly and easily readable.

The rules regarding what can be displayed on number plates, including any optional regional flags, are specified in UK law. Those rules simply ensure safety on our roads. They support the police and other enforcement agencies in identifying vehicles to prevent and detect crime, particularly through the use of automatic number plate recognition cameras. With that in mind, the law
Andrew Jones: has to be specific about what information can be shown on a number plate, to minimise and prevent the use of unlawful products.

Currently in the UK only number plates supplied by official registered suppliers can be displayed on a vehicle. Registered number plate suppliers are fully aware of what is allowed to be displayed and must ensure that the number plates they supply meet legal standards and that adequate sales records are maintained. In addition to display of the registration number, the law provides for the voluntary use of specific national identifiers or the display of the EU flag, if people wish it.

The display of the EU flag with the inclusion of a GB identifier is called a europlate. It enables motorists to travel across the EU without the need to display the conventional oval GB—either a sticker or a little banner—to identify the member state in which the vehicle is registered. Currently UK motorists travelling within the EU can display either the europlate or the traditional oval sticker. Vehicles registered in the UK and travelling outside the EU have no choice but to use the oval sticker.

Sir Greg Knight: As we move closer to leaving the European Union, will the Minister look again at this? It seems to me that as long as a number plate is clear and can be read and understood, if someone wants to personalise their number plate modestly, we should not stand in the way of them doing so.

Andrew Jones: I recognise that we are moving into a place where the old rules will cease to apply, and we can determine more as we wish, but I will come to my right hon. Friend’s point.

The law changed in 2009 to allow the voluntary display of either the European flag or UK national flags, so we have choice in the area of number plates. Motorists can choose between the Union flag, the cross of St George, the saltire or the red dragon of Wales on their number plates. The display of a national flag or the EU flag is a matter of personal choice; nobody is compelled to decide one way or the other.

We have strong regional and national identities within our United Kingdom. My hon. Friend the Member for North Cornwall highlighted the recognition of Cornwall, but that applies to many other parts of our country. It is fantastic that we have such a diverse and unique cultural mix in our different nations and parts of our nations, in which people take great pride. I am certainly a proud Yorkshireman, particularly when it comes to cricketing matters.

Any proposals to allow a wide range of flags or regional identifiers to be displayed on number plates have to take into account the wishes of wide groups in other parts of our countries. Choosing the regional identifier would be complicated. We would also have to ensure that it worked from a law enforcement perspective. So there are practical implications, road safety implications and law enforcement implications, and it is a brave person who treads too far into the area of regional identity.

I entirely recognise the strong desire to reflect the pride that we feel in our different parts of the United Kingdom. We are at the start of a process. I am not saying either yes or no; we are simply at too early a stage in this process to decide. However, I recognise that there are opportunities. I regard this debate as the start of our national conversation about what we would like to have on our driving licences and on our number plates. I also recognise that technology presents opportunities to personalise and to print, but I have also tried to explain that there are some significant practical implications from a DVLA perspective and from a law enforcement agency perspective. There are cost implications as well.

I recognise the proud and passionate pleas from our Cornish colleagues, and I have great sympathy with them. I also recognise that we will receive messages from all parts of our country and I hope that everybody will contribute as we decide what our licences and number plates look like, as we leave the EU and have the freedom to make our own decisions.

Scott Mann: We have had an excellent discussion and this has been a very worthwhile debate. My right hon. Friend the Member for East Yorkshire (Sir Greg Knight) made some great interventions; my hon. Friend the Member for St Ives (Derek Thomas) made a very passionate case for his part of Cornwall; the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) made some interesting and valid points, although I do not agree completely with some of the things he said; and the hon. Member for Cambridge (Daniel Zeichner) also made some very valid and interesting points.

I thank the Minister for listening. Obviously, we will not be here in Parliament for much longer, but it would be nice to come back and re-engage in this debate in a few weeks or months. I thank him for listening to the debate and I hope that he will consider this matter in the future if he is back in his position and I am back in mine.

Question put and agreed to.

Resolved.

That this House has considered the use of regional flags on driving licences and number plates.

Sitting adjourned.
Westminster Hall

Thursday 20 April 2017

[STEVE MCCABE in the Chair]

Emissions and Vehicle Type Approval

1.30 pm

MRS LOUISE ELLMAN (Liverpool, Riverside) (Lab/Co-op): I beg to move.

That this House has considered the Third Report of the Transport Committee, Volkswagen emissions scandal and vehicle type approval, HC 69, and the Government Response, HC 699.

It is a pleasure to serve under your chairmanship, Mr McCabe.

In September 2015, the American non-governmental organisation the International Council on Clean Transportation discovered that Volkswagen had been cheating on emissions tests around the world. The purpose of such tests is to ensure that vehicles comply with standards on nitrogen oxides—a poisonous emission. Volkswagen eventually admitted that its cheating started in 2006. Defeat device software was installed so that emissions were reduced only when the vehicle was being tested in the laboratory and did not reflect what happened on the road. The consequence was 11 million VW vehicles worldwide—1.2 million of them in the UK—pumping out poisonous gases at many times the acceptable level. This is an issue of consumer confidence and public health. Emissions standards exist to protect our health; each year, in the UK alone, nitrogen oxides cause 23,000 premature deaths.

The Select Committee on Transport was determined to find out what had happened. In October 2015 we first heard evidence from Paul Willis, the managing director of Volkswagen UK. It quickly became apparent that this was not just a case of one rogue company—it exposed deficiencies in the vehicle testing process. We launched our inquiry into VW emissions and vehicle type approval in November 2015. Our report published in July 2016 made findings in three major areas.

First, Volkswagen showed a cynical disregard in its treatment of European customers. We were astonished to hear Volkswagen apologise for what it had done, and subsequently deny that it had done anything wrong. Its continuing refusal to provide UK customers with any compensation remains deeply unfair. Secondly, the vehicle type approval process was not fit for purpose; riddled with conflicts of interest, its inadequacy meant that VW was able to cheat the emissions standards for years without detection. Thirdly, much needed to be done to improve the emissions tests overall. Like the type approval process, emissions standards have undergone review at EU level, but before the emissions scandal they had been allowed to become hopelessly out of sync with developments in vehicle technology.

We have continued to pursue this issue as regards Volkswagen’s culpability for its deception and in pressing for fair treatment of its UK customers. Doing so raises the question of the adequacy, or inadequacy, of the action of UK authorities.

ANDREW SELOUS (South West Bedfordshire) (Con): I am listening carefully to the hon. Lady’s impressive speech. Does she agree that the Government are out of pocket because a higher level of vehicle excise duty should have been paid? The vehicles were not as environmentally friendly as they were made out to be, so, in addition to the claims of individual consumers who were misled, the Government are short of tax revenue, which we desperately need for public services. Does she agree?

MRS ELLMAN: I certainly do. Indeed, I will refer to compensation later, because it relates to the taxpayer, and the Government, as well as to individuals who had purchased vehicles. The hon. Gentleman makes an important point.

We have continued to pursue this issue both as regards VW’s culpability for deception and in order to seek fair treatment of its customers and, indeed, the taxpayer. Let us look at what happened. Volkswagen’s response to the uncovering of the scandal in the UK has been pitiful. I regret that the Department for Transport has so far been unable to convert its strong words condemning VW’s behaviour into action that delivers concrete benefits for customers and the public, including fair compensation for both.

When Mr Willis first gave evidence to us, and when he came in January 2016, he told us that Volkswagen was committed to uncovering what had happened and making sure it never happened again, and the company apologised for its action. Indeed, if I recall, I do not think that Mr Willis and the company stopped apologising for what it had done for much of the session. We were told that it had hired the law firm Jones Day to investigate and produce a report that would be made public. We were told that the investigation involved 450 people looking through the equivalent of 50 million books. Great importance was attached to that; indeed, Mr Willis told us that he declined to answer a number of our questions because the issues would be dealt with in the Jones Day report that was to be made public and that we would clearly then have access to.

When we questioned the same Mr Willis in Committee two months ago we heard an entirely different story. He assured us that the Jones Day findings were contained in the statement of facts published by the United States Department of Justice as part of its deal with Volkswagen—a document that is 29 pages long—and told us that no other Jones Day findings would be published at all. He implied that a report might not even exist; it might just be this statement of facts—29 pages and not to be published. It stretches credibility that the findings of such an extensive investigation can be summarised in 29 pages. The statement of facts produced for the US Justice Department focuses on events in the USA, and Volkswagen itself repeatedly stated that the events in Europe are entirely different.

We pursued Mr Willis further to seek clarification of a number of points. One was that he appeared to speak in direct contradiction to the evidence given to us by the Minister, who followed him in the evidence session. We received a written response from Mr Willis. That response was not to my or the Committee’s satisfaction; it did not clarify the issue. I have therefore written, on the Committee’s behalf, to Hans Dieter Pötsch, chairman of VW’s supervisory board, seeking further information and, I hope, clarification of where the truth lies.
[Mrs Ellman]

After so much effort, Volkswagen’s refusal to release in full the findings of the report that we were told so clearly would be published is deeply suspicious. I wonder what the company has to hide and why it is doing this. Mr Willis had told us at an earlier point that it was “implausible” that a senior Volkswagen employee would have known about the defeat devices; indeed, we were told that the scandal originated with a few rogue engineers. Clearly, that view is not shared by the American and German authorities, which are actively investigating several senior VW employees. Oliver Schmidt, who gave evidence to our Committee last year, is among those now being investigated in the States—a situation that hardly inspires confidence.

If VW’s position is that the scandal was caused by a few rogue engineers, it must release the full Jones Day findings to prove that contention. If VW refuses to do so, I ask the Department to act. I recognise that the Department has asked for the Jones Day report, but as far as I am aware, it has not been produced. Will the Minister update us on his efforts to secure the full Jones Day findings and place them in the public domain?

Compensation for UK customers is a critical issue. Mr Willis was full of apologies on the company’s behalf when he first gave evidence in 2015, but since then, his tune has changed dramatically. In fact, it is now VW’s position, as Mr Willis stated to us in Committee a short time ago, that the company has done nothing wrong in the UK or the rest of Europe and that therefore no compensation is due.

That is treating the UK with contempt. I remind hon. Members of the position on compensation in other countries. In the US, Volkswagen has agreed to provide each owner with between $5,000 and $10,000, while a deal agreed in Canada will give owners between $4,000 and $6,000 US. Here, they will get nothing at all. Why has no action been taken by the Department for Transport, the Serious Fraud Office or the Competition and Markets Authority?

I have asked that question in the past and been told that the issues were being considered, but as far as I am aware, no action has been taken; I hope that the Minister can give me the latest information.

A few moments ago, the hon. Member for South West Bedfordshire (Andrew Selous) raised the issue of compensation. Can the Minister update us on whether he has secured the additional £1 million that he demanded from Volkswagen? That is one of the issues over which we are in dispute with Mr Willis: the Minister told us that the company had not given the Department what it asked for, but Mr Willis appeared to tell us that it had. We are still trying to clarify that issue through correspondence, so if the Minister could help us on it when he replies, it would assist us very much.

I would also be grateful for an update on European Commission proceedings. The officials who appeared before the Committee in February spoke of an ongoing dialogue. What has that delivered, and what action will be taken? I am aware that the Commission intends to take action against the UK Government for failing to act in relation to its responsibilities to enforce appropriate standards; it would be helpful to know the current position.

I will briefly address the technical measures implemented by Volkswagen in the wake of the emissions scandal. Again, Mr Willis recently told the Transport Committee that the fix had no impact on real-world emissions, and we were told that nothing was wrong. He was asked why, if nothing was wrong, the vehicles were being fixed, and we were told that the sole reason was to ease customers’ minds about how vehicles had got through the testing programme—the company is spending money on so-called fixing, but the company did nothing wrong and is doing it only to ease customers’ minds. I find that completely implausible. That cannot be the situation. We are also told that the technical measure had no impact on vehicles’ performance. I said to Mr Willis that if that was correct, surely he would have provided a warranty to cover the technical measure. I know that the Department has been seeking that warranty, but as far as I am aware, the company has done nothing.

I receive numerous communications almost daily from members of the public who report that their vehicle has been impaired since they had the fix applied. A closed Facebook group bringing together people who have been affected now has 1,400 members. Have they not been told about the stress of suddenly finding their vehicle was not working after the measure was applied? They relayed instances of the vehicle going into limp mode, or not going above a certain speed; in one case, it happened on a motorway, and other cars had to swerve to avoid a collision. In many instances, when customers raised concerns, they were told that it was a coincidence and asked to pay hundreds or even thousands of pounds for the fault created by the so-called fix to be investigated and put right.

Mr Willis told the Committee that he would give us an assurance on that matter and said that it could not be the case, but that the company would investigate free of charge all reasonable concerns raised by VW owners after the fix was applied. I suspect that Mr Willis’s definition of “reasonable” might differ from his customers’. Will the Department monitor what happens in that regard?

The scandal was not only a case of a rogue company; it could never have happened if the regulatory structures for vehicle type approval had been adequate. We must remember that the cheating was uncovered not by a regulator, but by a US non-governmental organisation, the International Council on Clean Transportation. European Community whole vehicle type approval is the process ensuring that vehicles meet the relevant environmental, safety and security standards. An approval authority—in the UK, the Vehicle Certification Agency—certifies that the vehicles meet the relevant standards. Approval authorities work on the basis of information collected by technical services organisations that witness the test and collate the information.

As well as being an approval authority, the VCA provides technical services to manufacturers. The Committee concluded that that constitutes marking one’s own homework; it is a clear conflict of interests. In addition, the VCA competes with other European approval and technical services agencies across Europe for business from car manufacturers. The incentive to be unduly lenient on car manufacturers is clear. That conflict of interest works against consumers and ultimately damages public health.

In their response to our report, the Minister told us of various measures being considered to manage potential conflicts of interest, including more independent assurance.
and audit and increased training for emissions engineers. We were also told that an end-to-end review of the technical service process was taking place. Can the Minister update us on the outcome of that review? What plans have been put in place for type approval as part of the Brexit negotiations? We currently use European standards; what will happen after Brexit? Is that part of the negotiations? Is it expected that the UK and EU countries will continue to accept vehicles type approved by one another? How will it work?

Our report emphasised the importance of in-service surveillance, or the process of spot-checking vehicles on the road to ensure that their pollution performance is still within an acceptable range. The Minister told us that a new, robust system of in-service surveillance was being implemented, which is to be welcomed, but in the first instance, that surveillance will focus on new vehicles entering the market. Can the Minister update us on the performance of the new market surveillance unit? What progress has been made in ensuring that that unit operates beyond new vehicles?

A gap exists between real-world emissions and those emitted in the laboratory; it is the result of developments in technology and flexibilities allowed in the test procedure. Can the Minister update us on the progress of setting the final requirements for Euro standards? Is he satisfied that they are sufficiently robust? The Department told us that it had written to the European Commission to press for further improvements. What has the response been?

A year and a half after the emissions scandal came to light, Volkswagen has still not been held to account. Instead of providing the information, compensation and warranties that have reasonably been requested of it, Volkswagen maintains that it has done nothing wrong. Surely it is time that the Minister committed to using the powers available to him.

The scandal goes much further than Volkswagen. In the course of our inquiry, it became abundantly clear that the type approval system and emissions standards were not fit for purpose. Their support for manufacturers at the expense of ordinary people, consumers and public health was well known, but nothing was done about it before the emissions scandal erupted. I ask the Minister today for clear information on how the situation has improved.

The Volkswagen emissions scandal was shocking, but it has shone a light on deficiencies in the testing process. UK consumers are being treated with contempt. What action is the Minister taking to correct this outrageous situation?

1.51 pm

Andrew Selous (South West Bedfordshire) (Con): I shall speak only briefly, because the speech by the hon. Member for Liverpool, Riverside (Mrs Ellman), the Chair of the Transport Committee, was all-encompassing and forensic in its detailed examination of the issue.

The Minister, his Parliamentary Private Secretary—my hon. Friend the Member for Finchley and Golders Green (Mike Freer)—and I all believe in free enterprise and salute what business does to pay for public services. However, that is not a blank cheque from the Conservative Benches. As the Prime Minister has said eloquently on a number of occasions, we believe in holding business to account and in holding it to high standards. Given what the Chair of the Transport Committee said, there are genuine questions to be asked. Why are Canadian and American consumers already receiving compensation, while UK consumers are not? Indeed, in my view the Government are out of pocket because of the tax revenue they should have received.

We all know that there is a huge need for infrastructure investment for the ultra-low emission vehicles of the future. I know that the Minister is passionate about the subject. He shares my desire to roll out new-energy vehicles—as they are called in China—across the country. That roll-out will require considerable public investment. Volkswagen is Europe’s largest car manufacturer; it is not a poor company. I would like to see UK consumers being put back in pocket, the Government receiving the tax revenue they have lost, and a contribution made towards the infrastructure that this country will need in order to roll out the clean-energy vehicles of the future.

I have great confidence in my right hon. Friend the Minister. He is indeed a friend; he is a fine Minister and cares deeply about his briefs. He will have been as concerned as I was to hear the report that the hon. Member for Liverpool, Riverside put before the House in such an exemplary manner today.

1.53 pm

Mike Weir (Angus) (SNP): It is a pleasure to appear under your chairmanship, Mr McCabe. I congratulate the hon. Member for Liverpool, Riverside (Mrs Ellman) and her Committee on its excellent report. Her speech set out lucidly the problems that have been uncovered.

Clearly, the actions of the company in this matter are utterly reprehensible and have seriously undermined confidence in a company that was previously a byword for reliability. In particular, the actions of Mr Willis before the Committee will have done nothing for Volkswagen’s future reputation in the UK and probably further afield. Nobody would argue with the Government’s response to the report when it states:

“The Government strongly agrees with the Committee that the actions of Volkswagen were completely unacceptable and is also concerned by Volkswagen’s more recent statements that underplay the severity of its cheating.”

The hon. Member for South West Bedfordshire (Andrew Selous) alluded to the fact that in Canada and the United States the company has come up with money and compensated consumers. He also mentioned the loss of tax revenue and perhaps vehicle excise duty, but I suggest that the impact on the public purse has been much wider. Because emissions have been much higher than we were led to believe, there will have been an impact on public health. Addressing that impact will have been funded by the taxpayer throughout the United Kingdom. Volkswagen’s actions have put people’s health in danger and caused greater Government expenditure, and the Government should take that into account in dealing with the matter. The same situation will apply in many countries throughout Europe that have a public health service.

The emissions scandal also feeds into the current debate about the future of diesel vehicles and their impact on air quality in our cities. Clearly, in order to have a rational debate on the matter, we need confidence in the data about the level, as well as the impact, of emissions. The actions of the company have destroyed much of the confidence about the levels of emissions
that have actually been generated. Strangely enough, I received an email this week on that very subject from a constituent, Neil, who has a diesel vehicle:

“For the past two decades I have driven a diesel car, on the advice that this type of fuel was the best environmental choice. I am now in the position of being considered the demon of the roads owing to the pollution—particulates and nitrogen oxide—released by these cars. This is due to the car companies’ fraudulent use of pollution cheating systems... I would like to be sure that I will not be the one who ends up footing the bill to change my polluting diesel. Are there any UK schemes being planned to help people like me, who are victims of this scam?”

Perhaps the Minister might care to elucidate. That email illustrates that ordinary people who have tried to do the right thing and get vehicles that are less polluting have ended up with vehicles that appear to be even greater polluters than the petrol cars they drove before. That undermines public confidence and our efforts to reduce our emissions and clean up our air. Volkswagen cannot escape responsibility for what it has done.

I note that the Government response to the report states:

“We found no evidence that other manufacturers we tested were using a cycle recognition device like Volkswagen.”

That may be so, but it has become apparent since the Volkswagen scandal broke that many manufacturers have been using devices to similarly reduce or hide the true emissions of their vehicles. For example, The Guardian reported last year on concerns about Mercedes-Benz, Honda, Mazda and Mitsubishi, and the American magazine Road and Track reported on concerns about some of the same companies, as well as Opel, several American manufacturers, Fiat, PSA and Renault. It also reported that a class action had been instigated in the US against Mercedes-Benz. The scandal may go much wider than just Volkswagen. We have no idea what impact it has had on consumers in the UK or on air quality in many of our major cities.

All of that shows that we face a very large-scale and widespread problem with the data claimed by motor manufacturers, as the hon. Member for Liverpool, Riverside alluded to. Owners of diesel vehicles have been put in an impossible position. I would be interested to hear the Minister’s comments on whether the Department has looked at the wider issue and at manufacturers other than Volkswagen to ascertain the true extent of the problem. It seems to me that tackling Volkswagen is a start, but unless we get to the heart of the problem, find out how large it is and tackle it with all manufacturers, we will face an ongoing and serious problem for consumers and public health.

The Committee’s report and the hon. Member’s speech have rightly drawn attention to the difference in the approach taken by Volkswagen in the US and Europe. Again, few would dispute recommendation 3:

“Volkswagen’s treatment of customers in Europe compared to its treatment of customers in the US is deeply unfair.”

The Competition and Markets Authority was alluded to, but the Government response makes the point that the CMA has no powers to intervene, as the vehicles concerned are mostly vehicles sold prior to the CMA getting appropriate powers. Given that all this apparently goes back to 2006, that is a heck of a number of vehicles on our roads that are affected.

The Government now talk of joint action with prosecutors across Europe. Can the Minister say whether that will continue? Obviously we are in the process of negotiating withdrawal from the European Union. Will that have an impact on any such action? I suspect that this is not going to be sorted in the next few months, so it may well have an impact in the future. Comment has also been made on the possibility of action under the Sale of Goods Act 1979.

Andrew Selous: Is there a reason why the United Kingdom and European legal systems should necessarily be so much slower than the American and Canadian ones? Drivers in those two countries have already received compensation. If that can happen in north America—somewhere that takes jurisprudence extremely seriously—surely it can happen in the United Kingdom and Europe in the same type of timescale?

Mike Weir: I see absolutely no reason why it cannot. Obviously the American consumer organisations are slightly different from our own and seem to be better at getting things into court and sorted out much more quickly than is the case under our system, but that should not be the case. Volkswagen, which clearly reacted quickly to the problem it had in the United States—presumably because of the damage to its reputation and market share in the US—should have done the same in Europe. That prompts the question as to why Volkswagen thought that it did not need to do that in Europe.

It is imperative that the UK, along with other European jurisdictions, takes action to show that they are not immune from what is happening in the United States. We must put consumer rights at the heart of this, as well as taxpayers’ rights, because the taxpayer faces a huge and ongoing bill, probably for many decades, due to what has happened over the last few years.

I was commenting earlier about the possibility of action under the Sale of Goods Act 1979. I was a solicitor before I came to this place—some years ago now, admittedly—and that is not an easy route for individuals to take. The Government note they are not privy to the terms of the contracts between individual owners and the company, but many individual owners will have contracts with the third parties who sold them the cars and will not generally have contracts directly with the company, although some may, depending on the type of contract.

However, the most problematic area is simply the impracticability of any individual car owner taking on a massive multinational such as Volkswagen in the civil courts. Such actions are not cheap at the best of times and when such a huge technical issue is involved, the costs are likely to escalate quickly. Also, whatever the sum that an individual may be claiming, there is an incentive for the multinational company to fight the case, because it is not dealing with just one such case but potentially thousands of such cases. There would be a real David and Goliath battle, and it is difficult to see how any individual would have any chance of success.

Mrs Ellman: The hon. Gentleman is making some very pertinent and interesting points. The change in Volkswagen’s attitude towards the Committee, from the first time they appeared before us to the last time,
two months ago, was dramatic. Initially, they were full of apologies, but on the last occasion they said they had done nothing wrong. I can only feel that that is because they believe that they have got away with this and will not be challenged. Does he agree that that makes it even more important that the Department for Transport considers its powers to challenge, so that individuals are not left isolated and vulnerable?

Mike Weir: I was just about to make that very point. It is not within the power of the individual to take on these companies. It seemed clear to me from Mr Willis’s attitude when he last appeared before the Committee that Volkswagen would try to defend its actions, if it says it has done nothing wrong, which would leave the individual consumer in an impossible position. It will only be by Governments—not only in the UK but in other European nations—acting together and going after the company, and making certain that there is a compensation scheme akin to the one that has existed in the United States and Canada, to compensate ordinary victims of this scandal in the United Kingdom.

This is not an isolated case; there are other scandals in the motor industry. For example, there is the Vauxhall Zafira, which kept bursting into flames. The motor industry is an important industry in many parts of the United Kingdom and it may well become even more important as things progress. However, it must get its house in order, because if these scandals continue, there will be a great loss of confidence in many of these vehicles among ordinary consumers. I would ask the Minister to consider that and also to say whether he has discussed with other European jurisdictions the possibility of a joint and multilateral approach to getting a consumer compensation scheme to cover the European Union, or at least several countries together.

2.5 pm

Daniel Zeichner (Cambridge) (Lab): It is a pleasure to serve under your chairmanship once again, Mr McCabe.

I start by congratulating my hon. Friend the Member for Liverpool, Riverside (Mrs Ellman), who has pursued this issue with characteristic vigour in her role as the Chair of the Transport Committee. It is absolutely right that we are having this debate on the back of the Committee’s report, because since the case broke back in September 2015 we have had Committee hearings, and the issue has been raised frequently at Transport questions; I am sure the Minister remembers those exchanges. Today, however, is a welcome opportunity to hear from the Government what they intend to do about it.

This issue is extremely important and we must ensure that our efforts to hold Volkswagen to account are not side-tracked, either by Brexit, which seems to be all-consuming for some parts of Government, or by the imminent general election. It is also important because the relationship between emissions and air quality is a fundamental issue—we discussed air quality in this Chamber only yesterday. It is increasingly clear to us that despite the Minister’s warm assurances that air quality overall is improving, parts of the country are suffering an air quality crisis, which in some places is literally choking some of our towns and cities. I have no doubt that Members from all parties are looking forward to the Government publishing their third attempt at an air quality strategy soon, particularly because a High Court judge described their last two efforts as “woefully inadequate.”

There are two distinct issues that we are discussing today that feed into the air quality crisis: first, the accuracy of emissions testing, and secondly, as we have heard, there is VW, which, despite the relative leniency of the EU testing regime, actively disturbed its tests. I was greatly taken by the comments of the hon. Member for South West Bedfordshire (Andrew Selous) about how recompense could perhaps be made by one of these major companies so as to improve our air quality in the future.

It has been known for a while now that emissions tests are inaccurate. Given the challenges of technology and the importance of getting the variables as similar as possible for all tests, it should have been clear earlier that there was a yawning gap between the laboratory tests and the emissions produced in real driving conditions. Despite what the Government say, it is hard not to conclude that there has been significant dragging of heels in facing up to this matter.

I have been told that, prior to the VW case in July 2015, the Department for Environment, Food and Rural Affairs was briefing Members of the European Parliament to oppose measures on real driving emissions testing, and it is still not clear to us whether the DFT was consulted on that issue. Perhaps we can be told whether it was consulted or not. It was only when the VW scandal became a concern for the wider public and attracted publicity that the Government were compelled to act and support the changes to the EU testing regime last year.

A highly critical European Parliament commission of inquiry concluded last month that EU member states, including the UK, strongly opposed the more ambitious proposal by the Commission for conformity factors for limits on oxides of nitrogen. The commission of inquiry also said that it remained “debatable” whether conformity factors in the new real driving emissions procedures were justifiable from a technical perspective, given that several independent tests on Euro 6 cars are already achievable under existing standards. The commission also recognised that there are standards in the world that are much stricter than those in Europe. We know that EU car manufacturers already place diesel cars on the US market that must comply with the NOx limits in the US, which are much lower than in the EU, so it can be done.

It is crucial the Government are not complacent about any of this. For the sake of public health, we cannot afford to have open-ended emissions breaches. As well as advocating for research into measuring capabilities, there must be a constant review of the regime to ensure that manufacturers do not find ways of avoiding limits through other means, and that is putting it kindly.

In the longer term, the Government must be a leader outside the EU and press for a whole new approach that focuses entirely on real-life driving scenarios. Will the Minister set out his plans for reviewing the mechanisms? Will he commit to bringing down the conformity factor as soon as possible? Will he set out his plans on type approval outside of the EU and tell us what they are? The Government said in response to the Transport Committee report that they are “considering new research to develop ideas for real world testing of CO2.”
and other pollutants. Where has that research got to? Will he make clear his party’s commitments on air quality domestically? I have to say, I felt he did not set out the full detail in this Chamber yesterday. Will the strategy include investment in greener buses and public transport? Will it include a review of plug-in grants and excise duty rates for electric vehicles? Will it include measures to reduce other barriers to electric vehicle uptake? Will it include extending clean air zones to more local authorities?

Of course, the public outrage is around the VW scandal. What VW did undermined not only trust in VW, but public trust in the whole automotive industry. A year and a half on since the case, we have seen a settlement of almost $15 billion for mis-selling nearly 500,000 vehicles to US customers, but in the UK there have been neither financial nor legal penalties to VW for the deception of 1.2 million vehicle owners. The Transport Committee has rightly been damning of the Department for Transport’s ambivalence towards the legality of VW’s actions, despite the strong words in the media recognising that the Department took five months before seeking preliminary legal advice on a prosecution. I strongly endorse the demands made by my hon. Friend the Member for Liverpool, Riverside, particularly on disclosing the data that seem to have been available in America, but not here. It is very important that we know.

The Government still have questions to answer, particularly on what they knew before 2015, what they have done besides the type-approval changes and what their plans are to actually hold VW’s feet to the fire, rather than just promising to do so. Before the scandal broke in the US, the European Commission’s Joint Research Centre raised concerns over the possible use of defeat devices back in 2013. Why was such an allegation not followed up? The Government have since established a market surveillance unit within the Driver and Vehicle Standards Agency, but the European Parliament report suggests that failure to organise a surveillance system beforehand constitutes a contravention of EU law and maladministration. Does the Minister therefore expect legal proceedings from the Commission to continue? How is the Department for Transport progressing with introducing requirements for manufacturers to disclose their emissions control strategies? Will that be affected by any interventions by the European Union?

Despite talk of steely fists and velvet gloves from the Minister in previous debates and monthly meetings with the Department, it seems that VW has not budged an inch in recompensing drivers in our country. Any technical changes that VW is voluntarily carrying out are supposedly to remove any doubt from customers’ minds and are promised not to affect vehicle performance, fuel consumption or driveability, but that is not the experience of some drivers, as we have heard. As my hon. Friend said, if nothing is wrong, why is VW doing that? What is the cost of letting VW sort out these problems in its own time? Can the Minister outline where we have got to with VW?

There are other concerns that the Government must address too. Despite years of false emissions data, written answers to shadow Transport Ministers suggest that the Treasury has found no miscalculation of VED rates. That point was raised by the hon. Member for Liverpool, Riverside, particularly on disclosing the data that seem to have been available in America, but not here. It is very important that we know.

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The Minister of State, Department for Transport (Mr John Hayes): It is a pleasure to serve under your chairmanship, Mr McCabe. I congratulate the Chair of the Transport Committee, the hon. Member for Liverpool, Riverside (Mrs Ellman), on securing this important debate and bringing this subject to our attention once again. Let me be clear—I apologise if this is repetition, but repetition from one’s own mouth always seems like re-affirmation or re-emphasis; repetition only seems to come from other people’s mouths—that the Government continue to take this matter extremely seriously.

As you would expect, Mr McCabe, I want to deal with a number of the specific points raised in the debate, but if I may, I will first address a couple of the issues raised by the hon. Member for Cambridge (Daniel Zeichner) in his remarks, which preceded my contribution.

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related to wellbeing. It has a deleterious effect on health, particularly for vulnerable people—the sick, young children, elderly people and so on—and its effects are exaggerated in urban places, unsurprisingly, because of the density of traffic and population and the coincidence that that brings.

Similarly, the hon. Gentleman knows that that plan will be a matter for consultation. A draft will be published, and we will consult widely on that draft with Members of this House, local authorities in the worst-affected areas and others who have interests in this business. We are genuinely open-minded about that. I have worked very closely with my colleagues in the Department for Environment, Food and Rural Affairs. I have been meeting weekly with my hon. Friend the Member for Suffolk Coastal (Dr Coffey), which is a great pleasure in itself, but is also a productive, professional business. She and I have engaged our officials to ensure that we get a joined-up approach to this issue.

Of course, DEFRA leads on air quality, but as transport is so salient in finding the right solutions, we are very conscious that there has to be a close association between DEFRA’s perspective and ours, and that of other Government Departments. We have been in close liaison and association with them too. It will be an open-minded approach, founded on a clear determination to do the right thing.

Mr McCabe, we did not enjoy the pleasure of your chairmanship yesterday, so I hope you will not mind if I inform you and others of what I said then. It is absolutely my view that we must not, in our determined efforts to tackle air quality, disadvantage those who are already worse off—I am thinking in particular of the less well-off drivers of older diesel vehicles. We have to be careful that an unintended consequence of any otherwise efficacious policy should not put those people into a very difficult position indeed. Yesterday, in the debate secured by my hon. Friend the Member for Tiverton and Honiton (Neil Parish), we talked about a targeted scrappage scheme, as that was the case he made. I say now what I said to him: of course, we always welcome contributions to the discussion. He made his contribution and that will be fed into our work and our thinking. If one is to have an open-minded consultation, one must take into account a range of views and opinions, ideas and schemes. Forgive me for repeating—but that did not sound any worse than it did yesterday, at least not from my perspective.

The other matter that the hon. Member for Cambridge raised, and quite properly so, was the upcoming changes to testing. It is important to be crystal clear about what the new emission tests are and why they matter. The changes introduce a compliance criterion that is defined as a conformity factor. The conformity factor is the ratio of emissions recorded during the real world test, which is the limit on the laboratory test that must not be exceeded during the real world, on-road testing.

In the proposal, the requirement for the real driving emission tests is phased in in a two-step process, to allow manufacturers time to bring compliant products to the market. Step one mandates a conformity factor of 2.1 for all new model types by 2017. Step two achieves full compliance with the Euro 6 standards for all new model types in January 2020, with an additional conformity factor margin of 0.5 to take into account measurement uncertainties. That proposal means that after 2019 all new models brought to the market must meet the Euro 6 limits in the real world tests. That is the bottom line, with a margin for measurement error of the test equipment. The hon. Gentleman asked what the UK’s position had been on that. I can tell him, and I think he will be reassured, that the UK pushed very hard in the negotiations for the introduction of those changes on the timescale I have described. We were anxious to make sure that there was no delay in moving to those real world tests.

That point gives me an opportunity to deal with some of the specific matters raised by the hon. Member for Liverpool, Riverside and others and to say a word about how we got to where we are on air quality and emissions. I do not see the air quality challenge as a partisan matter, taking it as read that Members across the House take it seriously. Bluntly, the challenge has been compromised, and I would go so far as to say worsened, by the failure of the EU vehicle emissions regulations to deliver the anticipated reductions in air pollution—we know that now—and by neglect and cheating by some diesel car makers to avoid reducing emissions as they were supposed to. The pollution limits in EU law agreed under the Labour Government in directive 2008/50/EC were based on the assumptions that improvements in vehicle technology were deliverable. Although it is true that in the UK we meet the majority of our air quality limits, it has become clear that, like 17 other countries, we breach annual targets for nitrogen dioxide.

Yesterday I committed to make available to those who were in the Chamber then—my hon. Friend the Member for South West Bedfordshire (Andrew Selous) is one of them, and the hon. Member for Cambridge is another—the breakdown of the sources of that gas by transport type, which includes shipping, trains and all kinds of other sources. I will make that available to other Members present today, as I think it will be helpful in informing future consideration. However, we are certain, and other Members of the House will be too, that diesel vehicles are a significant part of the problem. They are not the only part, but they are significant. It is right that the hon. Gentleman emphasised buses and other vehicles, because we often think that is about only cars. It is about not just cars but light goods vehicles, HGVs, buses and so on.

The failure of Euro standards and the failure therefore of the anticipated improvements to air quality are a pressing problem across Europe. I hesitate to say it is a scandal, but I would say that it is a fundamental failure of the approach of the EU. As in so many other areas of our national life, we have been injuriously affected by the European Union. How wonderful that we will not have to face that prospect in the future as we leave.

Mrs Ellman rose—

Mr Hayes: Oh, I have provoked the Chairman of the Select Committee to intervene.

Mrs Ellman: I am sure that the EU is not without fault, but national Governments are responsible for their own certification systems, and our certification system and the type approval process has been found severely wanting. I hope that the Minister will tell us in due course what he as Minister in this country is going to do about that.
Mr Hayes: The hon. Lady is of course right, and I will say more about that. She will know that some of the work we have been doing domestically, as well as that which we have been doing to change assumptions pan-nationally, is born of the fact that we agree with her that we can and must do more. Although it is true that a contributory factor to the problem has been the failure of the standards, she is right to say that there are other things that we do and can do better.

Let me move to the substance of today’s debate. A good starting point would be to begin where the hon. Lady began, which is with what Volkswagen actually did. Benjamin Disraeli said:

“Circumstances are beyond human control, but our conduct is in our own power.”

In our judgment, Volkswagen used a defeat device, as defined by EU regulation. The cycle recognition software that VW employed in the course of the albeit imperfect tests, which I described earlier, was a defeat device. We do not consider that any of the exceptions to the prohibition of defeat devices apply here, or that Volkswagen has established any justification for the use of that device. We do not think there is any get-out-of-jail card prohibition of defeat devices apply here, or that Volkswagen has established any justification for the use of that device. We do not think there is any get-out-of-jail card

A number of contributors to this debate asked me about the work we are doing across jurisdictions, including Germany, for obvious reasons, and the USA. We intend to discuss this further with US and German counterparts. We have also been working with the European Union, because a number of EU countries were affected by the consequences. We plan, wherever we can and at whatever point, to ensure that the action that is taken by others is consistent with the action we take. We will not be laggards. Far from it: we want to encourage that sort of joint approach at every opportunity. Those discussions are continuing, and I hope they will be productive.

The issue of EU-wide action was also raised. I have to say that, at this juncture, the EU as a body does not seem to have moved with any great enthusiasm, and certainly not with any alacrity. That is why we plan to engage particularly with German counterparts. That is where the wrongdoing largely took place and where much of the evidence lies, as the Secretary of State said when questioned previously. Action across national boundaries would be the most effective approach. To be clear, it is not the only action we should take, but it is an important part of the determined approach we intend to continue to adopt.

Andrew Selous: Does the Minister have an idea of the timescale for when consumers and even the Government might receive some form of compensation?

Mr Hayes: My hon. Friend may have heard—I heard about it recently—that we are going to have a general election. The problem with that, in terms of the business of Government—he knows this well as a former very distinguished Minister with whom I worked very closely in office—is that it limits what Ministers can do and say. I have to be cautious in setting out an immediate timetable, given the events that are going to take place over the coming weeks. While this House is sitting—I will press my officials very hard, not least as a result of this debate, to ensure that there is no hesitation or undue delay within the bounds that I mentioned.

My hon. Friend is right—I can see where his mind is going—that we must not have a couple of months in which nothing happens. That would not be right. As much as I can, I will continue the work and reinvigorate my officials—I do that every day, but I will do so with even more vehemence than I usually exercise—to ensure that the eventuality that he postulated would be unhelpful does not come to pass.

I have been very anxious and determined to press Volkswagen executives consistently in person and in writing to address many of the outstanding issues that were raised by the hon. Member for Liverpool, Riverside. I have brought with me a list of occasions on which officials or Ministers have met or written to Volkswagen over recent weeks and months. It goes back to the very beginning of this sorry tale. I see no harm in setting out that chronology for Members. I will not read it out because it is quite exhaustive, but I will make information available about what we have done and when we have done it. Let it suffice to say for the purposes of this debate that the Secretary of State and I have met Volkswagen on many occasions and written to it on many more. My officials have been engaged with it steadily and determinedly to bring about many of the things that hon. Members call for.

It is right, as William Morris says, that “all men should have work to do which shall be worth doing”. I think this is work worth doing, because it is in the interests of the consumers who were adversely affected by the means I have described, who bought cars in good faith believing one thing, and who found that they were dealing with a very different product from the one they imagined they purchased.

There is disappointment in this House—it was reflected in the comments of the hon. Member for Liverpool, Riverside and is shared by the Government about the lack of remorse and appreciation of the gravity of the deception that has been displayed by Volkswagen, not least in Mr Willis’s appearance before the Transport Committee on the same day that I gave evidence.

Let me go back to the start of this sorry business to fully explain where we are now and the progress we have made. If I do not, someone, perhaps the hon. Member for Cambridge, will rise to their feet with speed and say, “It’s all very well. You’ve had all these meetings, John”—well, he wouldn’t in fact say “John”, because you wouldn’t have it, Mr McCabe—“but what have you achieved?” Just weeks after Volkswagen’s supercherie actions were discovered, the Department launched an emissions-testing programme to understand whether there was widespread cheating across the industry. Alongside the Vehicle Certification Agency, we tested many of the UK’s most popular diesel cars. We were the first European country to publish a report of that kind in April 2016, with Germany, France and several others following shortly afterwards. The programme found no evidence that any manufacturers we tested other than Volkswagen had utilised prohibited defeat devices to manipulate emissions tests to gain a vehicle’s type approval.
It was clear to me then and remains so now that taxpayers should not have to foot the bill for the testing programme. Volkswagen’s actions cast doubt on the integrity of the whole industry and, following meetings and repeated requests, the company reimbursed my Department with £1.1 million. That was an important victory for the UK taxpayer. The money is being used for three important areas of work, which I want the Chamber to know about: first, to increase the UK’s capacity and capability to test real-world emissions, which is a response to a question and a point made by the Select Committee Chair, the hon. Member for Liverpool, Riverside, and the Opposition Front-Bench spokesman, the hon. Member for Cambridge; secondly, to increase the air quality fund, allowing us to provide funding for a city council’s HGW fleet to be retrofitted with emissions reduction technology; to reduce emissions in that location; and, thirdly, further investment to encourage the uptake of ultra-low emissions vehicles.

But we are not stopping there. Mr Willis may believe what C.S. Lewis did not—that an “explanation of cause” is a “justification by reason”—but I too do not. I am therefore pressing Volkswagen for a further £1 million to fund the first year of the new market surveillance unit. The Department set up that unit in the Driver and Vehicle Standards Agency in the wake of the VW scandal to source and test vehicles to ensure that they comply with the law. We will of course continue to be completely transparent on matters relating to that testing and, as I said previously but am happy to repeat, we will publish the results of this year’s programme when we have fully analysed the results. It is right for us to be as open and transparent about that to provide the further reassurance that Members have sought in this debate.

The new unit will provide essential ongoing reassurance to motorists and the wider public, and useful information to the Government and the House. In all my meetings and correspondence with the Volkswagen managing director and management board, I have been absolutely clear that the Government expect that further £1 million. I have emphasised that we will be relentless in our pursuit of the money, because we would not have been spending it had it not been for Volkswagen.

Daniel Zeichner: On a point of clarity, given that the welcome reimbursement of the Government by Volkswagen presumably means the company has conceded that there is an error and a problem, why can there not be similar reimbursement of the Government by Volkswagen on behalf of affected motorists and the wider public, and useful information to the Government and the House.

Mr Hayes: I agree. I believe that the consumers affected by the scandal should be compensated. I have called on the company to offer UK consumers a similar package to that given to their US counterparts—the point made by my hon. Friend the Member for South West Bedfordshire. The company will claim again, as it already has, that the United States has a different legal system with different requirements, and that that is somehow a justification for not doing what I have just called for. However, I think that the company has an ethical responsibility to do so.

We need a fair outcome for UK vehicle owners. To that end I have met legal firms that are considering taking action against Volkswagen on behalf of affected customers. I am now actively considering ways in which we can support the firms to optimise the chances of their claims succeeding—those discussions are ongoing. My officials are speaking to vehicle owners’ legal representatives, and I am happy to meet those people again. I encourage the owners of affected vehicles to look carefully at the actions the legal firms are taking and to consider whether it is right for them to join them. Compensation, far from being off the agenda, is still very high on my agenda for the reasons I have given.

Let us not forget that the issue has, as I said, left people with vehicles that they bought on one assumption but now know not to fit the bill. At the technical level, it is important that the consumers affected have their cars fixed. Volkswagen has developed technical solutions to remove the cycle recognition strategy for vehicles across their four affected brands. We have of course not relied on Volkswagen’s opinion that the solutions are appropriate, but have performed our own checks to verify the accuracy of the company’s claims and the efficacy of the devices.

As the original approval authority in the UK, the Vehicle Certification Agency has direct responsibility for signing off the Skoda technical solutions. The VCA checks that vehicle emissions, such as nitrogen oxides and carbon monoxide, and vehicle noise remain below the legal limits. As part of the testing, the VCA also checks for any adverse effect on CO₂ emissions and maximum rated engine power. I am aware that those factors have been of serious concern to affected consumers and I want to reassure people that we are closely monitoring the issue.

I have pressed Volkswagen to ensure that it implements those technical solutions as soon as possible. As of 10 April, Volkswagen had applied the fix to approximately 592,000 of the 1.2 million affected vehicles in the UK. It has put extra resources into the process as a direct result, in my view, of the pressure that I have exerted on it. I told the company I wanted that done quickly, properly, efficiently and conveniently for the customer. We are making progress, but the Department’s officials are monitoring the process carefully. I asked Volkswagen for regular updates on progress, which we are getting.

Of the seven technical solution clusters that Skoda proposed to the VCA, we have so far signed off two. Since then we have been made aware of concerns that the durability of the emissions regulation system may be adversely affected by the technical solution. The Department’s technical experts have frequently requested—I have been to meetings with Volkswagen about this—detailed information from Volkswagen, which it has often taken far too long to provide. As a result, we have had to delay the sign-off of the remaining vehicles while we continue to assess the evidence presented so far.

Separately, we are pressing Volkswagen to provide UK customers of the four VW brands that have the technical upgrade applied with a meaningful statement of its goodwill policy. Volkswagen must provide a meaningful statement of its goodwill policy—I repeat that for the sake of emphasis, though I do not want to become a creature of habit in employing the device of repetition. The company must investigate any complaints that arise from the service action, taking appropriate measures to rectify them swiftly and appropriately.

Andrew Selous: I am exceedingly grateful, as the Minister is being very generous in giving way. Obviously, Volkswagen sells cars all around Europe. Is the Minister
aware whether Volkswagen’s dealings with France, Spain, Italy or Denmark are at the same level as ours? Are such countries managing to get a better deal from Volkswagen, or are we all chugging along at the same sort of level? If he does not know the answer now—it was a bit unfair to spring the question on him—perhaps he will kindly put a letter in the post to the Members present.

Mr Hayes: I have been a Conservative Front Bencher for 18 years and a Minister since 2010. I did not know this immediately, but it did not take me long to work out that when one does not know an answer it is better to say that one does not know; so, I do not know the answer. We are working with our counterparts across Europe, but I do not know specifically what questions have been asked in the particular area of concern my hon. Friend raises. I will happily check that speedily and let him, the Chairman of the Select Committee and the Opposition spokesman know. My hon. Friend is right that, as I said earlier, our work will be better if it is consistent with the approaches adopted by other countries in similar circumstances so that consumers here know that they are getting all that they should and so that we learn from one another about how we handle this matter. He can be confident that the answer will be provided to him with great speed, given the imminent events to which I referred briefly earlier.

I urge any consumers who are not satisfied with their vehicle or the service they have received to contact the Volkswagen customer services department immediately. I have had a personal reassurance from Volkswagen Group’s managing director that he will investigate personally—I emphasise that strongly—any complaint about the technical solution on a case-by-case basis. I fully expect that commitment to be honoured. It is time for the company to demonstrate that it is serious about looking after existing customers, not just those who are about to purchase a new vehicle.

Of course I recognise that Volkswagen cannot be held responsible for everything, as I said to the managing director. If something goes wrong with someone’s vehicle, they cannot first claim that it has something to do with the technical fix. If the issue was entirely unrelated, that would not be right or fair. But where there is any doubt about the origin of the issue, Volkswagen must definitively rule out that it could have been caused by the fix. The idea that Volkswagen knew nothing—that it had not the merest inkling—at the outset about the fact that there was a problem is just incredible, and “incredible” is the best way of describing the evidence that was given to the Select Committee. The burden must not be borne by consumers. I want to ensure that UK consumers are treated fairly and receive the service they deserve.

Volkswagen also continues to disappoint in its own investigation into what went wrong with the company. Given the governance and accountability that one would expect in a large multinational company, that should be straightforward. In answer to numerous questions from the Transport Committee, as the hon. Member for Liverpool, Riverside said, Mr Willis repeatedly responded that we will have to wait until the Jones Day report is published. I do not know whether Mr Willis is an imaginative, prone to ideas entirely at odds with what other people might conclude, but it is not unreasonable—rather, it is entirely sensible, moderate and measured—to expect Volkswagen to publish the results of the Jones Day investigation. To claim that a report never existed is beyond incredible.

Volkswagen instead provided the Department with a copy of an agreed statement of facts drafted for the purpose of the plea agreement between it and the US Department of Justice. It suggests that that statement gives an overview of Jones Day’s findings, which is of course impossible to verify without access to the complete report. That is unacceptable, and it has been a key issue in the three letters I have written to the managing director of Volkswagen since I gave evidence to the Transport Committee in February, to which I am still awaiting a full reply. Looking to the future, I reassure the hon. Lady and others that the Government are committed to taking action on vehicle emissions testing to restore consumer confidence and deliver our wider air quality and climate objectives.

The hon. Lady raised the VCA, which has more than 30 years’ experience in testing and certifying vehicles and their systems and components for the UK Government. The VCA is striving to ensure that it continues to take a robust approach to the approval process that delivers the highest rigour and independence.

I have spoken about the changes to real driving emissions. I am happy to provide further information about that should any Member present wish me to do so. It may be worth my writing again to the Select Committee to emphasise the points that I made about that during our considerations.

As we come to the end of this short debate, I conclude by making clear that the Government continue to challenge Volkswagen’s unacceptable view that it does not need to compensate British motorists who have been affected by its manipulation of emissions tests. Ruskin said that endurance is nobler than strength, and my enduring determination is to ensure that we not only closely monitor the progress of Volkswagen’s implementation of technical upgrades and oversee that it deals appropriately with issues and complaints related to those changes, but press for it to do what it should have done all along: admit its failure and offer recompense for it. It is, in the end, as straightforward as that.

W. B. Yeats said that we should not “wait to strike till the iron is hot; but make it hot by striking.” I believe that the introduction of the Government’s market surveillance unit, the more rigorous approach that is being finalised for type approval testing and the implementation of real driving emissions testing will greatly improve our air quality and minimise the possibility of manufacturers doing what this large and, it seems to me, careless company did. As I said yesterday, Governments can be a force for good. The Government must, on this occasion, with a steely fist and an iron will, be a force for good and call Volkswagen to order.

2.56 pm

Mrs Ellman: All hon. Members have made important points about the scandalous behaviour of Volkswagen and the broken testing and type approval system. I am encouraged by the Minister’s response about the work that he has done, and I urge him to continue it so that individuals and the taxpayer receive compensation and the promised fix. I ask him to keep pursuing the Jones Day
report and, so far as he is able to, to enable its publication, because it contains vital information. It is a shame on Volkswagen, a major international company, that it seeks even to deny the existence of a report that could expose the horror of its shortcomings.

Question put and agreed to.

Resolved.

That this House has considered the Third Report of the Transport Committee, Volkswagen emissions scandal and vehicle type approval, HC 69, and the Government response, HC 699.

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**European Arrest Warrant**

[Mr Nigel Evans in the Chair]

**BACKBENCH BUSINESS**

3 pm

David T. C. Davies (Monmouth) (Con): I beg to move,

That this House has considered the European Arrest Warrant.

Mr Evans, you will be aware that back in January this year, there was a debate on the issue of Brexit and security, and I was one of a number of Members of Parliament who raised concerns about the European arrest warrant. It is fair to say that people had widely different opinions, but I gleaned that a number shared my concerns, and I went before the Backbench Business Committee to ask if we could discuss the matter. The Committee was very kind and gave its approval, on the basis that quite a few people might want to speak.

Unfortunately, since then I have been rather overtaken by events, and there are not quite as many speakers here as I initially expected—it’s a strange old thing, politics. However, quite a few Members of the House have feelings one way or another about this issue. We have known each other a long time, Mr Evans, and frankly, I could string out what I have to say for an hour or so, but there are one or two other people here who want to speak, so I will not do that. As a result, I suspect this may be a shorter debate than we originally expected.

The European arrest warrant was brought in following the September 2001 terrorist attacks, to ensure the safety of the public by enabling countries to swiftly bring criminals to justice within the EAW area. I would be the first person to acknowledge that criminals cross borders and that we need a system that enables us to bring them to justice if they flee overseas. The principle of the European arrest warrant marked a huge step forward from the days when parts of Spain were known as the Costa del Crime, with serious criminals living quite openly in the sun and avoiding justice.

I spent nine years as a special constable in London. During that time, I arrested quite a number of people, mainly for less serious, low-level offences. A high proportion of those people were foreign nationals. In general, as a proponent of law and order, I am instinctively supportive of the principle of a European arrest warrant. It is very efficient, and I wonder whether it is sometimes too efficient. Once the arrest warrant has been submitted by a country that is part of the scheme, it is almost certain that the individual named on the warrant will be extradited to the country that has issued it.

That is fine, and it is what was intended, but there is one obvious problem: in order for the European arrest warrant to be seen as fair, it is imperative that the standards of justice in all the countries signed up to it are of an equally high level. If that is not the case, it is irrefutable that we pay a price for judicial convenience. The price will be paid through an erosion of our own legal protections. That is a key point that I want to make to the Minister, and I would like him to hold that thought for a moment and try to answer this question. Does he accept that for the EAW to be fair, we must have equitable standards of justice in all the nations
that are taking part? I suggest that we cannot be confident that standards of justice in all member states meet the standards we would accept in the UK.

Over the last 10 years or so—including while I served on the Home Affairs Committee, chaired at the time by the right hon. Member for Leicester East (Keith Vaz)—I have visited various countries in Europe, through the police scheme and more recently through the Council of Europe. Overall, I have no doubt that standards are very high indeed. I have been a couple of times to Germany and the Netherlands and have been out on patrol with the police officers there. I have been into their detention centres. I must admit that in some instances, I thought the standards were rather too high, considering the people involved, but that is a subject for another debate. I am not suggesting that there are low standards across Europe—far from it. However, it is a slightly mixed picture.

There was a very high-profile case that resulted in a book, which Members may have seen. It involved Andrew Symeou, who is from Wales. He was extradited to Greece and spent time in prison there, facing 20 years for a murder he did not commit, following a completely unacceptable investigation against him. I recommend the book for more details about that. He was unable to avoid extradition and spending time in a Greek prison because, as I said earlier, once the EAW is triggered against a British citizen, a British court has almost no choice but to carry it through.

About three years ago I visited Greece with the Council of Europe. Among other things, I went into a police station in Athens that was being used to house foreign nationals—essentially, people who had committed immigration offences. I entered an area that was little more than half the size of the hall we are in now, and there were about 20 people in there. They were housed in there with little chance to get out and have exercise and no natural light at all; the conditions were absolutely appalling. I was told that they were being kept in there for up to a year, for immigration offences.

I am not soft on these things. I have spoken out many times in favour and support of strong controls on immigration and ensuring that the rules are followed, but I thought those were completely unacceptable conditions in which to keep people. I said so to the police officers who were with me, and privately they said they absolutely agreed; that is why they were showing me and an official from the Council of Europe those horrendous conditions. They said, “We want you to tell people about this, because we don’t think it’s right either.” In fact, some of the people in that cell asked if I could help them to be moved into a Greek prison. When people are asking to be put into a Greek prison because the conditions they are in are so bad, something is very wrong indeed.

Those conditions would be totally unacceptable in any sort of British institution or a police station. However, as things stand, a Greek court could issue an arrest warrant against a British citizen without any standard of evidence that would be acceptable in the UK, and that citizen could be thrown into the kind of facility that I visited. The case of Andrew Symeou proves that I am not making a hypothetical statement; that situation has already happened.

Greece is not the only country about which I and many others have concerns. In Portugal there was the case of Garry Mann, who was arrested, tried and convicted within 48 hours for allegedly taking part in a riot. He had not in fact been involved. He was released, but there was subsequently a demand, which I think came through a separate court, for him to return to Portugal and serve a two-year sentence. He was not even provided with the basic facilities that we would take for granted—for example, the interpretation facilities that are standard throughout Britain, or having a lawyer; he was given access to a lawyer five minutes before his trial began.

In Italy there was the case of Edmond Arapi, detailed on the Fair Trials website. He was convicted of murder in his absence in 2006, even though at the time of the murder, he was working in a restaurant in Staffordshire. There were numerous witnesses to say that, and the court seemed to accept that on the day he was nowhere near the country in question. The murder was supposed to have taken place in Italy, but he was working in the UK, and yet he went through years of hell and faced a strong possibility that he would be extradited to Italy to serve a 16-year sentence. Italy, of course, is one of the wealthier countries in the European Union and one where we might expect higher standards to apply.

It is, however, Bulgaria and Romania that I think deserve much greater scrutiny. On this, I am at one with the European Commission, which is scrutinising those countries and has put them on to a monitoring procedure. I have copies here of the most recent reports on Bulgaria and Romania, which are widely available online, and I will summarise some of what is in them. Bulgaria has been subject to the European Commission’s co-operation and verification mechanism, and the Commission has said that the country’s justice system is failing in a number of areas.

On judicial reform, Bulgaria’s Supreme Judicial Council, which is tasked with ensuring the independence of the judiciary, is mired in in-fighting over allegations of a lack of objectivity, political interference and undue external influence. The report says that there has been “little progress in establishing fairness and transparency” of the council’s decisions, and that there still needs to be a “broader commitment of all state actors to judicial independence”.

The report goes on to say that “criminal procedures in Bulgaria continue to present serious problems for the effective prosecution of complex cases”, and that corruption remains a “significant challenge”, extending from the local level up to high-ranking officials. Those are the European Commission’s words, and one could read a lot into “significant challenge”.

There is a similar situation in Romania. The Commission stated that judicial reform and corruption are still a cause for concern. The process of selection of candidates for the employment of senior judges and prosecutors does not allow for a clear, open and transparent procedure, and there have been allegations of political appointees.

Romanian prison conditions are a persistent issue, with assurances that have been given to the British Government on the conditions of extradited prisoners being breached. I have not been into one of the prisons. Recently, there was the death in custody of an elderly Romanian newspaper owner, Dan Adamescu, who had...
been critical of the Government in his newspaper. He was denied medical treatment after falling ill, in a process that was described by the former President of Romania as judicial murder. That should be setting alarm bells ringing for the authorities here in the UK.

There are several ongoing cases at the moment, which I will not mention, that involve European arrest warrants being issued against people who are either British or living in Britain and facing extradition to Romania. I think people will watch those cases very carefully. We have a situation in which The Guardian, the New Statesman, the Freedom Association and the Henry Jackson Society all agree with each other that what is going on at the moment in Romania is unacceptable. When we get four bodies and publications such as those in agreement on something, it is time to take notice.

If it transpires that under the current scheme the British Government are unable to ensure that British residents who have not been found guilty of any crime cannot be guaranteed British standards of justice, I respectfully suggest to the Minister that we will have a moral imperative to use Brexit to draft a new European arrest warrant system that will continue to allow people to be extradited if we are confident that standards of justice in the countries they are being extradited to match ours, but will recognise the importance of protecting the legal rights of British citizens and ensure that such rights are upheld at all times wherever citizens face criminal charges. That is all I want to say; I look forward to the Minister’s reply.

3.12 pm

Keith Vaz (Leicester East) (Lab): It is a great pleasure to serve under your chairmanship, Mr Evans, and a great pleasure to follow the hon. Member for Monmouth (David T. C. Davies). We are taking part in a very important debate. He may have lamented the fact that there are so few Members here, but it is the quality of the debate that counts. The hon. Member for Cumbernauld, Kilsyth and Kirkintilloch East (Stuart C. McDonald) and I may be regarded as usual suspects at debates such as this, but the Minister and shadow Minister have to be here.

The hon. Member for Monmouth was missed on the Home Affairs Committee when I was chairing it. He went on to chair his own Committee with great distinction. I hope he will continue to do that in the next Parliament. He has raised an important subject. I fully support the concept behind the European arrest warrant. It was right that the previous Labour Government signed up to it. It was a mechanism by which those who had been responsible for criminal offences in one country could almost immediately be transported without question to another country, so the concept and the principle are right. The hon. Member for Monmouth gave examples of the Costa del Crime, as it was sometimes referred to in Spain, where people ran away to hide from the authorities in this country.

However, what I have seen in the operation of the European arrest warrant is that the current capacity of the warrant still causes concern, because in certain cases—the hon. Gentleman has talked about some—I will refer to others—it tramples on the rights of individuals. I accept the important principle of the European arrest warrant, which is an integral part of our involvement in the European Union, which, as we know, will come to an end by 19 March 2019, if not sooner. It is a part of our being involved in the justice and home affairs agenda of the European Union.

The Minister has a task when he returns. I hope he will again return to the same post after the next election, because he has done the job extremely well in the time that he has been the Minister for Policing, although we still do not have a police funding formula, but we will leave that to another debate. The measures are complicated and they need to be dealt with carefully. We need the arrest warrant to be a critical part of our negotiations with the EU.

I am surprised that the hon. Member for Monmouth, who is one of Parliament’s leading Brexiteers, did not put the issue at the forefront of his speech, because, if we come out of the European Union, as we will—the people have voted for us to come out—we will also have to come out of the European arrest warrant, unless a great deal is done by the Minister or the Home Secretary to ensure we remain a part of it. That is why this debate is so important. It sets a strategy as to what we expect Ministers to do. If they come to an arrangement whereby we remain part of the EAW—I do not know how they will do that under the current arrangements—and if we do a deal that gives us the benefits of the EAW, the problems with it, as eloquently set out by the hon. Gentleman, need to be addressed.

Of course there are benefits from the European arrest warrant. It enables us to track down criminals. In London, 28% of those arrested are foreign nationals, half of whom are EU nationals. We therefore commend the success of the European arrest warrant so far. When the shadow Minister for Policing comes to speak in this debate—I have heard her speak on this subject in the Chamber, and she made one of the best speeches that I have seen her give—I am sure she will tell us of all the successes, as will the Minister. However, the problem is that it is a disproportionate measure at the moment. The United Kingdom receives disproportionately more warrants than it issues. Not only does that undermine the credibility of the system, but it is extremely costly to the taxpayer.

In 2015—the Minister might have more accurate up-to-date figures—the United Kingdom issued 228 requests for arrest to other EU member states. In that same year, 12,613 requests were sent by EU member states to the United Kingdom. Between 2009 and 2016, 228 requests for arrest to other EU member states. In that same year, 12,613 requests were sent by EU member states to the United Kingdom. Between 2009 and 2016, 55,838 requests were sent to the United Kingdom; 10,532 arrests were made in the United Kingdom; and 7,436 surrenders were made here. However, in that period 2009 to 2016, the United Kingdom sent only 1,424 requests, 916 arrests were made on our behalf; and only 800 surrenders were made to us. That therefore points to the disproportionate nature of the way in which the European arrest warrant has operated. That is why this is such a good opportunity for the Government to be able to negotiate a better deal with the European Union. I hope this will be very much a part of what is going to happen when we look at the justice and home affairs agenda.

The hon. Member for Monmouth gave us examples of individuals and miscarriages of justice. Deborah Dark, a British woman, was pursued across Europe because of an EAW issued by France, although she had been cleared of drug charges years previously. Other cases include that of Michael Turner and Jason McGoldrick, who were extradited under a European
arrest warrant in 2009. These men were ably supported by the hon. Member for South Dorset (Richard Drax) after being imprisoned in Hungary without trial in a process that continued for eight years.

There are other examples, but my point is that, if we have reached a situation in which the warrant is used against citizens conducting their lawful business because of mistakes in other countries, that really affects them. It is no good the other country’s apologising at the end and saying “I am sorry; we got the wrong person,” or “We should never have arrested this individual.” The fact is that that damage remains with the individuals for years to come. Edmond Arapi, an Albanian chef, was arrested while arriving at Gatwick airport in June 2009. An EAW had been issued after he was tried and convicted in his absence by a court in Genoa for carrying out a murder in Italy. He was to face a sentence of 16 years in prison. He possessed documentary evidence to prove his innocence but he was held in Wandsworth prison for two weeks before being granted bail. He was subjected to 12 court appearances before the Italian court admitted that it had sought the arrest of the wrong person, following a brief check of Mr Arapi’s fingerprints. That is a classic example of where the EAW has gone wrong.

David T. C. Davies: I agree with the points the right hon. Gentleman is making. Does he agree that another problem is that British nationals who are extradited to countries in the EAW area cannot get bail because they do not habitually reside in those countries? They are denied a right that would be almost automatic in the UK.

Keith Vaz: The hon. Gentleman is right. Because of the different jurisdictions, legislation and applications of law in those countries, it is extremely difficult. The people who really benefit from the European arrest warrant are the highly paid lawyers—I declare an interest as a non-practising barrister, and I have never done an extradition case—who do well partly out of the uncertainty that people face. When they are told they are about to be arrested, obviously they seek legal advice. They may have to pay a huge amount of money and may in the end not even face charges.

What the issue boils down to is that the automatic transmission of people is the problem—the lack of a test allowing the courts in this country to look carefully at what is happening. I know, although I have not seen his speech, that in replying the Minister will definitely and correctly claim credit for the fact that, when she was Home Secretary, the Prime Minister introduced a bar that had to be reached before people could be extradited. There is no doubt that a court test is now applied, but it is not high enough and it does not give the protection required.

The hon. Member for Monmouth does a terrific job in his official capacity as a special constable—it is one of my dreams that one day on the tube I will meet him in his full regalia. He has visited places in the EAW area and says that some of them have better detention facilities than ours. I cannot believe that, because we are the best in the world, and I am extremely jealous to think that any other country’s detention facilities are better.

David T. C. Davies: I had better gently point out that I was asked to resign a year or so ago because the rules had changed and the British Transport police decided they did not want a serving Member of Parliament as a special constable, so we shall not be meeting on the tube in that capacity.

Keith Vaz: That is a huge loss to British policing. I will not say it is because of the cuts, because obviously there was an ethical issue, but the hon. Gentleman will be missed, and I hope there will be an opportunity for Parliament to acknowledge his great success. We must put up a plaque or something to recognise his great achievement. He will be sorely missed by British policing and we will look carefully at the next set of crime figures to see whether they have gone up as a result of his retirement.

I have one final point—I hope the Minister will cover it because there is time—about foreign national offenders, including some in our prisons and some subject to the European arrest warrant. I cannot understand why that great invention that allows people to be transferred immediately before they have been convicted of any offence has prevented the European Union from taking back its own nationals from our prisons. The latest figures show that there are 4,217 EU offenders in the UK, costing £169 million a year to the British taxpayer. The top three countries are Poland, with 983, Ireland with 764 and Romania with 635. The EAW is a device by which nationals can be removed immediately, without any restraint, subject to the limited bar that the Prime Minister introduced when she was Home Secretary, but all those foreign national offenders are sitting in our prisons and cannot be removed to other countries, although they cost the taxpayer a huge amount of money. I hope that, at the very least, the Minister will tell us what is happening, and that it will be that there is light at the end of the tunnel with respect to offenders and those who have been arrested.

Unlike other Members present for the debate—I know that the Chair is impartial, so we will not mention how he voted—I did not see many opportunities in Brexit, but in the present instance we have a big opportunity to go into the negotiations and iron out the problems. I am for keeping the principle of the European arrest warrant, but we should iron out the difficulties that obviously exist, so that we can reassure parliamentary colleagues, many of whom have raised the matter of the EAW in the past, that, post-March 2019, we will have a good system that recognises the need to arrest criminals, but that also recognises the rights of people who have committed no offence and who, under the present process are, in all innocence, being arrested. Let us keep the benefits and reduce the burdens.

3.27 pm  

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): It is a pleasure to serve under your chairmanship, Mr Evans, and to follow the right hon. Member for Leicester East (Keith Vaz), who as ever speaks incredibly knowledgeably on such topics. I welcome the debate and thank the hon. Member for Monmouth (David T. C. Davies) for bringing it to the Chamber. The SNP believes that the UK party is fully behind the idea of a European arrest warrant and wants the UK to continue to participate in the scheme if that is at all possible. However, the hon. Gentleman has done
us—all six of us—a favour by bringing the topic here for debate and highlighting important flaws in the scheme. I believe that there are key questions that the Government must address, about how they will seek to secure continuing participation in the EAW scheme or at least something similar.

The UK was of course hugely influential in shaping the EAW system. It has brought welcome benefits for law enforcement agencies and victims of crime. As the hon. Gentleman said, it does so by simplifying matters and speeding up the repatriation of suspects and criminals from other EU countries so that they can face justice. In the old days, when extradition proceeded under the 1957 European convention on extradition, it took an average of 18 months to extradite someone. Under the current system it takes 15 days in uncontested cases and 45 days if a case is contested. Today it takes three times as long to extradite from EU countries as from outside the EU. Some countries would previously have refused to extradite their nationals at all.

The hon. Gentleman is nevertheless right to remind us that, while the system often works perfectly well, it is not without flaws. There have been too many cases, some of which have been highlighted today, where the use of warrants has been frankly ridiculous. That stems from the fact that a proportionality test is not applied in some states as it is in others, such as the UK and Germany. That is behind quite a lot of the problems that the right hon. Member for Leicester East highlighted—I am talking about the imbalance between the number of requests that the UK makes and the number that it receives. The hon. Member for Mornemouth highlighted differences in criminal procedures and standards across the EU. Those are also valid points.

From our point of view, the answer to the criticisms is to be part of the system but to seek reform, not to ditch it altogether and push for something else. We do not often say that any part of our criminal justice system is perfect, but of course we do not just rip it up and start again; we seek reform and improvement.

Keith Vaz: I am going to tease the hon. Gentleman a little. Let us say that Scotland became an independent country. Scotland would want to retain the European arrest warrant, because that is how it would be able to track criminals, but the Scottish Government and the Scottish people would want some kind of bar so that Scottish citizens would not automatically be transferred, especially if they wanted to appeal to the judicial system in Scotland. Does the hon. Gentleman agree that it is necessary to have some kind of bar before people are handed over?

Stuart C. McDonald: I thank the right hon. Gentleman for his intervention. Yes, in an independent Scotland, we would seek participation in the European arrest warrant system. As I have acknowledged, it is not perfect, and we would push for reform, but from within the system; I will come to the issue of a bar in a moment. I cannot see how we are any more likely to be able to overcome the problems by starting again and trying to negotiate either 27 bilateral agreements or a new agreement in the way that Norway and Iceland have done. The easiest way for us to keep the benefits and bring about improvement in the system is from within, by continuing our participation.

There is evidence that continuing to participate and to push for reform and take part in dialogue can realise some progress. For example, raising concerns with Poland has brought about some change, including the introduction of an “interests of justice” test. Before, it was almost automatic that a European arrest warrant would be sought. There is awareness and, I think, acceptance in EU institutions that more must be done to ensure proportionate use of the warrant system, although debate continues about exactly what measures are needed to make that happen. Meanwhile, changes to the Extradition Act 2003 mean that courts in the UK can apply a proportionality test and refuse to execute a warrant if the test is not passed, although I acknowledge the criticisms about whether it is appropriately robust.

As regards ensuring standards of justice, it is absolutely fair to say that more must be done to ensure that people extradited to certain EU states are treated fairly and that there are proper standards in relation to pre-trial conditions and detention. Again, however, change is possible. We have heard already that the 2003 Act does now set down a human rights bar, although I accept that there is also a debate about whether that test is robust enough.

Again, there is awareness at European level that there have to be improvements. For example, in February 2014, the European Parliament resolved to support proposals to include a ground for refusing an arrest warrant “where there are substantial grounds to believe that the execution of the measure would be incompatible with the executing Member State’s obligation in accordance with Article 6 of the TEU”—the treaty on European Union—and the Charter, which is the charter of fundamental rights of the European Union. For its part, the European Commission has said that it would prefer to adopt legislation on minimum procedural rights standards and action on implementation of the judicial co-operation instruments such as the supervision order and European investigation order. I am not saying that more cannot be done, but it is fair to recognise that the door is open to making progress and resolving some of the issues highlighted today.

In short, we should continue to want the UK to be involved in the European arrest warrant system. We should work to find solutions from within the system rather than starting again from scratch. I say that because the alternatives would be very difficult. Negotiating 27 separate bilateral agreements would be a hugely significant task and almost certainly would not bring the same benefits, while retaining many of the same problems. A separate deal with the EU as a whole is possible, but we know from the experience of Norway and Iceland, despite their both being Schengen countries, that that can also be an incredibly long process and the resulting system could involve variations from the main system that would make it weaker than what we have as a member of the system itself.

The Government have said that they, too, see the benefits of the European arrest warrant process. However, we need to hear more about how they intend to get there. After all, the current Prime Minister warned when she was Home Secretary that Brexit likely meant no EU arrest warrant participation at all. Her fixation on excluding any involvement of the European Court of Justice seems to be the biggest barrier to continued participation in the arrest warrant system. The Government must get their priorities right and not allow that fixation
to scupper the bigger goal. We need to ask these questions. What precisely are the Government seeking to secure? How will they do that? And will they let go of their fixation on the European Court of Justice if that is what is necessary to secure ongoing participation in the arrest warrant scheme?

3.34 pm

Lyn Brown (West Ham) (Lab): It is an absolute pleasure to serve under your chairmanship, Mr Evans, and to follow such distinguished and learned speakers. I add my congratulations to the hon. Member for Monmouth (David T. C. Davies) on securing the debate. It is no secret that my concerns about the way the European arrest warrant works probably come from a different starting place from his, but I was very interested in what he had to say. He raised really important issues about the human rights of UK citizens extradited to other countries. Those issues deserve to be debated and taken very seriously. I will address some of the human rights issues in my remarks. I must admit that I have no knowledge of the cases that the hon. Gentleman raised today. I look forward to learning more about them.

Labour’s starting point is that the UK’s membership of the European arrest warrant system is an invaluable and effective tool for the British courts to catch fugitives, both in the interests of our country’s security and to provide justice for those of our constituents who have had the misfortune to be the victims of crime committed by those who can catch an easyJet flight and disappear. I know that the hon. Gentleman who instigated the debate would not forget that this mechanism—this warrant—enabled Hussain Osman to be brought to justice after he fled to Italy following the failed suicide bombing in London in July 2005. The most recent Home Office data show that the UK has used the mechanism of the European arrest warrant to bring some 2,500 individuals from outside the UK to face justice since the system was introduced in 2004.

I believe that the principle of the arrest warrant is right and that we should look to iron out any difficulties that exist. As the hon. Member for Cumbernauld, Kilsyth and Kirkintilloch East (Stuart C. McDonald), who speaks for the Scottish National party, said, we should work from within the system—that is the better way to do it—rather than starting again from the beginning.

However, the most urgent issue for us to discuss right now is whether it is possible for us to maintain membership of this very valuable system when we leave the EU. One of Labour’s key tests for the Brexit deal is whether it protects national security and our capacity to tackle cross-border crime. We know that as recently as a year ago the Prime Minister herself considered it necessary to remain in the European Union to retain membership of the European arrest warrant system, because she said as much. That was one reason why she concluded that

"...remaining a member of the European Union means we will be more secure from crime and terrorism." 

The Prime Minister has been facing the challenge of proving herself wrong and ensuring that this country remains as secure as it is today. Perhaps the Minister can update us on that. I hope to see him back here in the coming months, but I look for promotion for him, because I think that he has done a sterling job in this role and the one before, so I am not necessarily hoping, as my right hon. Friend the Member for Leicester East (Keith Vaz) is, to see him back in this role, although he does it particularly well. Perhaps the Minister can update us on the progress that the Prime Minister is making, in terms of ensuring that this country remains as secure as it is today, with the negotiations about our remaining in the European arrest warrant system.

As far as I can see, the Conservative party’s real problem is that even if it were theoretically possible to negotiate continued membership of the European arrest warrant system from outside the EU—I think we all agree that that would be a tall order—that would mean accepting in principle the right of the European Court of Justice to arbitrate in cases of disagreement, and the Conservatives have made it clear that they seek to be outside the purview of the ECJ in all matters. Does the Minister agree with Labour that it is in the interests of our country’s national security to accept the jurisdiction of the European Court of Justice in the event of disagreement over the European arrest warrant? Can he give a specific answer to whether it is possible to have associate membership of the EAW system without being subject to ECJ arbitration? Perhaps he agrees with Mike Kennedy, a former chief operating officer of the Crown Prosecution Service and a former president of Eurojust, who said recently in evidence to the Home Affairs Sub-Committee of the Select Committee on the European Union in the other place:

“Any sort of alternative to the court is going to be quite difficult to negotiate and agree. I just do not know how long that would take, but I suspect it would take longer than is available.”

We know from experience that negotiating third-country access to the European arrest warrant is notoriously difficult. Norway and Iceland spent 15 years attempting that, and both countries are in Schengen and the European economic area, but I understand that there are no plans for us to be members of either. Moreover, their surrender agreements are weaker in two ways. First, they require the alleged offences to be the same in both countries, thus losing the flexibility that comes from member states agreeing to respect the decision of one another’s criminal justice systems. Secondly, they allow countries to refuse to surrender their own nationals, making it tricky, for example, if a national of another EU country commits an offence on UK soil and then jumps on the same easyJet flight back home.

In contrast, the strength of the European arrest warrant is not only that it allows suspects to be returned to the UK, even if the crime they are suspected of committing has a different legal basis from the law applying in the country they fled to, but it has strict timescales that are effectively enforced, so that fugitives are returned to face justice speedily. Those two factors make the European arrest warrant far more powerful than any other extradition procedure anywhere in the world.

I heard the concerns raised by my right hon. Friend the Member for Leicester East and the hon. Member for Monmouth, and I am always up for better protection for human rights.

Keith Vaz: My hon. Friend is making a powerful speech. The security of our country is so important, especially from terrorism. Does she agree that when we
are all back—if we are back, subject to the electorate, after 8 June—this should be a priority? The Government’s stance on Brexit at the moment is very much to do with immigration, but security and protecting our people is the Government’s first task. Making sure this agenda is pursued is extremely important. Does my hon. Friend agree?

**Lyn Brown:** My right hon. Friend is absolutely right: it is a foremost priority. The major priority for any Government is to protect their citizens. Everyone in this Chamber will recognise that people will not forgive us if we negotiate away the very things that keep them safe. If God forbid, at some time in the future something happens that could have been prevented if we had remained within the European arrest warrant system and the basic constructs of the EU. They have meant that we have been able to share information and to have other partnership arrangements to keep people safe. They will not forgive if we negotiate away their right to life, their freedoms and their security. They will not forgive.

If we leave the European arrest warrant system, the alternative is to fall back on previous extradition treaties, which are far more cumbersome and in some cases have become so out of date that they will require EU countries to change their own laws in respect of the UK, which is an unlikely prospect.

Labour’s question to the Minister is simple. What guarantees can the Government give that the current benefits that we get from the European arrest warrant system will be maintained when we leave? While I am on the subject, can he reassure us that we will also retain access to the many pan-EU data and information-sharing systems and exchange systems, such as for fingerprinting, airline travel, foreign convictions and intelligence data, which our police forces routinely use? I look forward to his reply, given that he has quite a lot of time to entertain us.

I said that I would respond to some of the human rights issues raised by the hon. Member for Monmouth, who spoke passionately of the concerns about treatment of UK citizens who are passed over to other jurisdictions under the European arrest warrant, and the possibility that the system might be used to extradite political opponents. If we believe that an individual’s human rights are being threatened during the process, that is absolutely a matter for concern, but it is fair to say that it is a concern for the European authorities as well.

I mention that because the hon. Gentleman spoke about the conditions in which people are being held. In a speech outlining her priorities on 25 April last year, the European Commissioner for Justice, Vera Jourová, stated that her priority was to improve pre-trial detention safeguards, because

“poor detention conditions can indeed lead to refusal of extradition under the European arrest warrant, as the European Court of Justice has recently made clear.”

It is therefore possible for prison conditions in the destination country to be taken into account when a European arrest warrant is executed. I am delighted that the European Court of Justice has played a useful role in clarifying that point.

If prison conditions in other countries are unacceptable, of course they should be improved, but I differ from the hon. Member for Monmouth, in that I see the European Union structures as a good mechanism by which to achieve some sought-for improvements. There have already been some attempts to do so—for example through the European supervision orders, which are designed to reassure courts that they can release foreign nationals on bail without fear that they will abscond—but further action absolutely needs to be taken, not least because article 7 of the European treaty contains a commitment to protect human rights. My concern is that our position outside the European Union will undoubtedly weaken our opportunities to keep pushing for such improvements.

In conclusion, we must ensure that UK citizens accused of committing crimes in other EU countries are treated decently, and we should use whatever influence we have to achieve that result, but the priority today is for the Government to provide greater reassurance about how they will ensure that our security is not compromised by the decision to leave the European Union, because our constituents will not forgive us if they do not. I look forward thoroughly to the Minister’s response.

3.48 pm

**The Minister for Policing and the Fire Service (Brandon Lewis):** It is a pleasure to serve under your chairmanship, Mr Evans. From the closing remarks of the hon. Member for West Ham (Lyn Brown), I feel some pressure to perform at a high level. I thank my hon. Friend the Member for Monmouth (David T. C. Davies) for the opportunity to discuss this important subject. I will come in a moment to the points that he raised, and to those made by the right hon. Member for West Ham (Lyn Brown), I feel some pressure to perform at a high level. I thank my hon. Friend the Member for Monmouth and I have had a number of useful discussions regarding the European arrest warrant, and I know that he shares the Government’s strong commitment to practical co-operation on security, law enforcement and criminal justice. Over the next few minutes, I want to outline my response to his comments about how the European arrest warrant works. I will then move on to some of the points raised by other hon. Members, including the hon. Member for West Ham, about the future and where we are going as we leave the European Union and deliver what people voted for last year.

Members have referred to individual European arrest warrant cases. I am sure that they and the House will appreciate that I am not able to reflect on ongoing cases, although I will touch on a couple of specific points in relation to non-ongoing cases. It is also useful to note and worth putting on the record clearly that, as hon. Members will be aware, Ministers have no involvement in decision making in respect to European arrest warrants. Instead, it is left to our independent judiciary, which makes decisions following an initial decision by the National Crime Agency on whether to certify a case, as I will explain.

We believe that the European arrest warrant, with the stringent safeguards that we have implemented and the changes that we have recently made, which I will come to, remains an effective tool for co-operation with our European partners. I will outline what some of those safeguards are in light of the changes, to reassure
[Brandon Lewis]

anybody looking at what we say today. In the last Parliament, the Government reformed our domestic legislation to improve the European arrest warrant’s effectiveness. We established new provisions to prevent extradition in prosecution cases where it would be disproportionate, and to ensure that dual criminality must be established in all cases where part of the conduct took place in the UK. As such, a case will not get as far as the court for a decision unless the NCA is satisfied, first, that the alleged conduct would be a criminal offence in the UK and, secondly, that proceeding with the extradition is proportionate. That is the certification process I mentioned.

Those safeguards work, and the National Crime Agency has refused to certify incoming cases that are obviously trivial or do not meet the dual criminality requirements. Colleagues have made points about the facts and figures, so I will give an example. Between July 2014 and May 2016, the NCA refused some 53 European arrest warrant requests for being disproportionate, and 249 for failure to meet the dual criminality bar.

Members also mentioned Andrew Symeou’s case and the legitimate concern about people being detained for long periods overseas before being charged or standing trial. The new provisions ensure that individuals cannot be subject to lengthy periods of pre-trial detention when extradited under the European arrest warrant, because in general a decision has to be made by the issuing judicial authority to charge and to try the requested person before an arrest warrant is executed. That backs up the point made by the then Home Secretary, our Prime Minister, when discussing this provision in the House in 2014, when she said that the principle was that we would no longer see people being surrendered and having to wait months or years for a decision to be made on whether to charge or try them.

Keith Vaz: The Minister gave very interesting figures for the refusals by the NCA. Does he have the corresponding figures for other EU countries? Have they refused any requests that we have made, either directly to their courts or through their central enforcement agency—their equivalent of the NCA?

Brandon Lewis: I do not have those figures with me, but I will get them and write to the right hon. Gentleman before Parliament dissolves. I will ensure we get those to him and the hon. Member for West Ham over the next few days, so that they have a record.

When extraditing people from the United Kingdom, it is important to ensure that the conditions in which they will be held respect their human rights. That touches on the point made by my hon. Friend the Member for Monmouth in his reference to prisons—I am sure we would all like to see them and it sounded interesting. The UK works closely with member states to ensure that, when concerns arise, appropriate assurances are given to ensure that we are able to protect individuals’ rights. On occasion it is correct to say that evidence suggests that member states would not meet the standards expected of them. If a judge is not satisfied that extradition is compatible with human rights, whether because of prison conditions or other reasons, they must, and indeed do, refuse the application for extradition. That is an important protection afforded to individuals who would otherwise be extradited from the UK to EU member states or other countries.

A swift and fair extradition system is an important element of our UK law enforcement. It protects the UK by ensuring that potentially dangerous criminals are extradited, including those who are wanted for murder, rape, trafficking or child sex offences. It likewise enables us to have alleged UK offenders swiftly returned to face justice here at home, which is why police forces and law enforcement authorities throughout the country value the European arrest warrant. Respected law enforcement professionals have publicly highlighted that it is a cost-efficient and quick system compared with the available alternatives, and that it is seen as a vital crime-fighting tool.

When we think about co-operation tools such as the European arrest warrant, it is important to keep in mind the threats we face. The perpetrators of crime and terrorism do not respect borders. The threat they pose is becoming increasingly transnational—the borders and lines we draw mean nothing to them. We know that international organised crime groups exploit vulnerabilities such as inadequate law enforcement and criminal justice structures. Furthermore, in a technologically interconnected world, threats such as cybercrime and online child sexual exploitation are international by definition. When I have been with police forces looking at this work, I have seen at first hand how quickly and easily people can move around the world online. We need the ability to deal with crime globally.

In the face of these common threats, it is difficult to see how it would be in anyone’s interest for our departure from the EU to result in a reduction in the effectiveness of security, law enforcement and criminal justice co-operation. In debates in the main Chamber over the last few months, the Home Secretary, the Prime Minister and I have been clear that we want, and believe it is right, to deliver what the British people voted for last year. We will leave the European Union, but nobody voted to be less safe. Our job as the British Government is to continue to ensure that our public, our residents and indeed our friends and partners around Europe remain safe.

David T. C. Davies: I do not disagree with anything the Minister says, but does he believe that the standards of justice applied in all countries that have the European arrest warrant match the standards that we would apply in the United Kingdom?

Brandon Lewis: I do not profess to be an expert on the justice system of every European state. That is why it is important, as the right hon. Member for Leicester East outlined, to have a high bar in this country to ensure that cases meet the standards that we would require and, more to the point, that our judges—our independent judiciary—would look for.

That leads me neatly to my next point, which is about what happens next for law enforcement and the European arrest warrant as we leave the European Union. Leaving the EU will of course mean that our relationship with it will have to change. We are now examining the mechanisms currently in place to support practical co-operation in the fight against crime and terrorism, to help to identify potential options for working with our EU partners in the future.
Keith Vaz: In answer to the very good question from the hon. Member for Monmouth (David T. C. Davies), is the Minister telling the House that his understanding is that a judge in an extradition warrant case will have access to a report about the standards of justice in the country where the warrant has been requested? We realise that this is a matter for judges, not for Ministers, but is he telling the House that his understanding is that judges will have such a report and will make their decision based on it?

Brandon Lewis: No, that is not what I was saying at all. I was saying that I am not an expert on other systems and that it is the independent judiciary who will take a view in an individual case. They will look at the evidence in front of them and make a judgment that they feel is appropriate, looking at a range of issues including human rights and proportionality, as I said earlier. That is a matter for the independent judiciary. I will not prejudice what a judiciary that is independent by definition would do—that would be wrong.

Looking ahead, we will need to negotiate the best possible deal with Europe. I absolutely support the Prime Minister as the best person to get the right deal for our country with our partners in Europe, including thinking about the tools and mechanisms for co-operation with EU member states to help all European citizens, including our own, to remain safe. The hon. Member for West Ham asked me to outline how we are progressing with that work. I am sure that she appreciates—she has pointed out that one of the very first debates we had, some months ago—I opened it and I think the hon. Lady responded to it—was on law enforcement, linked into us leaving the European Union, and there will no doubt be more such debates. Those debates, which include today’s debate, all feed in comments and views from hon. Members and hon. Friends, which will form part of the work we are doing as we consider what is possible and what is right for our country and our European partners, as we negotiate to make sure that we keep everybody safe.

It would be wrong to prejudice where we will get to, however, for all those reasons and not least because these negotiations are yet to start and we must ensure that we get the best deal for this country without prejudging what that may be.

Keith Vaz: The Minister is being incredibly generous in giving way again. The shadow Minister has opened up a very important area. Of course we cannot have a running commentary, especially in the middle of an election—I would imagine that there are currently no negotiations going on. The reason we are pressing the Minister is that I am sure he will be clutching his copy of Hansard, with the marvellous reference that the shadow Minister has given him—that he should be promoted—and saying to the Prime Minister, “I need a better job.” That is why we are pressing him. Is the Government’s position, “We like the principle of the European arrest warrant and therefore we will fight hard to try and keep it,” or is this part of the all-or-nothing arrangement—“If we don’t get a deal on the European arrest warrant, we’re happy to come out”? What is the Government’s overarching position? I am not asking for the detail, but is it, “We like the European arrest warrant and we want to keep it, but we will have to negotiate around it”? If he could set that out, most of us will be able to go back to our constituencies and go to bed tonight feeling very happy.

Brandon Lewis: Whenever I am speaking in the Chamber, it is always my aim to ensure that colleagues are able to go to bed happy in the evening, so if it helps the right hon. Gentleman, I will repeat something I said a few minutes ago. We do believe that the European arrest warrant, with the stringent safeguards that I have outlined and that we have implemented, remains an effective tool for co-operation with our EU partners. However, we have got to go through these negotiations.

The Prime Minister is right to want to have a clear and strong mandate to have those negotiations—I am sure the right hon. Gentleman will appreciate that my view is that she is the right person to handle those negotiations to get the right deal for our country—and part of that process is about ensuring that we keep our people safe and that we have a strong relationship with our partners overseas as well, in all countries. Indeed, one of the things we need to think about as we leave the European arrest warrant—it is one of the opportunities looking for, what we want to do and what our position is, but because things develop and change. We have to be able to consider what the right situation is.
Brandon Lewis

we have with all these law enforcement structures—is that crime is becoming more global. That is why our relationships with our European partners are so important and why they work, but it is also why we need to have those relationships with more countries than just our European partners.

When extraditing people from the United Kingdom, it is important that we ensure that we can show our citizens that those who should face justice do, but with their rights properly respected. As the Minister responsible for extradition, I am very clear that our position as a Government is that the European arrest warrant assists the United Kingdom in meeting its commitments to strong practical co-operation with EU partners on security, law enforcement and criminal justice, but that that is not at the expense of human rights. Our current processes, with the specific safeguards, meet both those important legitimate points.

4.5 pm

David T. C. Davies: May I add my thanks to you for how you have chaired this debate, Mr Evans? In closing, let me briefly say that there is a surprising amount of agreement in the Chamber, considering that we are on the verge of what I suspect will be a rather fiery election campaign. Representatives of various different political parties have spoken in agreement with the general principle, but with concern that human rights should be adhered to. I am grateful to the right hon. Member for Leicester East (Keith Vaz), the hon. Member for Cumbernauld, Kilsyth and Kirkintilloch East (Stuart C. McDonald)—my old friend, if I may put it that way—the hon. Member for West Ham (Lyn Brown) and the Minister. We have an opportunity to make some changes—if the right hon. Member for Leicester East is right, we have an obligation and will have no choice.

I absolutely support the principle that anyone who has committed a crime—whether they are a UK national who has committed a crime abroad or a foreign national who has committed a crime in the UK—has to face justice. I absolutely accept that we live in an age where terrorism is sadly an ever-present threat, and we need to be able to protect ourselves. I also think we have a duty to balance the protections we all need with protections for human rights. I am not absolutely convinced that we have the balance right at the moment.

I would press the Minister on this: I noticed that he was unable to say clearly whether he believed that the standards of justice in all the countries that are part of the European arrest warrant match the standards that apply in the UK. He may not be able to say what he thinks about that, but the European Commission has said that in two instances—Bulgaria and Romania—it is not satisfied with the standards of justice that apply there. Various MPs have given different examples and different cases, some involving those countries and some not, which back up that contention.

All I would say in closing is that it is important that we get the balance right. I very much hope that the Minister will be back. I hope he continues in some capacity to use his expertise of Home Office matters to develop a new partnership with the European Union that will protect the safety and the human rights of UK residents.

Question put and agreed to.

Resolved,

That this House has considered the European Arrest Warrant.

4.8 pm

Sitting adjourned.
Westminster Hall

Monday 24 April 2017

[ Mrs Anne Main in the Chair ]

GCSE English Literature Exams

4.30 pm

Helen Jones (Warrington North) (Lab): I beg to move,

That this House has considered e-petition 172405 relating to GCSE English Literature exams.

It is a great pleasure to serve under your chairmanship, Mrs Main, for the last Petitions Committee debate of this Parliament. I must confess that when I saw the petition, I had mixed feelings. English is my subject: it was what I was most interested in at school, I read English at university and my first job was teaching English. Being of my generation, my head is stuffed full of quotations from Shakespeare to Keats to D.H. Lawrence. My colleagues know that my party-piece around this time of year is reciting the opening of the general prologue to “The Canterbury Tales” in middle English, but I will not inflict that on people here.

That knowledge of literature has hugely enriched my life, and I hope that it has enriched my students’ lives too; when they get back in touch with me after I have been in the papers, they say so. But—this is a big “but”—as the great cultural commentator Raymond Williams said, we are all prone to value the kind of education that we received over and above any other kind, but what we choose to teach, and how we choose to teach it, is a selection from what is available. He talked about “what is thought of as an education being in fact a particular selection, a set of emphases and omissions”.

When we consider examinations, the question is what children should learn and how they should learn in order to be fitted for the world in which they will grow up, which will be very different from the one in which we grew up. In my experience, that question is seldom asked by Governments. We are normally subject to the whims of various Secretaries of State; some, perhaps, have had more than others. For instance, we heard Mrs Main, for the last Petitions Committee debate of this Parliament. I must confess that when I saw the petition, I had mixed feelings. English is my subject: it was what I was most interested in at school, I read English at university and my first job was teaching English. Being of my generation, my head is stuffed full of quotations from Shakespeare to Keats to D.H. Lawrence. My colleagues know that my party-piece around this time of year is reciting the opening of the general prologue to “The Canterbury Tales” in middle English, but I will not inflict that on people here.

That knowledge of literature has hugely enriched my life, and I hope that it has enriched my students’ lives too; when they get back in touch with me after I have been in the papers, they say so. But—this is a big “but”—as the great cultural commentator Raymond Williams said, we are all prone to value the kind of education that we received over and above any other kind, but what we choose to teach, and how we choose to teach it, is a selection from what is available. He talked about “what is thought of as an education being in fact a particular selection, a set of emphases and omissions”.

When we consider examinations, the question is what children should learn and how they should learn in order to be fitted for the world in which they will grow up, which will be very different from the one in which we grew up. In my experience, that question is seldom asked by Governments. We are normally subject to the whims of various Secretaries of State; some, perhaps, have had more than others. For instance, we heard about the need to teach “our island story”; then an English baccalaureate certificate was proposed and later abandoned. It is no wonder that teachers often find themselves in a whirlwind. No sooner have they got used to one set of instructions than they must get used to another. In all this, the fundamental questions about what we need to teach our children for the future are not dealt with.

Before I go on, I must say clearly that I think that the study of literature is enormously important for an understanding of oneself and society. Think of Chaucer’s pilgrims, chattering away down the centuries. Their jobs might not exist anymore, but the people can still be met, with all their strengths and weaknesses, in any street in any town. Nor do I believe that much literature is intrinsically too difficult for our children. I have taught Shakespeare to 11-year-olds. I got teenage boys to read Jane Austen by pointing out that her brother reads the books aloud to the officers of Nelson’s Navy, not notable for being a set of wimps. If Shakespeare’s groundlings could follow his plays, I see no reason why our children cannot—provided, of course, that it is a good juicy murder; there is nothing more boring than having to explain 500-year-old jokes to a class.

Although the choice of text is always one for teachers, it makes my blood boil when I hear people say that some things are too difficult for working-class children, because I was one myself. I say that because when people criticise the exam system, they are often accused of wanting to dumb things down. Nothing could be further from the truth in my case. It is true that the Government have changed the GCSE English literature syllabus so that it is now a linear subject with exams at the end of the course. A new grading system will be introduced this year, and coursework has been abandoned. That is consistent with this Government’s approach to examinations in most subjects.

I grew up with that system, and I was fortunate enough to be good at it, because I was blessed with a good memory, but I am not sure that I agree entirely with Ofqual when it says:

“We do not believe there are any skills in the draft content for English literature that could not be validly assessed by written exam, set and marked by the exam board.”

I might agree that the skills in the syllabus can be tested by an examination at the end, but whether those are the right skills is a different question. There is a place for a more extended and in-depth response to texts, especially those dealing with complex subjects and emotions.

That is where open-book exams can be important. The Government have abandoned the idea of coursework, although it might have been better to change the guidance and the time limits, but I believe that open-book exams can ask far more stretching and difficult questions of our children. The Government rightly said:

“Students should not be misled into believing that they will get good marks simply by memorising and writing out the poems or texts they have studied.”

That has always been the case, as any teacher knows, but the Government also said:

“Students will not need to learn and remember the exact words of poems or texts by heart.”

Moreover, the former chief regulator said in a blog post:

“Assessment is about learning and understanding, not memory.”

I would be convinced by that if not for one thing: in literature, the exact words are important. A great writer chooses words with precision. An approximation of what they said might not have the same force or convey the same sentiments.

The Minister might, like me, be old enough to remember the Morecambe and Wise sketch in which Shakespeare is writing rubbish and the milkman keeps coming in and helping him. Shakespeare writes, “It’s very cold, I said to Yorkie,” and the milkman suggests, “How about, ‘Now is the winter of our discontent?’” [ Interruption. ] My hon. Friend the Member for South Shields (Mrs Lewell-Buck) is laughing because she is definitely not old enough to remember it.

The Minister will also remember George Orwell’s strictures on people who use “petite” when they mean “little” and then say that it means “dainty”, or his way of curing people of using the construction “not un-”:

“A not unblack dog was chasing a not unsmall rabbit across a not ungreen field.”
Words matter. Words, like facts, are stubborn things. One must remember a great deal to be able to answer some of the questions in our GCSE exams properly.

The Government, and certainly Ofqual, might argue that extended and more difficult questions can be asked about the unseen texts in the exam. However, strangely, Ofqual prohibits people from having a whole text in front of them, saying:

“We do not expect an awarding organisation to provide a whole text as Stimulus Materials for an assessment for a GCSE Qualification in English Literature.”

I might believe that Ofqual understood what it was talking about if it did not switch from singular to plural in the same sentence and put totally unnecessary capital letters on “stimulus materials”.

I must admit that I am a bit of a sceptic about unseen texts in exams. I used to tell my students, “This is a completely useless exercise, but we will now learn to outwit the examiners,” and they did. We do not actually read literature like that. We do not read extracts; we read plays, novels or poems. It is Leavisite literary critical theory taken to its ultimate. It is a prime example of doing things because we have always done them like that.

The answer to the central question of whether open-book exams are better than exams without the text is that, as always, it depends what we want to test. Whatever Ofqual says, an exam that students take without the text in front of them depends to a large extent on memory. It is impossible to comment properly on a text, for instance to show how an author deals with characterisation, without being able to remember large parts of it. It is impossible to compare two poems without being able to remember large parts of them. Remembering, in itself, does not get a student good marks, but it is an essential prerequisite to answering many of the questions, as a number of the teachers who responded to our consultation pointed out. One said:

“Students must remember lines off by heart, as they are required to analyse them... It is a minimum requirement for the modern text question, as there is no extract.”

As a test of memory, that is not bad, but is that all we want to test? Many people would argue that open-book exams, on the other hand, allow more searching questions to be asked of students. They allow students to do more analysis and evaluation and to synthesise knowledge rather than repeat it. In other words, open-book exams are higher up Bloom’s taxonomy of educational objectives, which teachers know about because they learn about it in training. It is also true that the skills required in an open-book exam are more like those that we use in real life—it is very seldom that we have to produce a piece of work in a rigid time limit, without recourse to any resources. It all depends on the examination being designed properly.

Open-book examinations have disadvantages, too. For instance, it is much more difficult to ensure that students have a clean text in front of them, without notes. There is also an argument that they may deter students from getting fully involved in the literature that they have to study, because they have the book in front of them. It is often said that having the book makes the exams easier, although I am afraid that I disagree. I did open-book exams at university for some of my subjects—the Chaucer and Shakespeare unseen papers, which in those days were six hours long—and we had to know the texts very well to know where to look for quotations in the first place. I confess that I have not found a lot of evidence—it may exist, but other pressures have arisen—but the research that I have been able to find, from Washington University in St Louis, found that both sorts of tests enhanced retention of information.

The other issue that we ought to think about carefully is that our children are growing up in an age of information overload. They probably need to learn much more than we did about how to access information, assess its value, organise it and apply it. That may be done in other examinations, but it could also be part of our English literature examination. As I said at the beginning, my head is stuffed full of quotations, and I believe that to really engage with a piece of literature, a reader has to memorise some of it and make sure that they have internalised it. However, I also think that open-book exams can ask more testing questions. They can achieve what the Government say they want, which is to ensure that the brightest pupils can show what they are capable of.

There is a case for both kinds of examination, and the Government should think seriously about making at least some English literature exams open-book in future, but the real issue is that for a long time we have not thought seriously about what our children should learn and how they should learn it. I know that the Minister has a genuine interest in providing the best possible education for young people in this country; he and I may sometimes disagree about methods, but I do not doubt his commitment. Since this Parliament is coming to its end, little can be done at the moment, but I hope that in future he will apply his mind to what exactly we want to test through different types of examination. There is no getting away from the fact that being good at English literature requires some feats of memory, but that is not all we should try to test. I hope that we will think about that, and about what the petition asks for, in future.

Mrs Emma Lewell-Buck (South Shields) (Lab): It is a pleasure to see you in the Chair, Mrs Main. I thank my hon. Friend the Member for Warrington North (Helen Jones), the Chair of the Petitions Committee, who was on top form this afternoon, as always, for introducing this debate. I also thank all those, including my own constituents, who signed the petition.

Although sadly it is too late to change things for this year’s entrants, it is not too late for the next Government—whoever they may be—to change their mind for future pupils. The new structure of the GCSE English literature closed-book exams poses numerous serious issues for students and teachers. It is not simply about the subject being made more difficult than it needs to be; it is about the very reason our schools teach English literature in the first place.

English literature enlightens us. A popular quote says:

“Life depends on science but the arts make it worth living”.

English literature is not an exact science. It makes no sense to test it in a way that basically amounts to a glorified memory test. Studying literature is a way of understanding our world and learning skills to engage
in it by learning to express ourselves and by learning critical thinking, research and writing skills and independent thought. It teaches us to build arguments, analyse, present ideas in an effective way - not to be the best, but also to teach eloquence, which my hon. Friend displayed finely this afternoon, as I hope the Minister noticed.

I have noticed that many of us in this place often do not memorise our speeches. We carefully craft our arguments in prose, and if we need to check the validity of a piece of information, we have a whole host of organisations on hand, inside and outside Parliament, to equip us with briefings and facts. We are not expected to memorise every word we say in here. If it is not expected of MPs, why are we placing that burden of expectation on pupils in our schools? Why do we want students to remember up to 250 quotes? What purpose does that serve, other than displaying a student's ability to learn parrot-fashion?

Closed-book examinations for GCSE English literature encourage the business of learning by rote, not meaningful learning. That is not the best way of assessing learning outcomes or the acquisition of skills for any child. Can the Minister explain how remembering quotes is the best way of showcasing a student's true ability in a small window of time? It is simply not. It is a test not of content but of exam technique, which of course privileges those who can afford private tutors and the like. It is also worth saying that many universities do not examine their literature students in that way, because they know that rote learning is not a sign of intelligence or original thought. It is robust analysis and understanding that count and that undergraduates are rightly tested on, so why on earth do we expect our children to learn lines?

Just as we have seen the Government take our education policy back to the 1950s with the forced reintroduction of grammar schools, so we see them applying a very old-fashioned and traditionalist mentality to GCSE literature examinations. Such a mentality distorts the emphasis of teaching towards drumming quotes into students, rather than analysis and context—what a quote means and why it may be significant. Additionally, under exam pressure even the most capable students may not be able to recall the details of a critical quote. It is absurd that that may prevent them from achieving top marks, or that they may devote all their revision time to learning quotes rather than practising arguments, essay technique and narrative. In this age of technology, we need to be purposefully teaching students and pupils how to access, organise and apply information, and not simply to memorise it.

There is an abundance of thought out there, and thousands of teachers are saying, that this way of testing does not achieve anything positive. One teacher put it, “I teach students who are capable, intelligent, articulate people with excellent appreciation and critical faculties—in short, brilliant literature students—but who don’t have great memories. I myself can’t quote from films or songs that I’ve heard 100 times. These students will gain average-poorest grades despite their deep knowledge of, appreciation of and critical analysis of these texts, simply because they cannot remember the precise wording from the text. Either we’re testing memory or skill and in a literature exam, I hope—as that teacher hoped—that the Minister can see that no amount of extra time will correct a memory deficit. I would like him to tell us in his response to this debate what provisions, other than extra time, his Government have put in place to ensure that the exam is fair for pupils with SEN.”

Surely the Minister cannot go on ignoring teachers when they tell him that this way of examining pupils is not fit for purpose. Why will he not listen to teachers or industry experts who say that closed-book exams place a premium on accurate and extensive recall, with students’ knowledge dominated by that ability, whereas open-book exams place the emphasis on higher-level learning, whereas students can focus on analysing, evaluating and synthesising knowledge? If the Government are determined not to listen to those who are tasked with teaching the new GCSEs, in the same way that they will not listen to other experts on divisive policies such as grammar schools, who will they listen to?

GCSE examinations are a very stressful time in any young person’s life. At a time when students are more stressed than ever before, and when teachers and school leaders are struggling to respond to years of chaotic chopping and changing in the curriculum, the Government should be asking serious questions about the impact of any changes to assessment.

Poorest health in teenagers is a growing issue, and child and adolescent mental health services are hugely overstretched as a result of this Government’s neglect. Has the Minister assessed the likely impact of the changes on the wellbeing and achievement of students? The requirement to learn 15 poems, two plays and one novel could be a stretch for even the most able students, never mind those who already struggle academically. A memory test of this sort is not fair for any student, but it appears that the Government have failed to acknowledge the difficulties it could cause for those pupils with special educational needs. We in this House know that frequently the texts pupils are expected to read contain, as one teacher put it, “complex and often ambiguous language”.

The expectation that those with SEN will understand these texts well enough to analyse them in the first instance, and then to memorise quotes, is simply unfair.

In an open letter to the then Education Secretary, one teacher said that the reformed English literature GCSE will discriminate against pupils with dyslexia and special needs, because of the Government’s “breathtaking ignorance” of these conditions. Even if rest breaks and access arrangements such as extra time can be put in place to level the playing field, I hope—as that teacher hoped—that the Minister can see that no amount of extra time will correct a memory deficit. I would like him to tell us in his response to this debate what provisions, other than extra time, his Government have put in place to ensure that the exam is fair for pupils with SEN.

Once again, this move shows a Government who have no progressive ideas for education or any understanding of the curriculum, regarding what works and what does not work for children; a Government wedded to the educational ideas of the 1950s of segregation and divisiveness, rather than inclusivity; and a Government interested in teaching children how to pass exams and grammar school entry tests, rather than in creating a level playing field, so that all children, regardless of background or disability, can reach their full potential. We should instil in our children a lifelong love of learning and not reduce a magnificent subject such as English literature to forcing kids to learn quotes by rote.

My hon. Friend the Member for Warrington North, teachers, students and many others are urging the Government to look at this issue again and to realise the problems they are creating for huge numbers of our
children and their English literature education. I will leave the Minister with one final question: closed-book exams—“To be, or not to be, that is the question”.

4.54 pm

The Minister for School Standards (Mr Nick Gibb): It is a pleasure to serve under your chairmanship, Mrs Main. I think it is the first time I have done so, but I hope that it will not be the last such occasion for either of us.

I listened very carefully to the hon. Member for South Shields (Mrs Lewell-Buck)—I assume she learned by heart the quote she just gave. I congratulate the hon. Member for Warrington North (Helen Jones), who is the Chair of the Petitions Committee, on opening this debate and on doing so articulately, with fluency and a strong use of language. Perhaps that is the consequence of her immersion in the great canon of English literature. I share her ire about some people saying that some literature is too difficult for children from poorer backgrounds.

The hon. Lady cited Morecambe and Wise, and their wonderful and hilarious use of language. Who can forget Ernie Wise’s catchphrase about “The plays what I wrote”? We remember them fondly.

I am aware of the comments that have been made and the concerns that have been raised about the new English literature GCSE, notably the claim that exam boards will not provide pupils with any extracts from the novels, poems and plays that they have studied, as well as the expectation that pupils will have to memorise large amounts of text. I reassure the hon. Lady and all hon. Members that that is not the case. Pupils do not have to reproduce word for word what they have read to pass the GCSE. The examination is not about testing a pupil’s ability to recall specific portions of the texts they have read; it is a test of how they understand and can interpret the literature they have studied.

It is also not the case that pupils have to memorise “250+ quotes”, as reported in the petition. I am not clear where that figure has come from, but neither the Department for Education’s GCSE subject content nor Ofqual’s regulations contain any requirement that suggest it will be necessary to learn such a high number of quotes, or indeed any specific number. Ofqual does not prohibit access to texts during an exam and exam boards may give pupils extracts from works, such as an extract from a novel, a scene from a play or a poem. Such extracts form part of the exam materials. What is not allowed is for pupils to have copies of the full play, novel or set of poems to take into the exam with them.

Before I go on to explain the assessment approaches of the new English literature GCSE, I will say why English literature is so important, although the hon. Lady has already said it. We want all pupils to develop a love of literature by reading widely for enjoyment. Reading is the cornerstone of education. Ensuring that pupils have a love of literature is a pleasure to serve under your chairmanship, Mrs Main.

The remaining texts were announced by Ofqual in 2014. The specification for poetry and a novel from the 1800s is new, and we believe that it adds more depth and rigour to the qualification.

There is also a requirement for pupils to study no fewer than 15 poems by at least five poets, and a minimum of 300 lines of poetry. That element is designed to reward pupils who have gained a deep understanding of literature and have read widely enough throughout the course—it is not about memorising poems word for word. It is interesting to note that the views of the English subject community are mixed, with many not agreeing with the views expressed in the petition. For example, a 2015 blog by the English and Media Centre’s co-director, Barbara Bleiman, put memorisation and learning by heart into context. Focusing on poetry, she wrote:

“It doesn’t seem to us to be unreasonable, in a Literature exam, to ask pupils to choose one poem to talk about that isn’t there in front of them, nor does it necessitate rote learning or wholesale memorisation. Being able to recollect some details from their chosen poem...and give a few examples, using quotation or not, doesn’t require learning by heart or massive taxing of the memory.”

The introduction of closed-book examinations triggered the debate. What that means in practice is that pupils are not provided with copies of the novels, plays or poems they have studied during the course. The expectation is that pupils read widely and deeply during their studies to prepare them to answer questions in the exam about the books and poems they have studied. That means that they will be able critically to compare and contrast a range of literature using relevant quotes and text references to demonstrate the depth of their understanding. Additionally, pupils need to answer questions about unseen texts—texts they have not studied and are unlikely to have read before. These unseen texts might, but do not have to be, by authors whose works pupils have studied as set books. Pupils may have to compare an unseen text with one of the texts they have studied.

The subject content for the new English literature GCSE was published in 2013, and the rules about open texts were announced by Ofqual in 2014. Teaching of the new GCSE began in September 2015, which is why we will see the first exams in the new subject this summer. The new English literature GCSE requires pupils to study a range of high-quality, challenging and substantial texts, including at least one Shakespeare play, one 19th-century novel, a selection of poetry since 1789, including representative Romantic poetry, and fiction or drama from the British Isles since 1914. The specification for poetry and a novel from the 1800s is new, and we believe that it adds more depth and rigour to the qualification.

The subject content for the new English literature GCSE, notably the claim that exam boards would not provide pupils with any extracts from the novels, poems and plays that they have studied, as well as the expectation that pupils will have to memorise large amounts of text, is not the case. Pupils do not have to reproduce word for word what they have read to pass the GCSE. The examination is not about testing a pupil’s ability to recall specific portions of the texts they have read; it is a test of how they understand and can interpret the literature they have studied.

It is also not the case that pupils have to memorise “250+ quotes”, as reported in the petition. I am not clear where that figure has come from, but neither the Department for Education’s GCSE subject content nor Ofqual’s regulations contain any requirement that suggest it will be necessary to learn such a high number of quotes, or indeed any specific number. Ofqual does not prohibit access to texts during an exam and exam boards may give pupils extracts from works, such as an extract from a novel, a scene from a play or a poem. Such extracts form part of the exam materials. What is not allowed is for pupils to have copies of the full play, novel or set of poems to take into the exam with them.

Before I go on to explain the assessment approaches of the new English literature GCSE, I will say why English literature is so important, although the hon. Lady has already said it. We want all pupils to develop a love of literature by reading widely for enjoyment. Reading is the cornerstone of education. Ensuring that pupils have a love of literature is a pleasure to serve under your chairmanship, Mrs Main.
We do not expect exam boards to give pupils, or allow them access to, copies of the whole texts they have studied during their exams. Boards can, however, provide relevant extracts, and they are already including examples of such extracts in their sample assessment materials. Pupils will therefore be familiar with the types of extract they will be given. It is important that pupils are not misled into believing that they will get good marks simply by memorising and writing out the poems or texts they have studied. They will not be marked on their ability to learn and remember the exact words of poems or texts by heart. They may gain extra marks through the intelligent use of quotations, but the requirement is about illustrating pupils’ interpretation and understanding of the text, and hence demonstrating their understanding of the question. Quotations can be part of that. Each exam board will have guidance for its examiners for each specification that covers expectations of the mark scheme, the aim of which is to ensure standardisation when examiners are marking. It may include guidance on how examiners should approach textual references and quotes.

To gain good marks, pupils will need to show that they are familiar with the texts they have studied and, in some questions, that their understanding is sufficiently developed to compare them either with each other or with unseen texts that have been given to them in the exam. Pupils will need to write about a poem they have studied that is not given to them in the exam, but that will not require them to reproduce the text in full. Rather, it will require pupils to recollect aspects about the poem, such as themes, issues and the way in which language is used to create particular effects, so as to compare it with one provided in the exam.

In the past, pupils have been able to take either annotated or clean copies of the studied texts into the exam, but that risks undermining the requirement for them to have studied in detail the whole text as part of their course. That requirement is important, and it is particularly relevant in poetry. If pupils know they will be given access to the whole text of a poem as part of their exam, they may feel they do not need to study the whole poem, or the whole array or anthology of poems, as they can do the reading during the exam. In addition, if pupils had the text available to them, it would shape the expectations of the exam. For example, if they can refer to the text, exam questions and their mark schemes would expect a much more detailed and extensive use of quotes and references. As it is, questions and mark schemes for the new qualifications are written in the knowledge that pupils will not have access to the text, and the expectations are moderated accordingly. The same relates to questions in which extracts are provided. For example, if an extract from a novel or a Shakespeare play is provided, clear and detailed references and quotes may be expected, and papers marked accordingly.

The e-petition notes that pupils

“are expected to remember...themes and context that are incorporated within these texts”.

That is true, but it is not clear that providing a copy of the text would represent an advantage to a pupil. If a pupil is not already aware of, or able to recall, broad issues such as the themes and context of the texts they have studied, having a copy of the text with no notes or annotations will not help them. Indeed, Ofqual has pointed out that pupils might in fact be disadvantaged if they were provided with the text. A comparatively short exam does not give time for pupils who are unfamiliar with, or who have forgotten, the themes or structure of the text to use the text in the exam to demonstrate the understanding expected. Additionally, even if pupils have a good understanding of the text prior to the assessment, there is a risk that they might spend significant portions of the exam searching for quotes or references in the mistaken belief that that will secure them high marks. Again, unless the text is provided, the mark schemes for the reformed qualifications do not expect extensive quotes from memory.

Finally, the practice of pupils taking copies of texts into the exam creates practical problems for exam boards and centres. The majority of text editions come with an introduction, notes and a glossary. These annotated texts are immensely helpful in the classroom and would be the most obvious choice for an English department budget. However, such texts would not be appropriate in the exam room, and centres would need to purchase an extra set of texts free of textual additions. Not only is it difficult and, in some cases, impossible to source text-only editions, it would also be a major expense.

The hon. Member for South Shields raised the important issue of children with special educational needs. Students with disabilities are entitled to reasonable adjustments and schools will be in touch with the exam boards to request them. She asked for examples. Typical adjustments are the use of extra time, scribes and readers and, depending on the disability, different fonts, coloured paper, enlarged papers and so on can also be made available. We consulted specifically on access to texts last year as part of a wider consultation on the specifications on the use of reasonable adjustments.

This summer, pupils will not only take the new English and maths GCSEs but will also receive a new grade. The new qualifications will be graded from 9 to 1, instead of from A* to G, with 9 being the highest. The new scale is intended to recognise better the achievements of high-attaining pupils and ensure that parents have greater clarity about how well their child performs in the exams. It will also clearly distinguish the new, more challenging GCSEs from their predecessor qualifications.

I hope hon. Members are reassured that passing the new English Literature GCSE does not require pupils to memorise vast amounts of texts and that our reformed GCSEs will provide all pupils with the qualifications they need to progress to further education and employment.

5.8 pm

Helen Jones: There is very little for me to say, except to thank my hon. Friend the Member for South Shields (Mrs Lewell-Buck) for her contribution. I listened carefully to the Minister’s detailed response, and thank him for it. No doubt we will discuss the matter at length on other occasions. In the meantime, may I say what a pleasure it has been to chair the Petitions Committee and that I wish colleagues if not the best of luck, at least a sunny election campaign, with little rain?

Question put and agreed to.

Resolved.

That this House has considered e-petition 172405 relating to GCSE English Literature exams.

5.8 pm

Sitting adjourned.
Westminster Hall

Tuesday 25 April 2017

[SIR EDWARD LEIGH IN THE CHAIR]

Post Office Closures

9.30 am

Tim Loughton (East Worthing and Shoreham) (Con):

I beg to move,

That this House has considered Post Office closures.

It is am grateful to the Backbench Business Committee for the opportunity to discuss this important subject. The number of right hon. and hon. Members present shows how important it is—who would have thought that there was an election on? I am aware that many Members wish to speak, so I will keep my comments as brief as possible. If hon. Members wish to intervene rather than make their own speeches, I will try to take some interventions. To help with the timing, I intend not to speak at the end of the debate.

I appreciate that the last debate on the subject, which was held as recently as November and was led by the hon. Member for Luton North (Kelvin Hopkins), aired many issues that I am sure hon. Members will wish to return that they are getting on them?

David Simpson (Upper Bann) (DUP): I congratulate the hon. Gentleman on securing this debate. Does he agree that the Government need to look at the services that post offices provide, which they are losing, and the return that they are getting on them?

Tim Loughton: That is a very important point that I would like to come on to; it is a question about why the Post Office is not growing rather than retrenching.

In 2016, the Post Office announced the closure of 31 Crown post office branches—even though the Crown offices are now breaking even, after making a £46 million loss four years ago. Some of those post offices have not been converted into the new type of post office and their future is still uncertain. In January this year, a further 37 Crown post offices were identified for closure, including the last two remaining Crown post offices in my constituency, which were in Lancing and Shoreham.

That caused huge concern among my constituents and gave rise to lots of petitions and demonstrations by people from all parties. I found it particularly disrespectful that the first I heard of it was when a constituent rang me up to ask what I was doing about it; the Post Office had not even had the courtesy to let the sitting Member of Parliament or councillors know what it was planning.

I organised an urgent meeting with the Post Office and it went through the procedures. I was reassured that firms such as WH Smith had taken on more than 100 of the franchises and everything was supposedly working well. I gather that the other firms that have taken post offices on include a chain called Bargain Booze, an off-licence with some 30 post offices—some hon. Members may have concerns about how appropriate that is. I was told that both the Crown post office branches in my constituency were unprofitable, which was why they were to be franchised out, yet the Lancing branch, along with one very small sub-post office right on the fringe of the village of Lancing, now looks after a population of 27,000. Not surprisingly, queues are frequent. It also services the second largest business park in the whole of West Sussex, with 228 firms that employ more than 3,000 people. The village has lost almost all its bank branches; we were told that when we lost them, we could do all our banking at the post office, so there was no great concern. If the post office branches are not making a profit, that suggests that they are not being run very well—it is certainly not for lack of usage or lack of demand from the local population.

I was told today that one of those Crown post office branches is to be transferred to a nearby convenience store, which is much smaller than the existing post office and has operated since only 2013. On the upside, there will be extended opening hours on Saturdays and Sundays and new disability access, but on the downside, nobody believes that the store is big enough to house a heavily, because without an excuse to come to the high street to use the post office, people do not use the neighbouring shops. Post offices act as community hubs. They are well used by the elderly population, particularly in areas such as mine that have a high population of pensioners, and by those from disadvantaged backgrounds, particularly those who do not have conventional bank accounts. For those reasons, post offices remain popular and well used, with something like 17 million customers a week.

Post office branches and Crown post offices are very important parts of the local community. Local businesses, including retail and other small businesses, rely on them.
replacement Crown post office. It will have fewer serving positions, when there are already serious concerns about queues, and it will not be able to offer the biometric enrolment service for Home Office applications. There are also concerns about staff transfer: we know that in the post offices that have so far converted, only 10 of the 400 staff have been TUPE-ed across and they are often going into minimum wage jobs. There are question marks over ongoing training for staff who now work in non-Crown post offices, which have tended to have a big turnover of staff. In many of these shops, staff hours get cut and, after initial promises about extended opening times, the shops tend to retract.

What happens if the model fails? Some 8,000 sub-post offices are now in convenience stores, which have seen a 4% reduction in staff hours since the national living wage came in. Some 30% of businesses also face challenges with the revaluation of business rates. The Daltons website currently shows 705 post office branches for sale. There is a lot of change and churn in the sector, so longer-term questions arise about the viability and sustainability of the new arrangements.

Both my Crown post offices are co-located with sorting offices. Although the sorting offices are run not by the Post Office but by Royal Mail, they are very conveniently placed next to the post offices. Experience has shown that without those anchor partnership tenants, sorting offices are relocated to out-of-town sites, which are much less convenient for people who need to get their deliveries, particularly in places with many elderly people who may not be so mobile.

There is going to be a consultation on my post office. It will be extended because of the election, but we all know that not a single consultation has overturned any of the proposals to transfer these post offices, so I fear that it will be something of a token exercise. The measurements of an access door may be changed by a few inches or the sweet counter may be relocated because it gets in the way of guide dogs, but frankly the consultation will be a token exercise.

I am aware that Citizens Advice does a good job as the oversight body and that some of its research has suggested that there have been some improvements to access and to service with the new format, but overall the fears are that the queues will get longer, transactions will take longer and the service will be less consistent. People are dealing with different staff and it is just not as good as it used to be.

That brings me to my second point. Where exactly is the Post Office going? Everything that the Post Office has done—I have cited the statistics about making it more efficient, reducing losses and so on, and perhaps extending some opening hours—is all based on retrenchment, which is a policy that sees the post office, especially the directly owned post office, getting smaller and offering fewer services to its customers. There are now fewer than 300 post offices that are directly owned Crown post offices.

The financial services part of the Post Office, which should be a big money-spinner, is diminishing. At the beginning of the year, 150 financial specialists were made redundant. There was a specialist financial office in the Lancing post office, but it was closed earlier this year. I gather that the specialist mortgage advice that the Post Office gives, because of its relationship with the Bank of Ireland, generates a one-off payment of just £800 for brokering mortgages, and there is no ongoing revenue. The Post Office seems to be selling itself very cheap in that regard and it is caught in that relationship until 2023, and it does not sound as though it is a very profitable one for the Post Office.

My question to the Minister, which I hope she will be able to answer to enlighten us, is: why is the Post Office not making more of banking and financial services in particular, given that it is a trusted name and a presence on the high street, at a time when conventional banks are disappearing from high streets?

Post Office revenues roughly break down as follows. I gather that about 47% of the revenue of post offices is from stamp sales, but increasingly stamps are available to buy anywhere. There are also Government services, including Driver and Vehicle Licensing Agency services, fishing licences and the Department for Work and Pensions card account, but of course those services are all being squeezed and the revenue from them has been diminishing. The Post Office also offers access to current accounts. Banking protocols have been sorted out so that there can be cross-fertilisation of different bank services within a post office, which had been a problem. And then there are the Post Office’s financial services, but again that seems to be a declining market for the Post Office.

Why is the Post Office not copying the challenger banks, for example? Banks such as Metro Bank and Handelsbanken are making a really good fist of expanding into new markets. Metro Bank now has 915,000 customers; it has taken £8 billion in deposits and has 110 branches, and it is growing. Alternatively, as hon. Members have asked in these kinds of debates before, why are we not doing what has been done in France? One thing that we might want to copy from France is La Banque Postale, which was founded in 2006 specifically as a tool to help to tackle financial exclusion and in 2016 had a turnover of €5.6 billion and a pre-tax profit of just over €1 billion. There are similar examples in New Zealand and Italy. There is surely a fantastic opportunity for the state-owned Post Office to take advantage of changing markets and changes in how we conduct our financial business, as a body that is trusted and that is already on the high street. For some reason, the Post Office is not taking that opportunity.

Similarly, why is the Post Office not making more of click and collect services? Everywhere I go now there are shops sprouting up on high streets specifically for people to collect their Amazon and other deliveries, because they are not at home to receive them. The Post Office is already on high streets and surely could offer that kind of service, and yet I gather that 80% of post offices do not have those kinds of facilities. There will be even fewer post offices with them if they are moved to smaller premises that just do not have the room to store and collect parcels.

The overall commercial revenue of the Post Office has been virtually stagnant in the last few years. So it is a great mystery why it is not expanding and becoming more profitable, which would be better for the taxpayer and customers, rather than following a long-term strategy that appears to be based on retrenchment and shrinkage.

Finally, I have some questions for the Minister, in addition to the bigger question of what the big game plan is for the Post Office. The network transformation
programme is due to end by March 2018, by which time some 7,500 traditional sub-post offices will have been converted to the new model, but what comes after March 2018 in terms of subsidy and further transformation revenues? In opinion polls, 85% of the public have expressed support for the Government—the taxpayer—continuing to subsidise the Post Office, and not just to deal with the obvious challenges that face rural post offices, which will always face the sparsity challenge. Are any further reductions in Crown network offices planned for the next year? Citizens Advice has suggested that there should be an automatic break if 5% of branches announce that they are to be closed without breaking the access criteria, which is quite hard to do anyway. Will that happen?

The biggest question is: why is the Post Office not taking current opportunities to expand instead of retrenching, particularly as it has the security of Government backing for its revenues and is a trusted name? In 2010, when the Government promised to transform the Post Office—

**Sir Edward Leigh (in the Chair):** Order. I have a list of 12 Back Benchers who wish to speak.

**Tim Loughton:** I am on my final sentence, Sir Edward. In 2010, the Government promised to transform the Post Office into a genuine front office for the Government and that there would be a significant expansion of the Post Office’s banking services, but they have failed so far to implement those measures, as the revenue from Government services has fallen by 40% and income from financial services has stagnated. Closing down flagship branches, getting rid of experienced staff and putting counters into the back of a WH Smith store or a Bargain Booze outlet is surely not a plan for greater innovation, which I think is what our constituents want to see.

**Several hon. Members rose—**

**Sir Edward Leigh (in the Chair):** I have a problem, because I have got a list of at least 12 people who want to speak. I will have to impose a four-minute limit on speeches. If people intervene, then some other people will not get to speak.

I should probably choose first our most senior Member here today, David Winnick.

9.46 am

**Mr David Winnick** (Walsall North) (Lab): Thank you, Sir Edward, for calling me to speak.

I am pleased to follow the hon. Member for East Worthing and Shoreham (Tim Loughton), who made some valid points. Because of time, I will simply concentrate on the Willenhall Crown post office in the Walsall borough. A second attempt is being made to close it. The first attempt was in 2013, which led to an Adjournment debate. The town was unanimously opposed to closure, which should have come as no surprise, even in a place where, as in other areas, there is not normally unanimous opinion. I found no one in Willenhall who wanted to see the post office close.

Then came the welcome news, and it was indeed welcome, that the Post Office management had changed their minds. Instead of closing the Willenhall post office, it had decided to retain it and invest in it, which was part of—listen to these words—“building a modern, profitable and sustainable network”. Joy does not last long where the Post Office management are concerned; under the latest proposals for closures, Willenhall post office is due to face the axe.

The hon. Gentleman was right to talk about public consultation. I am all for consultation, but as far as the Post Office is concerned there is as much consultation as there is in North Korea. There is as much choice as Henry Ford offered when he said of his cars: “You can have any colour as long as it’s black”.

So there is no consultation. Indeed, when I received the original letter that stated there would be consultation, I asked, “If residents come along, or write, and make it clear that they are opposed, will it make any difference?” The answer was quite clearly no. There would be consultation on alternatives to the Willenhall post office, on whether there would be toilet facilities in any alternative location, on car parking, and so on, but on the crucial issue of whether the Willenhall post office should close, the decision had been made and there would be no change. So much for consultation.

What concerns me is not simply the closure of Willenhall post office. What I have found is that bank and post office closures tend to go together; whether the bank or the post office closes first. Such closures certainly have—as is bound to be the case—an adverse effect on local communities.

We had a demonstration the other week. The union was involved, along with elected representatives and, of course, the public. We were just outside Willenhall Crown post office staging our opposition to the closure. What was happening inside? I will tell the Minister, if she is listening: there was a lengthy queue. There was no lack of business. This post office is clearly central to Willenhall, but that does not seem to matter to the Post Office or to the Government. The Post Office management is acting under intense pressure from the Government; we should have no doubts about that.

What is happening is most unfortunate and I will continue to do my best with other people in Willenhall and with the unions to retain the Crown post office there. The chances are very slight, but I conclude with these words: I used the opportunity in the last Adjournment debate to make the voice of Willenhall heard in the House of Commons and I do so again today in the hope of a reprieve.

9.50 am

**Mr Iain Duncan Smith** (Chingford and Woodford Green) (Con): I will be brief. I completely support my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton), who initiated the debate. He has made all the basic national points. I also support much of what the hon. Member for Walsall North (Mr Winnick) said about his post office.

I am here because it has been announced, although I do not think I received any specific notice of the proposal, that the Crown post office in George Lane in my constituency is to be closed. Ironically, it is situated very close to a sorting office, which I understand the other side of the fence now wants to shut. We will therefore have a serious blight in the area. With the loss of the
post office, people who want to pick up parcels will perhaps have to go all the way up to north Chingford, which is some distance away and the traffic is never that easy. We will have a real calamity on the high street.

It is worth reminding the Post Office and the Government that post offices are part of the chain of integral elements on a high street which, bit by bit by bit, are being removed. The banks have disappeared, and now, in many areas and even in my own, there is real pressure to get rid of small industrial estates, which are vital to the life of communities because people who work on them use the high street during the day, to find their food, to shop generally and so on. There is continuous life there. The post office is an integral element because it brings people into the community, particularly elderly people who do their shopping there. The high street will therefore suffer as a result of the closures.

As my hon. Friend the Member for East Worthing and Shoreham said, there are much better ways to do this. The absence of any sense of innovation in the Post Office is remarkable, given that it owns prime sites that could be used flexibly. When I was at the Department for Work and Pensions, I wanted to persuade the organisation to allow post offices to be used for outreach. The Post Office was utterly negative about the idea and did not want to entertain it, but the Government need to press it again. With terminals where people, particularly the elderly, could receive at the very least reasonable advice about benefit claims, post offices could easily be utilised for further Government activity, beyond all their other work.

The banking side is another consideration. About five years ago, the Post Office was told absolutely clearly by the Government that if it came back with positive responses about how to set up a banking facility, it would be given a reasonable hearing. It took a year for it to come back with absolutely no response whatsoever, except to say —this was connected with the Post Office card account or POCA—that it did not think it was feasible for the Post Office to do that. All along, there has been negativity from the Post Office regarding any ideas about using its facilities in ways that could genuinely increase its revenue and make it more flexible.

Nearly eight years ago in my community we lost a sub-post office on the high street. We were told, “Don’t worry, the Crown post office will be able to take all that business”, and now we find that that post office is about to close as well, leaving us with no postal service at all in business”, and now we find that that post office is about to close, leaving us with no postal service at all in business, and now we find that that post office is about to close because we have a small population spread over a large area of terrain. However, there has been a constant process of attrition. Time after time, sub-post offices have closed temporarily because the person running them has retired or moved away or is simply fed up with managing the business—and who can blame them? In fact, I have one post office that is about to reopen in the next month or two in the village of Finstown in Orkney. It has been a Herculean effort to find someone to take it on, but it shows that it is still possible to achieve that if there is willingness from a handful of people to make it work.

It is difficult now to make a sub-post office work as a stand-alone business, and for that reason the few businesses that are left are generally being folded into shops, garages, cafés and other places. That is good for those businesses, but it requires a bit more flexibility and sensitivity on the part of the Post Office. I am thinking of the example of Stromness, the second largest town in Orkney, which for years had a stand-alone sub-post office. When that sub-post office was no longer allowed to continue, it was moved into a bakers and general store. The community does not feel comfortable, despite the best efforts of the shop owner, to go along and get their pensions on one side of the counter while standing next to someone buying their messages on the other.

The Post Office needs to be more proactive in supporting people who are prepared to provide a sub-post office service. I spent an hour on Sunday night with the owners of the Palace Stores in Birsay in Orkney—a great little local shop that also includes the post office. They tell me that they have probably lost about a month of post office business because of poor connectivity. The broadband connection that is necessary to run a sub-post office is unreliable. That obviously has more to do with BT Openreach and Fujitsu, which provide the internet services for the Post Office, and their inability to speak to each other, but it is a good example of how the Post Office could make a real difference if it took a more proactive role in supporting its sub-postmasters and sub-postmistresses.

A small country shop in Orkney going to talk to BT will get treated as if it were a small country shop, but a big organisation such as the Post Office would be listened to and taken much more seriously and, in that very practical sense, it would be able to support people who have for years provided one of the most important services in the communities I have been privileged to represent. For that reason, I hope that the Minister will take to the Post Office management the message that that should be its priority.

Mr Richard Bacon (South Norfolk) (Con): It is a pleasure to serve under your chairmanship, Sir Edward. I congratulate my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) on securing the debate.
I would like to raise the case of Diss Crown post office in my constituency, which is at the heart of the marketplace in Diss. In that geographically central area of Diss, 10,000 local residents, which is more than twice the number of people on the electoral role for the area at the time, turned up to welcome the Royal Anglian Regiment—the Vikings—home after its tours in Afghanistan and Iraq. The post office is very much at the heart of the community. In particular, it is not only at the heart of Diss, but it will be at the centre of the regenerated Diss following the newly reinvigorated Diss heritage triangle project. That £3 million regeneration includes £1.65 million from the Heritage Lottery Fund. Part of the scheme will relocate some of the town's facilities, including the tourist information office, further north towards the centre, away from the supermarkets on the fringes of the town. The proposal to close the Diss Crown post office cuts completely against that project.

WH Smith has expressed an interest in taking on the franchise, but the WH Smith branch in Diss must be one of the smallest in the country. It is up some very narrow steps through a narrow door. In fact, there are two narrow doors either side of the shop window, but they are not in the remotest bit suitable for disabled access and nothing that could be done would make a serious difference, because the footprint of the store is very small. My local district council, South Norfolk Council, has invested £400,000 of council tax payers' money in the heritage triangle project. Indeed, paragraph 2.32 of the South Norfolk local plan refers to the need to protect primary shopping centres, including the Diss heritage triangle.

The proposal to transfer the post office further south to the WH Smith branch would, apart from the inaccessibility problems, put it on the wrong side of town. That would be to the clear detriment of public investment in restoring the old town centre. It would also mean that many public events, such as the welcome home parade to which I referred and the annual Remembrance Day parade, would, instead of taking place against the background of a heavily used, vibrant public building—as other Members have said, it is surprising that it is not possible for such branches to be profitable, and I find it almost impossible to believe that it is not—take place against the background of a closed, redundant, empty building, since there is no word on what Post Office Counters would do with it. In the case of Diss, it would have a damaging effect by counteracting significant public investment in a project that aims to revive Diss town centre.

The Post Office's current proposal is to relocate the branch to WH Smith, which are the wrong premises in the wrong place. That goes against the trend of local public investment aimed at securing regeneration in one of our finest market towns, which has some of the oldest town records anywhere in the country. Diss could and should be a flagship example of the regeneration of our market towns, with the successful Crown post office at its heart. I hope the Minister will take these points to the Post Office. She should explain not only that we want a much more commercial and proactive approach, as my hon. Friend the Member for East Worthing and Shoreham said, but that there are certain Crown post offices where the proposals are wholly unsuitable. We need and deserve something better.

Albert Owen (Ynys Môn) (Lab): The hon. Member for East Worthing and Shoreham (Tim Loughton), who moved the motion, was absolutely right in his thoughtful speech when he said that there would be repetition of many issues, but that we would concentrate on our local areas. Post offices are the heart of our communities and are vital for businesses and local communities.

The beautiful isle of Anglesey, Ynys Môn, is well known to the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith). In 2014, the Post Office tried to close down the branch in the market town and put it out to franchise. There were no suitable premises and nothing has changed, yet the Post Office has come back, repeating exactly the same measures to close it down. The branch is purpose-built in the centre of town. It has access outside for buses and elderly people. It is perfect.

When there were sub-post office closures in rural areas in my constituency, we were told that the Crown post office was the hub of the whole area. Now the Post Office wants to close down the hub. The Post Office is not listening, but it needs to start listening to local communities and local businesses, because across the country we are seeing not only local post office closures, but mass bank closures as well. Local businesses are finding it difficult to do cash handling and run their businesses. When the Post Office closes down Crown post offices, we get empty buildings where lots of money has been spent on regeneration. That will be the legacy of the Post Office, and it is counterproductive. I know that the Minister is as anxious as we are that that should not happen, but we need a proactive Government and a proactive Post Office. We need to look at innovation. We need to look at the brand, to improve it and Post Office products. There are great opportunities.

We are going through a period of mass bank closures. I suggest that the Minister listen to the Communication Workers Union, which is proposing a Post Office bank, which would help with loans for local businesses. We have just been through global financial difficulty, where local banks were not facilitating local businesses in the way that they should have been. I believe in a mixed economy. When the Government have a stake in the Post Office, as they do, they should intervene in a sensible way through the Post Office with a Post Office bank.

People regularly go to do their business and their trade in Llangefni. It is an historic market town, but it is modern too. People do things in a more digital way these days, but as the right hon. Member for Orkney and Shetland (Mr Carmichael) said, broadband facilities can be poor. We need to improve our infrastructure and our post offices. We need to begin listening to local businesses and local communities, because post office and bank closures are ripping the heart out of our local communities.

The Government rightly talk about localism, but local people and local businesses do not want this closure programme. They oppose it firmly. As representatives—this is not the first time I have stood up here for my constituents—we are making coherent points. We want the Post Office to work for our communities, our businesses and the future. I urge the Minister to look closely at the CWU proposals. Let us have the Post Office doing what it used to do when I was a kid: having savings banks and
helping businesses in communities. That is the way forward, and I hope the Minister will take it on, on behalf of the people of Ynys Môn.

Several hon. Members rose—

Sir Edward Leigh (in the Chair): Order. I am afraid that three more Members have put in a request to speak. I want to try to get everyone in, so I am afraid I have to reduce the limit again, to three minutes.

Mrs Sheryll Murray (South East Cornwall) (Con): Thank you, Sir Edward. It is a pleasure to follow the hon. Member for Ynys Môn (Albert Owen). I want to talk about three post offices in my area, the first of which is in Lostwithiel. The post office closed, but it now half-opens, for two days a week. Sadly that announcement was made on social media for political gain before consultation with the local community, but it was welcome. However, Lostwithiel is due to lose its permanent bank, and it will have a mobile banking service for two sessions a week. There is no bus service. I am pleading for the Minister to do everything she can to ensure that my constituents in that town, which is bereft of vital public services, can have a permanent post office again. It is an ancient stannary town. It has a lot of antiques businesses and privately owned local businesses. They need a permanent post office service that is open for hours that serve everyone in the community, particularly workers.

We have had a bit of a reprieve in Looe, where my late husband was a fisherman. We saw the post office closed in east Looe. Fortunately, just like in Lostwithiel with its two days, a hard-working postmaster from another village has come in and taken over. Working very closely with my local councillors and local council candidates, we have secured a temporary reprieve, but we need a permanent solution. It is a major tourist town. Tourists do not want to come to a town where they cannot even access post office services.

Finally, in Torpoint, which is very close to my home town, we have had the bank close. People have been told that to use banking services they can go to the post office or make a three-hour round trip. Someone has looked on a map and measured the distance and not taken account of the fact that, on the Rame peninsula, it is an hour and a half’s bus ride to access the alternative bank. The post office is already heavily used and people are very worried that it will not be able to cope with the extra pressure. Will the Minister take account of rural post office services in places such as South East Cornwall to ensure that people get the service they want?

Carol Monaghan (Glasgow North West) (SNP): Drumchapel post office on Hecla Avenue is under threat of closure. Drumchapel is an area in the north-west of Glasgow with a population of about 13,000. It was developed post-war to move people from urban slums to the outskirts of the city, but much of the housing that was built was poor quality, and lack of amenities meant that Drumchapel experienced serious social issues, many of which persist. Digital literacy is low and one in every two children lives in poverty. Although there are one or two shops around the estate, the heart of Drumchapel is the small shopping centre where the Hecla Avenue post office is located.

There is a small post office counter at the opposite end of the estate, but it offers a much reduced service. A quick check shows that it offers Drop & Go and foreign currency, whereas our main post office on Hecla Avenue offers passport services, banking, car tax, travel insurance and bus tickets, to name a few things. This is of greater importance when we consider that, in Drumchapel, a high number of people are not able to access the internet. A recent study by Citizens Advice Scotland estimated that 50% of people in areas of deprivation do not have internet access. Many of the tasks that we can do at home are not possible for many of the residents of Drumchapel.

I have visited the Hecla Avenue post office numerous times in the past few months and have listened to residents’ concerns. They have said that it will be difficult to travel to the next-nearest post office—for some disabled people it will be impossible. The post office is busy with queues at the counter, so the locals feel strongly about its potential closure. I have a petition with 640 signatures and another 500 online, which I will present today.

The post office is at the heart of the local community. Its removal would be devastating for Drumchapel. This is about more than commercial viability. The post office is a key public service that must be protected. Will the Minister tell us whether there has been an impact assessment on the area of Drumchapel? Has the mobility of residents been considered when looking at closures? Closure of the post office must not go ahead. It would be devastating for the community.

Huw Merriman (Bexhill and Battle) (Con): The title of this debate was the title of the first debate that I had in my name in Westminster Hall when I was elected in 2015. I vowed I would continue to speak on the subject, so I thank my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) for giving me this chance.

For more than a year in my constituency, 8,000 constituents were unable to access a post office in Heathfield because the previous landlord had locked the doors and refused to allow trading. Alternatives were suggested during that time, but no business was willing to take the post office on. I therefore use this opportunity to thank Mr Sanjiv Patel from Unique Wines in Heathfield, who had vision and was willing to take the risk and take the post office on. Almost 12 months on, that business is thriving and I pay tribute to him for taking that risk. I hope other hon. Members will find entrepreneurs willing to do likewise in their constituencies to solve the problems that have been outlined.

At this juncture, I want to give credit to post office business. There are 25 branches in my constituency. As a result of a lot of co-operation, 17 branches have received investment to modernise, transforming into either a main post office or a local. I have six branches that have community status as the last shop in the village—they have received access to investment funding. I have 600 additional branch opening hours per week and 10 branches open on a Sunday. I wish our GP surgeries would follow suit.
I want to come back briefly to three points made during the debate, which are important for reform. First, despite not having a post office or a single business willing to put itself forward, and having only one option. Heathfield still had to run a consultation exercise, which delayed the inevitable decision to go with the one business willing to put itself forward. Secondly, the point has been made as to whether franchises such as Bargain Booze are suitable. Unique Wines is obviously an alcohol-selling business, but we have not seen any notable impacts as a result. Frankly, if such a business is willing to take a risk when no others will, I will support it.

Thirdly, the point was made about the post office as a financial services provider. My hon. Friend the Member for East Worthing and Shoreham had a great idea. Given that such a large part of the customer base is pensioners, and that we need more high street providers to provide equity release solutions to pensioners for social care, perhaps there is an obvious match.

Finally, in a settlement where there are more than 5,000 residents who have had no post office for six months, I would like to see the post office provide both the base and the postmaster for the future.

10.15 am

**Stella Creasy** (Walthamstow) (Lab/Co-op): Today’s debate is not about being against change. Those of us who have concerns recognise that the world is a very different place. I will wager there is nobody here who managed to do a degree with the help of Wikipedia. Indeed, some of us have jumpers older than the internet.

[Interruption.] I have to say I have seen them on the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith). However, the question is about what drives the changes. Opposition Members are concerned that changes driven by the market alone rarely deliver the best outcomes for the public and often end up hitting the poorest hardest. Of the changes and closures that we have seen in the past couple of years, 40% have been in poor urban communities such as my own. Indeed, under the latest proposal, two post offices in Walthamstow are threatened.

In the short time available, I want to flag up a couple of points with the Minister. First and foremost, closures are not happening in a vacuum, but against a backdrop of bank closures, as many of my colleagues have said. I caution the hon. Member for East Worthing and Shoreham (Tim Loughton) because, with the closure of banks and the services that post offices provide, it is simply not the same for residents. They might be able to get cash out or do a balance enquiry, but they can do precious little else. That matters in communities such as mine.

I disagree with the hon. Member for Bexhill and Battle (Huw Merriman), who said he is happy to see franchises with anybody and everybody. I am not sure we want shots with our stamps, and I am certainly concerned about the evidence that services have deteriorated in franchises with WH Smith, particularly in terms of disabled access and queue times.

**Vicky Foxcroft** (Lewisham, Deptford) (Lab): I agree with my hon. Friend. I am concerned that I have been unable to get any figures on profitability for the New Cross Gate post office. The Minister needs to ensure that we get that information.

**Stella Creasy:** I completely agree. For those of us facing closures such as those in Walthamstow and on Lea Bridge Road—our main post office is in Walthamstow—the question is the alternative future. What could make them sustainable, not as white elephants in the provision of public services locally, but as jewels in the crown? For me, that comes with the role of financial services, particularly the missed opportunities with the link-up that could happen with organisations such as credit unions. I know that some Government Members did not think DWP services should be part of our post office system, but there is an opportunity when it comes to financial services.

We know that under-banking is still a major problem in this country. Some 2 million people have no access to a bank account, including 8% of all 18 to 19-year-olds. We know there is rising debt in our communities. We see it in our surgeries. In London alone, we see people who have too much month for their money and there are big increases in consumer borrowing, so the credit union is never more needed. It is a missed opportunity. I want to hear the Minister tell us why in six years of the Government talking about working with credit unions, we have not seen a link-up with post offices. We know that the trade unions, which have done fantastic work uncovering the impact of the closures on communities such as mine, would support such work. In my local area, the Government have not even asked the credit union whether they could work together, and they are talking about closing two local post offices. They now say the consultation is over and it is too late to start that conversation.

We must not lose the opportunity to build the financial inclusion that all of our communities need by bringing those two communities together. As the hon. Member for East Worthing and Shoreham has pointed out, there is a very different future for post offices in France, rooted in those financial inclusion services. What is the Minister doing to bring credit unions, not Jägermeisters, into our post offices, to give them a properly sustainable future that will serve everyone in our communities?

10.20 am

**Ian Murray** (Edinburgh South) (Lab): I am grateful to the hon. Member for East Worthing and Shoreham (Tim Loughton) for securing this incredibly important debate. I was the shadow Minister for postal services for most of the last Parliament and was told by many Ministers that this closure programme would be the last, in order to make the Post Office sustainable. It appears that that is not to be the case. I remember the phrase in the Conservative party manifesto of 2010—that dusty tome now on the shelves of political history—that said that the Government would make the Post Office the front office of Government. They have done little to do that, which has led to the situation today, where we have a number of post office and Crown office closures, including the incredibly popular Morningside post office in my constituency.

Having been in this place for seven years, I may be cynical, but I do not see the Morningside post office franchising system as being about franchising—it is about closing the post office. I remember doing a public meeting in Alloa when the first Crown post office franchising policies were going through. The Post Office was pressed on what would happen if a franchisee did not come forward to take on one of those post offices.
The answer was, “We would probably have to invest in it.” I would suggest to the Government that they have perhaps got this a little bit round the wrong way. They should be investing in our post offices to make them places on our high streets that people can use, enjoy and access the services they need.

We have a crisis on our shopping streets and high streets. Clearing banks are closing their branches—incidentally, if a clearing bank closes its branch on a local high street, people get a letter to tell them they can use the post office for the services that it will no longer supply. Local shops are in trouble. Pubs are in trouble. The post office is the iconic place on the high street that drives footfall, drives pride in the high street and gives stability to the operations of retail units. As an aside, it is not just the franchising and potential closure of Morningside post office that is not helping in terms of the high streets in my constituency; the rates for some retailers in some of those shopping districts have just gone up by more than 100%. That is surely unacceptable if we want our high streets to thrive.

Albert Owen: Will my hon. Friend give way?

Ian Murray: I would love to, but we are going to struggle to have enough time to get everyone else in.

I have seen the financial figures for the Morningside Crown post office. It is financially viable for the Post Office to run it, but it is financially unviable for anyone else to go in, given the capital and rental payments required to make it a sustainable business, which makes me suspicious that it is just a vehicle for closing the post office.

It is time to make the post office the front office of Government. The Minister has to abide by that phrase and do something that the previous 2010 to 2015 Government did not, and invest in our Crown post offices.

10.25 am

Andy Slaughter (Hammersmith) (Lab): We have seen the decline of a great British institution over a long period of time, and it is one that the public are very attached to, not just on sentimental grounds, but on practical ones. There has been a radical shift in the delivery of postal services, and not for the good. There has been a contraction in the network of about a half over a period of time, and a withdrawal of support.

Ten years ago, there was a major closure of sub-post offices, but on that occasion, at least the Post Office listened. Eight sub-post offices were threatened with closure in my borough. With a very vigorous campaign, we managed to keep five open. That left us with a viable working network. Unfortunately, despite successive Governments promising that there will be no further closures, what has happened since then is almost as bad: main post offices are moving to less good sites because they are cheaper, and there are what are described as temporary closures, which sometimes run into months or years.

Let me explain what I mean with reference to what is happening at the moment in Shepherd’s Bush, the second main town centre in my constituency. At the moment, the last of our Crown post offices is very busy, with queues out of the door. The staff are incredibly good—indeed, if a clearing bank moves its branch in a town centre, it is almost always the case that the post office will flourish.

I feel strongly that we must add to that a further erosion of what it means to live in vibrant community—a place that has resources and services that are not dependent simply on the ongoing existence of WH Smith; where people and the details and experiences of their lives count; where the expertise of those such as postal workers is valued; and where we can rely on their support to run our businesses, send parcels to our families, and send and receive goods. We do so in the knowledge that those serving us fully participate in our community, and that those with disabilities can be part of that normal life.

Every week we make 17 million visits to post offices. That is not a niche activity but part of ordinary life. Chipping away at that is yet another example of this Government’s thinning out of everyday life. Those are policy choices and those who make them erode the quality of people’s lives.
The WH Smith deal is good for the Post Office because it is cheap space. It is good for WH Smith because it increases footfall. It is not, on the whole, good for customers. Therefore, I am pleased that we are retaining our last Crown office, but it is in a much less satisfactory way. The Post Office’s concession—it has at least listened on this—is to provide a new sub-post office in the town centre of Shepherd’s Bush. Unfortunately, I see little prospect of it finding a location, because the two nearest sub-post offices have been closed—one in White City since last year and one on St Ann’s Road for two years. Both of them serve large, very deprived communities—the White City estate and Edward Woods estate. They are also growing communities because there is a lot of development in the area.

I fail to see what is going wrong. We must have a continuing network. We cannot have those temporary closures. They are happening because the offer made to shops and to existing sub-postmasters is simply not good enough. As other Members have said, this is part of the decline of our high streets—the loss of banks and shops and to everything that local people rely on.

If we do not fight and challenge the proposed changes and closures—the post office in every single major community in my constituency has been downgraded—it will be to the great detriment to our constituents, who rely on us to speak out for them. I just hope the Minister will rattle some cages.

10.31 am

**Jim Shannon** (Strangford) (DUP): I congratulate the hon. Member for East Worthing and Shoreham (Tim Loughton) on securing this debate and on setting the scene so well. I thank him for giving us all a chance to speak by curtailing his time.

I am an advocate of the Post Office. I represent a community that is both urban and rural, and I have long been concerned about the isolation of my constituents—my rural constituents in particular—who rely on the Post Office. That reliance is greater in the Ards peninsula and Strangford—the area I represent—because the banks are closing. As other hon. Members have said, when banks close, they always state that they have an agreement with the local post office, but when the post office closes, people have to jump on the bus and go on long journeys on already limited public transport to towns to access banking services.

The news in January that the Post Office would close 37 of its largest branches, leaving more than 300 people out of a job, was shocking and unexpected. Although I understand that the idea behind franchising branches is to keep services “where customers want and need them”, and to allow post offices to operate in rural areas, the fact that the large post offices are under pressure does not bode well for smaller post offices.

During the five-day strike, members of the Communication Workers Union referred to jobs and pensions. Branch closures, including the proposed closure of my local branch, have unsettled them. The fact that the Post Office is now seeking partners for 37 of its directly managed branches as part of its effort to secure its services in communities around the UK has added to workers’ job uncertainty.

The fact is that each and every one of us as MPs has fought hard to ensure that benefit payments are made to post office accounts. The number of post offices has reduced by some 50% in the past 30 years, and people are uncertain about where they will be employed. Staff must have more security. I have been told that staff confidence levels are at an all-time low, and morale levels are at a critical level. I call on the Government to respond as a major stakeholder and investor in the Post Office, and I urge the Minister to confirm that this rate of closure will not continue and that there will be investment to enhance, rather than cut, services.

Just before Christmas, I received word of the strike action that was to affect my area. The letter stated:

“As you may be aware, the CWU has called for further strike action, on 19th, 20th and 24th December, in 300 directly managed Post Offices and, on 22nd and 23rd December, in our cash distribution operation.

I would like to reassure you, and your constituents, that people working in 97 percent of our network—the 50,000 individuals who work in over 11,000 independently-run Post Office branches—will not be involved in this industrial action.”
Those are not accountancy figures. They are people who work hard to pay their mortgage and who need our support. That is what I am doing now, and I ask the Government to do the same and to offer the support that is needed, not just for the workers in post offices but for those who use post offices across Strangford, the Ards peninsula and the whole of the United Kingdom of this great nation of Great Britain and Northern Ireland.

10.34 am

Marion Fellows (Motherwell and Wishaw) (SNP): It is a pleasure to serve under your chairmanship, Sir Edward. I thank the hon. Member for East Worthing and Shoreham (Tim Loughton) on securing this debate. It is testament to how passionately people feel about this issue that so many Members are here fighting for their local community in the last week of this Parliament. I expected to walk into an almost empty room, but I am amazed and delighted that so many people are here.

This is the second time I have spoken on this issue. I could not possibly sum up everything that everyone has said, but I can give examples from my own area. Motherwell is about to lose its post office, which is situated in the town centre. The number of businesses that will be affected if the closure goes ahead is incalculable. People go to the town centre to go to the post office to get their pensions and to spend money. We do not have a WH Smith in Motherwell any more. We do not have one in Wishaw, either: it closed very recently. The Wishaw Crown post office closed a number of years ago, and we saw the effect that that had. It was relocated into a nice, good shop which, unfortunately, was not designed to be a post office. Access is difficult and queues snake round what are effectively the old Woolworths long shelves. It does not work. We are really concerned.

The CWU has been out trying to save the Motherwell Crown post office. I conducted a survey of customers, and they are all absolutely incandescent: 84% of the people I spoke to said that they use the post office every week, and they have to queue. People said that if they lose that post office, small businesses that use the post office services will be hugely affected. They do not know where they will go, because we are losing banks in the area. Although there are still other banks, that is not what those small businesses want. They want to use banking services in the post office and do postal work at the same time, because many of them rely on the post office to get things out to customers.

It is really disturbing that, although the Government claimed that they would use post offices as the front office for Government, that has not happened. I have spoken to postmasters and postmistresses, and the loss of Government business has affected their business in general. I could not find any figures about Motherwell Crown post office’s turnover and why it was picked. I was told that it was all commercially confidential. If some Members have accessed that kind of information, why cannot all Members do so? It is not right.

At the end of the day, we need to keep our post offices. We have lost a number of sub-branches, which have moved from very accessible local places further out into estates and housing schemes that are not accessible for the majority of people. They suit the people who are there, who can go to their local convenience store, but they do not suit other people. In fact, a post office in the Motherwell civic square closed, right next to where the local authority has hundreds of workers. They cannot access a post office. If the one in the main town centre closes, there is going to be a loss of work for those in the post office and in the businesses around it.

I feel very strongly about this issue, and I am glad that there is such cross-party opposition to the recent round of closures and the effect it has on the poorest and most elderly in our communities, who use post offices the most. I ask the Minister to put pressure on the Post Office to halt this latest round of closures.

10.38 am

Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): It is a pleasure to serve under your chairpersonship, Sir Edward. I congratulate the hon. Member for East Worthing and Shoreham (Tim Loughton) on securing this debate. I pay tribute to the Communication Workers Union, which helped us highlight these issues to the public and MPs.

The Post Office is a trusted national brand with a long history. It is instantly recognisable to people across the United Kingdom. It forms part of the everyday fabric of life, offering a wide range of products and services, but it also provides an anchor for communities, decent jobs and, importantly, access to services in rural or urban deprived areas. Instead of making the Post Office fit for purpose for the 21st century, the Government have let that well-loved and trusted institution fall by the wayside and contributed to its managed decline. The Government are intent on privatising our public services. They used to say that they would support a robust Post Office, which former Prime Minister David Cameron promised would be the front office for Government, but they have totally failed on that promise by overseeing a steadfast strategy of cuts to the service that have caused thousands of job losses as well as a decline in the services provided.

The Labour party has made it clear that it would halt further privatisation of the Post Office and instead invest the £80 million of public money that goes into it to ensure the long-term sustainability of branches and services. We will ensure that services are retained and promoted, click and collect facilities are expanded, and banking and financial services, which we know are vital to financially excluded people, are provided.

There were 62 closures and franchising programmes and 500 job losses from the Post Office’s cash handling section in 2016, and more than 2,000 jobs have been lost in total since 2016. On 10 January 2017, it was announced that a further 37 Crown post offices would go under the same franchising scheme, meaning that 300 experienced post office staff and some 127 financial specialist roles will be cut across the network.

Crown post offices typically are directly owned and run by the Post Office. They have directly employed staff and they are often located on prominent high streets. Although there are only 286 Crown branches, they bring in a significant amount—between 10% and 20%—of the Post Office’s overall revenue. Privatising Crown post offices and transferring them into shops such as WH Smith hugely compromises the services
provided, causing overall consumer satisfaction to fall, longer waiting and servicing times and poorer access for disabled customers. There are 10% fewer counters per branch in WH Smith branches than in Crown post offices, and 17% fewer foreign currency and business banking positions. At least 30 postmasters have retail businesses in a Bargain Booze franchise.

Not all franchises have worse provision than before, but the overall trend is saddening. Recent independent research for the Government showed that the Post Office continues to deliver more than £4 billion in social value each year to people and businesses throughout the UK.

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): My hon. Friend highlights research that proves that the service deteriorates when post offices move into WH Smith branches. When we add the fact that 40% of closures are in the most deprived urban communities, we can see that the most disadvantaged people in this country are in dire straits when it comes to having access to a good post office.

Gill Furniss: I completely agree. It is saddening that people in deprived areas get further and further away from accessing the financial services that are necessary to them.

The privatisation of Royal Mail was, quite simply, the transfer of large sums of public money to the already well-off. Since that privatisation, the Government have promised a transformative vision for the Post Office as “a genuine Front Office for Government”, and a significant expansion in its banking services, but neither of those promises have borne fruit. Post Office revenues from Government services have fallen by some 40%, and its income from financial services has risen by only 2%—it has not even kept up with inflation. The Government talk about cost-cutting measures, but £3.3 million was spent on refurbishing branches that were then franchised in 2016, at an average cost of £100,000 per branch.

I was pleased that the Government initiated a consultation about the Post Office last December. At that time, the CWU delivered 75,000 postcards signed by members of the public calling for the Post Office—the “People’s Post”—to be saved. Only weeks later, before a consultation response had even been produced, the Post Office announced 37 more Crown post office closures. In fact, nearly five months later, we still await the Government’s response.

The Government’s track record shows that they have been happy to cut public funding at any cost. They have shied away from communicating with the people affected. The Government’s response to the consultation that closed on 21 December has been delayed. Will the Minister tell us when she planned to publish that response? Why have financial services been cut instead of a promoted? Why have we not looked at the example of a Banque Postale in France, which has successfully provided income for the Government and, crucially, financial services for those who need them most? What contingency plans are there for franchises that are coming up for renewal and new franchises? The Association of Convenience Stores has major problems with its members who, due to the hike in business rates, may no longer wish to provide franchise services.

Alex Cunningham: I completely agree. It is saddening that people in deprived areas get further and further away from accessing the financial services that are necessary to them.

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The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Margot James): It is a pleasure to serve under your chairmanship, Sir Edward. I congratulate my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) on securing this crucial debate. Today’s attendance and the passion with which Members have spoken about the value of post offices in their local areas shows what an important topic this is. I suspect that, for several of us, this will be our last debate in this Parliament.

The Government certainly recognise the crucial role that post offices play in communities across the country. Between 2010 and 2018, we will have provided almost £2 billion to maintain, modernise and protect a network of at least 11,500 branches across the country. My hon. Friend talked about post office closures. There are more than 11,600 post office branches in the UK, and the network is at its most stable for decades. The number of branches declined substantially in the 13 or so years before 2010, but since then it has been kept absolutely stable. Graphs show that that is absolutely accurate. That is down to the transformation and modernisation of the network, thanks to taxpayers’ investment.

I thank my hon. Friend for his positive remarks about that network transformation programme, which has secured the transformation of more than 7,000 branches. I am sure that I am not alone as a constituency MP in having felt and seen the benefits of that transformation in the branches in my constituency. More than 4,300 branches now open on Sundays, nearly 1 million additional opening hours are to be added to the network every month, and losses have been reduced from £120 million to £24 million. That is a substantial result achieved by management and workers in the Post Office network. The subsidy that the taxpayer is obliged to put through the programme.

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Margot James: I will give way once—I only have 10 minutes.

Alex Cunningham: I completely agree. It is saddening that people in deprived areas get further and further away from accessing the financial services that are necessary to them.

The privatisation of Royal Mail was, quite simply, the transfer of large sums of public money to the already well-off. Since that privatisation, the Government have promised a transformative vision for the Post Office as “a genuine Front Office for Government”, and a significant expansion in its banking services, but neither of those promises have borne fruit. Post Office revenues from Government services have fallen by some 40%, and its income from financial services has risen by only 2%—it has not even kept up with inflation. The Government talk about cost-cutting measures, but £3.3 million was spent on refurbishing branches that were then franchised in 2016, at an average cost of £100,000 per branch.

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Margot James: I agree that we need to invest in the postal service, and we are doing that. I hope that we shall continue to do so. However, I am afraid that one aspect of investment is making the existing structure of Crown post offices more efficient and affordable. Through the process of modernisation and franchising of Crown post offices, we have been able to reduce losses. That is a way for us to uphold our promise to keep post offices open in poorer and more rural areas that are not economically sustainable. I hope that the hon. Gentleman will at least understand that we are not just closing
branches; we are franchising them and making them more efficient. We are then able to fulfil our promise to areas that need a postal service but would not have one if we continued to invest in loss-making Crown post offices.

Andy Slaughter: Will the Minister give way?

Margot James: I will not give way. I accept that not all Crown post offices lose money; but the majority of those that have been franchised did.

My hon. Friend the Member for Bexhill and Battle (Huw Merriman) put the case very well for the investment made by taxpayers and the Post Office in the service in his constituency; I join him in congratulating Mr Sanjiv Patel on taking the risk, as many others around the country have done. They have then found that it was good not only for their business but for the consumer. The Post Office is doing more for customers and doing it more efficiently for the taxpayer, and it is ensuring that post office services remain on our high streets throughout the country.

Franchising or hosting some Crown branches is part of the Post Office’s long-term plan to ensure that the network is sustainable. It is not about closing services; it is about moving a branch to a lower-cost model, often in a better location for customers, and securing and improving delivery of services. The change from a Crown to a franchise or host branch has been undertaken previously in many locations and is a proven success in terms of sustaining services, as post offices share staff and property costs with a successful retailer. We have heard examples of that this morning. As I was saying, Crown branches have moved from a £46 million annual loss in 2012 to a break-even position today. That is no mean feat. There are still loss-making Crown branches, which is why I do not think we can stand in the way of the Post Office as it makes its service more efficient and sustainable and more accessible to a wider number of people.

Gill Furniss: The Chamber is packed. What the Minister believes to be the facts, as she has given them to us, do not ring true with the concerns and experiences that even Conservative Members have described. It seems bizarre that when so many of us tell her there are problems she says the Government should not stand in the Post Office’s way; it does not seem the correct response. It seems to me that we have the responsibility; the Government must provide a proper service for all communities. Clearly, the figures that many eloquent Members have given today are at odds with the Minister’s view.

Margot James: I have talked so far mostly about financial issues. It is undisputed that the Crowns were losing £46 million and are now breaking even. There are still some loss-making ones to deal with. I appreciate that changes of the kind we are considering are not easy, especially when they involve staff who have worked in a place for many years. I know that the hon. Lady has had a briefing from the Communication Workers Union, and I have had meetings with it on several occasions; I sympathise with its position. However, it is essential that the business should continue to manage its costs to ensure that it can meet the challenges faced by high streets, let alone the Post Office, now and in the future, as the way we shop and get access to services continues to change.

Several hon. Members made points about Government services, and I agree that in 2010 the Government had hopes that the Post Office could take over many more such services; but the rapidity with which some of them migrated to the internet meant that that hope did not bear enough fruit. The staff in Crown branches that are being franchised have the opportunity to transfer to the franchisee in line with the TUPE process; or they can choose to leave the business. The Post Office offers a generous settlement agreement, which reflects the hard work, commitment and dedication that many employees have shown over the years. However, I reiterate the point that a more efficient Post Office is able to support and supplement thousands of small businesses, as my hon. Friend the Member for South East Cornwall (Mrs Murray) noted; she spoke with great authority about the needs of people in her largely rural constituency. The Government take those needs seriously and have honoured a commitment to maintain a service, even where it is not viable on a financial basis, to people living in the rural parts of her constituency.

Mr Alistair Carmichael: Will the Minister give way?

Margot James: I will not give way. I have no time left, really.

I agree with the hon. Member for Washington and Sunderland West (Mrs Hodgson) that poorer urban areas also have a great problem with access to local services—it is not just rural areas. I am pleased to tell her that the Post Office is now focusing on that issue. The Post Office is revisiting some poorer urban areas where it closed branches 10 years ago, to talk to retailers about setting up a local post office counter. I hope that will succeed in the hon. Lady’s area.

Andy Slaughter: Will the Minister give way on that point?

Margot James: No; I have very little time.

I want to reassure the hon. Member for Motherwell and Wishaw (Marion Fellows); I listened to her heartfelt concerns about an accessible post office in the town centre in Motherwell, and I will ask the Post Office to meet her again to discuss the most sustainable option for a service there.

Many hon. Members talked about banking, and I agree that that is an opportunity for the Post Office. However, the Post Office bank idea was looked at closely in 2010-11, and it was decided at that time that the money that the Government had would be better invested in the transformation of networks to secure sustainable access to services.

Albert Owen: Will the Minister give way, on that very point?

Margot James: I cannot give way now; I have no more time.

The Post Office banking services are increasing now. They have grown 6% in the past 12 months. Credit unions are also being looked at.
Stella Creasy: They are not.

Margot James: They are. I will write to the hon. Lady, if I am returned, and tell her what the Post Office plans on credit unions are.

Albert Owen: On a point of order, Sir Edward. As we are at the end of term, and as many of us have raised issues, which the Minister is refusing to give way to answer, can you give me some guidance as to whether the Department will be able to give us the information as quickly as possible?

Sir Edward Leigh (in the Chair): That, I am afraid, is not a matter for me. I am sure that in the remaining 30 seconds of her speech the Minister will do her best to answer any points.

Margot James: I am not refusing to take interventions; I am trying to conclude my response to Members’ legitimate concerns. I think that I have responded to quite a number, but I must allow time for my hon. Friend the Member for East Worthing and Shoreham to conclude the debate.

Tim Loughton: I am happy for the Minister to take it.

Margot James: Okay, but I am not going to fill it with interventions; I am going to carry on.

Hon. Members have said that post offices do not have click and collect services, but I want to reassure them that there are 10,500 local post offices that do provide those services. That is another area of potential growth. I invite Members to write to me if their constituency has not got them; we will look into it. As to the allegation about hours being reduced in convenience branches do not have them, we will look into it. As to those services. That is another area of potential growth.

Stella Creasy: The Minister has just told the House that the Post Office is working with credit unions, but that is not what they tell us; they say that they are open to doing so, but that nothing has happened in the past five years. The Opposition are all talking about financial inclusion; will the Minister commit to revisiting the issue and actively working with alternative providers who will deliver?

Margot James: The Post Office does work with credit unions where it can, but there is a common link through the Co-op in some transactions. The difficulty has been—and as the hon. Lady is an expert on credit unions perhaps she can help us to solve the problem—not having a common banking platform. When a common banking platform has been developed, further inter-working with credit unions should be possible. We take financial inclusion seriously.

I want to talk a little more about banking; I think that my hon. Friend the Member for East Worthing and Shoreham is happy for me to continue.

Motion lapsed (Standing Order No. 10(6)).
Since then, the Anti-social Behaviour, Crime and Policing Act 2014 has been passed into law, which provides police forces, local authorities and courts with greater powers to respond to cases of antisocial behaviour involving a dog before the situation becomes dangerous. When considering whether a dog is a danger to public safety, courts have to consider a number of relevant circumstances, including whether the owner or person in charge of the dog is a fit and proper person to look after it. I am pleased that that gives courts the ability to intervene earlier to prevent attacks on people and other dogs.

I recognise that the Act also strengthens the Dangerous Dogs Act 1991 and improves the response where a dog presents a risk to public safety. For instance, the offence of owning or being in charge of a dog that is dangerously out of control has been extended to all places, including the owner’s home.

Mr Jim Cunningham (Coventry South) (Lab): I congratulate the right hon. Lady. Lady on securing this timely debate. She will recall that, only a few months ago, police had to shoot a dog in the street because it was totally out of control. I am concerned by the number of cases of babies being attacked by dangerous dogs. In my view, the prison sentence—it is only six months—for allowing that should be extended a lot further. I support everything she has said.

Nicky Morgan: I thank the hon. Gentleman for his support, which shows that, although the Chamber may not be packed, this is a great concern right across the country in all of our constituencies—I also know that from looking at social media. He is absolutely right, and I will come to sentencing and the fact that incidents can sometimes lead to personal injury or even fatality, particularly of young children. He makes an excellent point.

The amendments to the 1991 Act extended the maximum penalty in a case involving the death of a person to 14 years, to five years where a person is injured and to three years in any case involving the death or injury of an assistance dog. That is welcome, but it still does not give the legal rights to dogs when they are attacked that it gives to humans and guide and assistance dogs. It is important that all dogs have the same protections, and that local authorities and the police have the power to properly punish the owner of the dog responsible. I am interested to hear more about the Minister’s current thinking on that.

As well as the 2014 Act, Ministers have introduced new powers to help frontline professionals to tackle antisocial behaviour involving dogs. Police and local authorities can intervene and issue community protection notices if a dog is causing a nuisance by repeatedly escaping or acting aggressively, while the owners of such dogs can be required to take a range of remedial action, such as attending dog training classes, keeping the dog on a lead in public or repairing fences to prevent the dog leaving their property. Those are clearly steps in the right direction.

However, that brings me to the other reason that I applied for the debate: local authorities and police forces need to be made properly aware of the existing powers the Government have provided to successfully tackle the problem. I know the Minister is working on this. Last December, the Department for Environment, Food and Rural Affairs animal welfare team issued a voluntary survey to police forces, local authorities and social landlords on measures to address dog control and reduce dog attacks in England. The survey’s aim was to inform the team of the existing measures’ effectiveness, and to allow it to identify how intervention can be made more effective with minimal burden on enforcement agencies. I look forward to hearing the outcome of that survey.

Charnwood Borough Council in my constituency responded to that survey and raised some interesting points that I will raise with the Minister. First, it feels that the incremental approach to processing dog attacks, as well as the need to prove persistence, makes the process lengthy, which can often lead to frustration for the victim. The need to prove a breach of process means that a dog has to attack three times before the owner can face the ultimate sanction of prosecution. That is clearly concerning because it provides the opportunity for a dangerous dog to attack two further times with potentially tragic or fatal consequences for another dog, or even a child or adult, exactly as the hon. Member for Coventry South (Mr Cunningham) has said.

Sadly, that is what happened in another case that I am assisting with. My constituent’s niece, four-year-old Lexi Branson, was killed by a dog at her home in the constituency of my hon. Friend the Member for Charnwood (Edward Argar). Her family had adopted the dog from a local rehoming centre and were unaware that it had previously attacked another dog. I will raise specific issues from that case with the Minister separately. I wanted to mention it today because it demonstrates the need for urgent action to be taken to ensure that a dangerous dog is not free to attack again. I cannot emphasise enough that, just because a dog has attacked another dog, it does not mean that there might not later be an attack on a human involving serious injury or potentially fatal consequences. One fatal incident is one incident too many. I would welcome the Minister’s comments on that.

Mr Cunningham: I am sure the right hon. Lady agrees—we do not want imbalance in the debate—that the other side is human cruelty to dogs. The Battersea Dogs and Cats Home has made proposals, which I support, and I hope the Minister will say something about them.

Nicky Morgan: The hon. Gentleman is absolutely right. I welcome the Battersea Dogs and Cats Home campaign to stiffen the sentences for animal cruelty. There are some truly horrific cases of animals being mistreated.

I do not intend to labour the point, but there is also the issue of irresponsible ownership. As candidates, I suspect we have all been in situations, and perhaps will be in the next few weeks, where we are walking up a path, intending to knock on the door or deliver a leaflet, and are faced with a rather angry looking dog. The owner may say it is friendly, but we are never entirely sure—I see you smiling, Sir Edward—whether it really is friendly or has a particular appetite for canvassers. [Interruption] The hon. Member for Coventry South speaks from personal experience.
Returning to the survey, Charnwood Borough Council finds the guidance provided helpful but feels that it can sometimes be too generic. For example, the advice on criminal behaviour orders is difficult to apply to a case involving a dog. The council has therefore suggested that it would be useful if the guidance were made more specific to dogs being living beings rather than property, and if it dealt with the issues that arise for the welfare and cost of keeping the dog once action—for example, seizure—has been taken. It would also welcome more advice on escalating cases when there is no other option but for the owner to forfeit the dog.

I am pleased that Charnwood Borough Council has a good compliance rate of around 91% when it issues a warning to owners at the first stage of a community protection notice. However, the council feels that there is a lack of clarity in the Government’s guidance on whether a case should be handled by the police under the Dangerous Dogs Act or as a civil case by the local authority. I note that all Leicestershire local authorities have a memorandum of understanding with the local police about who handles each type of dog attack, but the council has said to me that it would like to have more formal guidance. I would be grateful if the Minister would consider those points as part of his Department’s review.

It is clear that dangerous dogs continue to be a serious problem in our local communities. Of course, many tens of thousands of dogs are walked responsibly every day, and their owners take great responsibility for them and go about their daily lives with no incidents or trouble whatsoever, but there is a problem. The freedoms of information numbers show that the level of incidents is serious, but I pay tribute to those who look after their dogs well, deal with any aggression and take responsibility.

I welcome the positive work that previous Governments and the current Government have carried out to help tackle this problem, but I believe that the law needs to be tightened further to ensure that dog attacks on other dogs are a criminal offence. That would bring the legal rights of dogs in line with those of humans and guide and assistance dogs. In addition, it is crucial that local authorities and police forces have comprehensive guidance available to them that details all the powers at their disposal to prevent the tragic consequences that can arise when dangerous dogs attack.

I am grateful to the House authorities for allowing me to bring this debate to the Chamber. I know the Minister is committed to animal welfare and all related issues, and I look forward to hearing his response.

11.13 am

The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice): I would like to begin by congratulating my right hon. Friend the Member for Loughborough (Nicky Morgan) on securing this debate on police force and local authority guidance on dogs attacking other dogs. I understand that it must be incredibly traumatic for owners whose dogs are attacked by other dogs, particularly as the owner is often a witness of the attack. She described two incidents, and I would like to express my sympathy for her constituents, the owners of Ozzy the dog and of the terrier that was attacked by a Rhodesian Ridgeback. I completely understand that it is an incredibly distressing time. It is completely unacceptable for owners to allow their dogs to be dangerously out of control, whether it is around people or animals. Attacks of this sort can affect animals’ confidence and lead to dogs changing their behaviour and becoming afraid of going out.

Over recent years, the law on out-of-control dogs has been strengthened, and the Government looked at that area in the previous Parliament quite closely. The Dangerous Dogs Act 1991 now applies the offence of allowing a dog to be dangerously out of control to all places, not just public places or places where a dog has no right to be. That means dogs need to be under control in all places and at all times. As my right hon. Friend said, that is of particular relevance to those of us who will be delivering leaflets and going on to people’s property. I am sure we have all had experiences of dogs in those circumstances.

The law also makes it a specific offence to allow a dog to attack an assistance dog, for which the maximum penalty is three years’ imprisonment. As my right hon. Friend pointed out, we introduced that provision recently. The reason for specifically including an offence in relation to attacks on assistance dogs was to emphasise people’s dependence on them. It was considered that an attack on an assistance dog in these circumstances was an aggravated attack and almost an attack, by extension, on the individual person.

There are real problems with attacks on assistance dogs. A huge amount of work goes into training those dogs. There have been many sad examples of assistance dogs that, despite all the work to train them, lose their confidence to do their job as a result of a one-off attack and have to be retired from duty. That is why we took the view that assistance dogs were a very special case.

Other penalties under the 1991 Act were also increased significantly. In particular, the maximum penalty for allowing a dog to be dangerously out of control was increased from two years’ imprisonment to 14 years’ imprisonment in cases where it results in the death of the victim, and five years’ imprisonment where the victim suffers serious injuries.

Other laws were introduced as preventive measures. Measures under the Anti-social Behaviour, Crime and Policing Act 2014 allow police and local authorities to take action in low-level incidents of antisocial behaviour, including those that involve a dog, where the dog is causing a nuisance but no offence is committed under the Dangerous Dogs Act. In such circumstances, police or local authorities can take action by issuing a community protection notice to the owner or person in charge of the dog at the time, ordering them to control the dog and stop the nuisance behaviour. Failure to comply with a CPN can lead to a fine of £2,500. That power means the police and local authorities can take action before a dog becomes dangerously out of control. A criticism of the Dangerous Dogs Act was that it dealt with issues only after they had happened. Many animal welfare organisations, dog-keeping groups and veterinary organisations campaigned for the introduction of those types of notices.

For more serious incidents of antisocial behaviour, such as using a dog to actively intimidate someone, there is the criminal behaviour order. A CBDG would be made in cases where a dog was involved in incidents in which the dog had engaged in behaviour that caused or was likely to cause harassment, alarm or distress. Finally, for more
general matters, there are public spaces protection orders, which place restrictions on dogs using clearly defined areas such as children's playgrounds or sports fields. PSPOs are aimed at all dogs rather than individual dogs.

My right hon. Friend the Member for Loughborough reported that Charnwood Borough Council wants to see dog-specific guidance on the antisocial measures. In October 2014, to assist local authorities and the police, DEFRA published a practitioners' manual entitled, “Dealing with irresponsible dog ownership”, which provides practitioners with guidance on how to use the antisocial behaviour measures specifically in relation to dogs. I was a Minister in DEFRA at the time. I did not have responsibility for this part of the portfolio, but we had a debate in 2014 in which a number of people said that we should adopt measures similar to those in Scotland, where there are specific dog protection orders. Our legal analysis was that community protection notices served the same function, but because a number of people had raised concerns about whether they could be applied to dogs, I asked my noble Friend Lord De Mauley, the then Minister with responsibility for dogs, to address the issue, and that prompted the guidance sent in 2014, almost three years ago, to all local authorities.

The practitioners' manual differs from the Home Office guidance document, which was aimed at the broader use of antisocial behaviour measures and perhaps is what Charnwood Borough Council has read and what my right hon. Friend has referred to. My Department's practitioners' manual can be found on the gov.uk website, but after this debate I will arrange for my office to send her office a paper copy of it.

George Eustice: I am sorry, but I have lots of proposals from Battersea and I am not sure which ones the hon. Gentleman has in mind. I come back to the point that I was making, which is that the Battersea proposals, to balance out the argument?

Mr Cunningham: Will the Minister express a view on the Battersea proposals, to balance out the argument?

George Eustice: I was going to come on to the issue, which I was going to come on to, about enforcement. It may be that sometimes police forces that are reluctant to look at these issues because they want to focus on other things will come up with internal operational procedures of that sort and internal operational guidelines, but those are created by the police and are not a matter of law.

Nicky Morgan: I thank the Minister very much for that clarification; it is really helpful to hear it. I will certainly pursue it with Charnwood Borough Council, but I have to say that I think Charnwood is a very responsible authority. As I said, it works closely, through the MOU, with Leicestershire police, so if they are labouring under misapprehensions, I suspect that that is very widespread among local authorities and police forces. One purpose of today's debate was for MPs to express their concerns and for the Minister to show how seriously the Government take these incidents. Does he think that it might be worthwhile to write to local authorities to reiterate some of the powers that they have?

George Eustice: My right hon. Friend is absolutely right. I very much welcome this debate, which is timely. As a Minister in DEFRA in 2014, I felt that we had addressed this matter by issuing the practitioners' guidance, but although I accept that the powers are available for local authorities to use in all sorts of situations in which dogs are causing problems, I also accept that there are still many instances of dogs being out of control. That is why, as my right hon. Friend pointed out, my Department has been looking at whether the powers are being used by the police and local authorities and, if so, what effect they are having. And that is why, as she said, we issued a voluntary survey. We invited all police forces and local authorities in England and Wales to respond to the survey about the use of those antisocial behaviour measures.

We received many responses to the survey and are currently analysing them. I am told that we expect to complete that analysis by the end of May, so while we are all busy avoiding dogs on the doorstep during the election campaign, officials will be studying those responses, but I understand that initial indications and impressions from the evidence that we have received are that there remains some misunderstanding about the powers that are already available to local authorities and police forces and, if that is the case, we will obviously want to ensure that we raise their awareness of the powers that they have.

The focus of this debate is obviously dog-on-dog attacks. As I mentioned at the start of my speech, section 3 of the Dangerous Dogs Act makes it an offence to allow a dog to be dangerously out of control, regardless of where it is. It is a long-held belief among enforcement agencies that so-called dog-on-dog incidents cannot be dealt with under the 1991 Act. We do not believe that is the case. The 1991 Act provides a definition
of when a dog must be regarded as dangerously out of control. That refers to a dog being dangerously out of control when there are grounds for reasonable apprehension that it will attack someone. However, that definition is not exclusive. The words of section 3 could include, for example, a case in which a dog attacks another dog or other animal.

There is case law in this area. In 2008, a Court of Appeal judgment specifically pointed out that the definition of “dangerously out of control” in section 10 of the Dangerous Dogs Act is not exclusive, and made it clear that the ordinary meaning of the words in section 3 should be applied to any given circumstances. The case in question was the Gedminintaite case. The Court said that it was inclined to go further than existing case law. It stated:

“In any event, the definition section, section 10, is not exclusive. It does not read as a matter of construction, ‘for the purposes of this Act, a dog shall only be regarded as dangerously out of control...’ and then proceed to the definition. Therefore we feel ourselves entitled to go back to the straightforward words of section 3”.

Our lawyers believe that that does indeed mean that there are instances in which the Dangerous Dogs Act could be used for dog-on-dog attacks, but I appreciate that there is a widely held view that it cannot. Our officials can of course consider that as part of their wider review of the evidence that we have received from the survey that I mentioned.

I again congratulate my right hon. Friend on this timely debate. I am sure that the contribution that she and others have made will be taken on board by my officials and considered as they reflect on the survey responses that they are looking at now. Although, as I have explained, I believe that the law already allows police and local authorities to take action in incidents involving dangerously out of control or even just nuisance dogs, I completely agree that there are some issues about consistency of enforcement. That is why the review of evidence and survey responses is going on. I look forward to seeing the results of that, and no doubt my right hon. Friend will also follow it closely.

Question put and agreed to.

11.27 am

Sitting suspended.

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**Food and Farming: Employment Opportunities**

**[Mr Charles Walker in the Chair]**

2.30 pm

**Derek Thomas** (St Ives) (Con): I beg to move,

That this House has considered employment opportunities in food and farming.

It is a pleasure to serve under your chairmanship, Mr Walker. The agricultural sector is essential to the social, environmental, cultural and economic landscape of this great nation. Food production and farming not only make a valuable contribution to feeding the nation but provide employment, help preserve and maintain our beautiful countryside, and contribute to tourism.

Agriculture is the bedrock of the UK food and drink sector. It is the largest manufacturing sector in the UK, providing 3.9 million jobs and opportunities across the country. Some 476,000 people are employed on agricultural holdings across the UK, including full-time, part-time and seasonal workers. In west Cornwall, my neck of the woods, the agricultural sector’s contribution is hugely important, accounting for £1.4 billion of the south-west’s economic output, 8,800 businesses and 27,300 employees. Working in farming or fishing can be an exciting career choice, offering a huge variety of opportunities for highly skilled and ambitious people. It is a global industry that uses cutting-edge technology, innovates constantly and makes important contributions to the national economy.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): As co-chair of the all-party parliamentary group on manufacturing, I agree that food, not aerospace or engineering, is our major manufacturing sector. Is the hon. Gentleman aware that the brilliant further education provision in his area of Cornwall has been largely responsible for its great innovation skills? I wish we had provision as good as that all over the country.

**Derek Thomas**: The hon. Gentleman is right about the sheer scale of manufacturing in the sector and the good work done by FE in west Cornwall, but the manufacturing opportunities in farming and food production, and the wealth that they share and create, are spread across the country rather than being concentrated in one area.

**Sir Greg Knight** (East Yorkshire) (Con): Does my hon. Friend agree that British farmers will be able to promote themselves and their products far more effectively when we leave the European Union and gain control of food labelling?

**Derek Thomas**: My right hon. Friend may be aware that I held a debate here early last year on food security and the need to create confidence in what we produce. The only way to do so is with clear labelling, so that consumers know exactly what they are buying, know that we are looking after animal welfare and the environment, and know that people are being paid properly. I agree completely that leaving the European Union allows us to provide direction and clarity about those things.
[Derek Thomas]

The food sector generates £1.8 billion in value to UK plc. Jobs in the sector range from engineers and scientists, to farm managers and vets. Given that the industry faces the challenges of an ageing workforce, it is clear that, like any industry, it will need a ready supply of new entrants with new ideas, energy and enthusiasm. As the industry becomes increasingly technologically driven and more reliant on its ability to understand and implement the latest science, businesses across the sector will need the right mix of skills among their employees.

Michael Tomlinson (Mid Dorset and North Poole) (Con): I congratulate my hon. Friend on securing this important debate. I am the chairman of the all-party parliamentary group on youth employment, which reviews unemployment statistics every month. The latest show that just over 500,000 young people are unemployed. Does he agree that the sector provides a great opportunity to tap into some of that talent, upskill those young people and, most importantly, give them a place in the working world?

Derek Thomas: I am sure the Minister will want to comment on that. There are jobs to be filled in the sector—that is certainly the case in my part of the world. The challenge of offering jobs to those young people is ensuring that their schools properly prepare them for the work, so that they understand what is required and have the skills needed. Employers would then provide them with opportunities and training. I will consider apprenticeships and training opportunities later in my speech.

Jim Shannon (Strangford) (DUP): The hon. Gentleman is talking about jobs. In Northern Ireland, we have 70,000 jobs in the agri-food sector, including 50,000 farmers and workers, 23,500 of whom are involved in food and drink processing. It is worth 3.25% of Northern Ireland’s gross value added and £1.1 billion in basic prices. Does he believe that, when we leave the EU through Brexit, the agri-food sector will be able to grow even more?

Derek Thomas: I completely agree that there will be opportunities to invest in, grow and encourage food production and farming. I also recognise that population growth here and around the world means more mouths to feed. The UK has an opportunity to rise to that challenge and ensure that people, wherever they live, have the food that they need to survive. We have an opportunity and a moral responsibility to invest in and empower the food and farming sector to meet our growing needs.

So far, I have concentrated on agriculture, which is natural, but it is important not to forget the economic and social contributions made by the fishing industry. In 2015, fishing contributed £604 million to the UK’s gross domestic product, employing just over 12,000 fishermen—meaning people with fishing expertise—half of whom were based in England. One need only visit Newlyn in my constituency, which the Minister knows well, and see the small open boats, beam trawlers, longliners and crabbers in its 40 acres of harbour to realise how essential fishing is to the region.

It is fair to say that fishing and farming, like other parts of the food chain, face numerous challenges in attracting the right number and quality of new entrants. Some of those challenges relate to the perception of such jobs as low-skilled, low-paid, lacking in career progression opportunities and involving hard physical labour in all weathers. When I was at school, I was frowned on for choosing a vocational career in the construction sector rather than going to university, but times have changed and we must recognise that a job in the countryside is a worthwhile career choice that has many benefits not offered by other careers.

Mr Sheerman: The hon. Gentleman is making a strong case for fishing and farming, which are essential to the economy of Yorkshire, as he will know. However, as we approach the election, will he please address the deep uncertainty in the farming and fishing community about what will replace the present system of farm subsidies and fishing rights?

Derek Thomas: I thank the hon. Gentleman for that intervention—we have until 4 o’clock. I am not gifted with that particular answer, but if we can encourage farmers and fishermen to continue caring for the environment and providing the food and skilled jobs that we need, I cannot see any reason why a Government of any colour would not support that.

Mr Sheerman: What about exports?

Derek Thomas: On exports, we have a wonderful opportunity. We should be proud of and talk much more about the sheer quality and diversity of what we produce. Small and large businesses deliver produce that other people around the world deserve to know about and get their hands on. That is how I would like to approach leaving the European Union.

Other considerations include the rural location of farming and fishing businesses and the cost of rural housing. Also, many young learners consider that it is a career only for those from a rural background. As a result of those challenges, fewer and fewer individuals are interested in pursuing a career in the sector, which is why I requested this debate. We face a generational crisis in the farming, fishing and food sector. According to the Department for Environment, Food and Rural Affairs, only 13% of farm holders in the UK are under the age of 45. That figure represents a decrease of 5% in the last 10 years alone.

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): I congratulate my hon. Friend on securing this debate. He makes a good point, because although the Government have had tremendous success in expanding apprenticeships and vocational training opportunities in many industrial sectors, there is a problem in getting younger people engaged in farming. What are his thoughts on taking a more holistic view of farming, in the context of the whole supply chain and the food and drink industry generally, as an opportunity to get young people engaged in training courses?

Derek Thomas: I have personally done some work on that. Only last year, I brought 36 producers, many of them farmers, into Westminster Hall, the Jubilee Room and other rooms of the House, to celebrate their wonderful,
innovative work to develop their produce. I wished to expose their produce to the London market and we made some progress. My hon. Friend is absolutely right that we must celebrate all avenues in the sector, so that more and more people see the opportunities.

Mr Sheerman: And the very good free cheese.

Derek Thomas: I have always wanted to say that.

According to data from the Department’s farm business survey in 2013-14, the greatest barriers for individuals who want to join the farming sector are the non-competitiveness of salaries, which was cited by 64% of respondents; the lack of job opportunities, which was cited by 55%; and the fact of not owning a family farm, which was also cited by 55%. You can do the maths, Mr Walker. We must increase our efforts to change the perception of the sector, to attract new entrants, to come up with solutions and to provide assistance for young people to overcome barriers to the industry. I will be interested to hear from the Minister what has been done since the release of those figures to address the concerns that they raise.

Examples of initiatives to address this challenge include the industry-wide careers initiative Bright Crop, which seeks to inform school pupils, parents and careers advisers about the range of careers and progression opportunities available in the industry. Other industry career campaigns should be co-ordinated around Bright Crop to provide consistent information that helps to inform and inspire young people about careers in the sector, and outline clear career frameworks that show progression. We need young people, as well as people of all ages, in the food, farming and fishing sectors, because they bring ambition and creativity.

Events over the last decade have demonstrated that food security should not be overlooked. We are still dependent on food imports, because the UK’s farmers produce only 61% of what the nation consumes. Productivity has been rising at an average of 1.5% per annum, but we are in great need of young and highly skilled farmers to come up with ways to keep increasing it. We need technically savvy entrepreneurs and driven young people to use the available state-of-the-art technology, from GPS mapping systems to high-tech milk machines, to keep British farming at the cutting edge of production trends and to fulfil demands. Additionally, because of the current uncertainty over the value of sterling, retailers and consumers are looking increasingly closer to home to meet their needs. The creativity of young people would also help farms across the UK to achieve diversity goals highlighted in a VisitEngland survey in 2016, which showed that 28% of young people were looking at tourism, 16% at contracting, 14% at property and 12% at opening farm shops.

I regularly meet fishermen and farmers and their representatives. On Friday, I met the National Farmers Union and local farmers and we discussed the skills gap at length. The NFU is a founding member of the industry-wide AgriSkills Forum, which seeks to respond at length. The NFU is a founding member of the Union and local farmers and we discussed the skills gap represented. On Friday, I met the National Farmers Union and local farmers and we discussed the skills gap represented. On Friday, I met the National Farmers Union and local farmers and we discussed the skills gap represented. On Friday, I met the National Farmers Union and local farmers and we discussed the skills gap represented.
partnership approach with the industry, with cross-party support, that recognises agriculture as an important and attractive sector to be in. That would be of benefit in further challenging the existing perception.

It is important to recognise that fit-for-purpose qualifications have a crucial role to play in apprenticeships for our industry. I understand the Government’s aspiration for apprenticeships to be the qualifications of the future, but the industry, the employers and the apprentices, and their parents and families, will need a minimum period of transition to allow the inclusion of qualifications that fall outside the current Government criteria while the new trailblazers provide their credentials. I ask the Government to work with employers in the industry even more than they are doing already to develop the 16-to-19 skills plan, so that vocational and technical qualifications and courses are made relevant to the industry and appealing to young people.

Mr Sheerman: I thank the hon. Gentleman for allowing me to intervene on him—he did say that we had a reasonable amount of time. I do not want to criticise his very good speech, but it is a bit male-dominated. Does he agree that one of the real challenges is the number of women who are becoming farmers or coming into the sector, and that it is time we did something about it?

Derek Thomas: I mentioned young people, and I am sure they include men and women.

Mr Sheerman: You mentioned Farmer Giles.

Derek Thomas: I was talking about a story that was written several decades ago, but the hon. Gentleman is right. What encourages me is that, when I am out and about on farms or visiting food and farming businesses, I see a number of young people engaged in them, particularly girls. I am a member of the Science and Technology Committee, which is doing a huge amount of work to understand how we can encourage more girls and young women into STEM subjects, because there is a shortage of them and they provide a viewpoint from which we can and must benefit.

My next point might help to reassure the hon. Gentleman. The Department for Education must encourage schools and careers services to work with the industry. It is vital that the Department understands that, although the five GCSEs that we all want our young people to achieve are important, we need to work equally hard within our schools to help young people to realise the opportunities that are available to them outside the school gates in their local area. That would be of huge benefit in addressing some of the challenges that exist. It could allow young people to avoid the pressures of getting into student debt, which I know concerns many people. I am asking the Department for Education to work with the industry to promote farming as an aspirational career, and to establish better links between farming and STEM subjects and their applications.

To conclude, the agricultural industry has been incredibly resilient and courageous in facing numerous challenges in the past. The problems it faces today require the same approach to be adopted. We must be able to maintain the vibrancy of the rural economy and we must also continue to meet our food security needs.

Overseas conflict and increasing population growth mean that British farming must have the capability to produce the lion’s share of the food we need to feed this nation, and young people—both girls and boys—offer us an opportunity to meet that challenge. The fishing industry also needs fresh blood. Ensuring that youngsters are recruited to fill the jobs available is crucial not only for the future of south-west Cornwall, but for the future of the entire UK fishing fleet.

2.51 pm

Owen Thompson (Midlothian) (SNP): It is always a pleasure to serve under your chairmanship, Mr Walker.

I congratulate the hon. Member for St Ives (Derek Thomas) on securing this debate. Food and farming is clearly a significant industry in Scotland, where 98% of the landmass is considered rural, whether that is “remote rural”, which is defined as an area that is more than a 30-minute drive from the nearest settlement, or merely “accessible rural”, where an area is within 30 minutes of a settlement of 10,000 people or more. Almost one in five of the population of Scotland lives in a rural community. Therefore, jobs in the rural sector are vital to the Scottish economy. It is important that, despite the uncertain times we are in, we continue to support the industry, to ensure that it is on a sustainable footing for the future.

Currently, Scotland’s natural environment is worth more than £20 billion per annum and supports more than 60,000 jobs. Between 2010 and 2015, the total turnover of our food and drink industry increased from £10 billion to £14.4 billion; exports in 2016 were worth £5.5 billion, which was an increase of 40% since 2007. So Scottish food and drink really is going through something of a renaissance at the moment. We can see that and we also know the quality that exists within the industry, which is something I will return to later in my comments.

However, there are challenges. The average age of Scottish farmers is now around 58, and only 9% of farm occupiers in Scotland are aged 40 or under. So, as the hon. Gentleman highlighted, it is incredibly important that we find ways to bring new young people into the sector, to ensure that it remains sustainable and resilient. We must continue to support industries that are so vital to all of us.

In Scotland, the Scottish National party Government are very keen to support young people to go into the industry, to make sure that fresh and bright young farmers keep the rural economy going in the future. Earlier this month, the Scottish Government announced a fund of £2.5 million to help to develop new entrants into farming. That funding will support the next generation of farmers while increasing the opportunities for young people to establish a career in agriculture. The latest award will see a further 47 new farming businesses share the money, to help them to create and develop their businesses.

I suppose that one of the biggest challenges for any business in a rural economy is the access and uptake of broadband. That is an issue we continue to return to in this House and, as I say, with 98% of Scotland being considered rural, the rollout of broadband to support businesses as we move into an ever more technical world is critical, as it helps the running of rural farming and food businesses.
We are in an uncertain world just now. The UK vote to leave the EU has created significant uncertainty in the agriculture sector. The “hard Brexit” that we so often heard about would be absolutely devastating for sections of Scottish agriculture. For example, cattle and sheep farmers potentially face both high tariffs and loss of subsidy support. There is also the risk to the protection of Scottish protected food names, such as Scotch beef or Stornoway black pudding. We do not yet know what will happen to protected name status. Will we have a scheme here in the UK, given that we will no longer have access to the European scheme?

We also risk losing the common regulatory frameworks that help to maintain food safety, and animal and plant health standards, as well as to reduce non-tariff barriers to trade. Jobs and investment opportunities have been put at risk. For example, there is uncertainty over entering into multi-annual contracts under the Scottish rural development programme agri-environment or forestry schemes. Some of Scotland’s remote rural communities have fragile populations, and EU migration helps to ensure the resilience of those communities. Without that movement of people, there is a real risk, not only for the food and farming industries but for entire communities across Scotland.

The Government’s gamble with our EU membership has created significant uncertainty, with Scotland now facing the loss of much-needed seasonal workers. Agriculture directly employs 65,000 people and underpins our £14 billion food and drink industry, which is one of the fastest growing and most successful sectors in the Scottish economy. Along with other rural businesses, agriculture relies heavily on seasonal workers. However, despite repeated questioning, we have not yet had a clear answer from the UK Government as to what rights will be protected for seasonal workers; an estimated 5,000 to 15,000 seasonal workers are employed in the sector annually. Berry picking alone requires a significant number of seasonal workers, and more than a third of the UK’s soft fruit comes from Scotland.

Clearly, the industry faces challenges. There are common agricultural policy payment issues—there is no point trying to pretend that there are not—and addressing them will be the No.1 priority for the Rural Economy Secretary in the Scottish Government. We have started making 2016 CAP payments, and it is expected that by the end of June the vast majority of farmers and crofters will have received their 2016 basic payments. We understand the frustration felt by the President of the National Farmers Union Scotland with the current IT system for CAP payments. The Cabinet Secretary in Scotland has kept him and other NFUS officials advised of developments in that area, in order to get their valuable input into what else the Scottish Government need to do.

As I have said, the industry provides so many benefits and opportunities for Scotland. It is growing quickly, but for it suddenly to come up against the challenges and risks that Brexit will create has put a big question mark over what we can get by way of guarantees from the UK Government. What protections can we secure for Scotland’s burgeoning food and drink industry, so that it can continue to grow and contribute to the Scottish economy?

2.58 pm

Mary Glindon (North Tyneside) (Lab): It is an honour to serve under your chairmanship, Mr Walker.

I congratulate the hon. Member for St Ives (Derek Thomas) on securing this debate; he demonstrated that he has a passion for this issue. Although I am not the shadow spokesperson for fishing and farming, I think it is really important that he has raised this issue, which includes the future of fishing and farming, for debate today. This debate is particularly important because across the sector there are serious skill shortages that must be addressed if the success of the industry is to be maintained.

I will start by highlighting the situation in the UK food and drink manufacturing industry, which has up to 400,000 direct employees in roles ranging from sales and marketing to supply chain and logistics, and from production management to engineering. This industry has enormous potential as a high-value manufacturing sector, using innovative technologies in engineering, digital and life sciences to meet all the challenges of managing future food supplies and contributing to the wider carbon reduction agenda. That potential is being put at risk.

The Food and Drink Federation has highlighted that by 2024 more than a third of the sector’s workforce will have retired and 130,000 new recruits will be needed to fill the looming skills gap. A recent survey by the federation revealed that the top five skills gaps in the sector were in engineering, food science and technology, innovation, including product and process development, leadership and management, and customer service management. Although the ageing workforce and the skills gap are not new, the need to close the gap has become more urgent because, as in the rest of the agri-food supply chain, food and drink manufacturers currently benefit from bringing in skilled labour from the EU, which represents 29% of their workforce—120,000 workers. A high number of these workers carry out vital production, technical and specialist roles. Post-Brexit, the industry expects there to be restrictions on accessing non-UK EU workers, which will only intensify the skills gap.

To address the problem, the industry wants to see co-ordinated careers action and a more strategic approach to engagement with schools, to encourage homegrown talent for the long term. The Food and Drink Federation is also asking for technical education reforms, including with the institutes of technology, as the proposed T-levels fall short for the food and drink industry. The federation hopes to fulfil its pledge to increase the proportion of the workforce in food and drink manufacturing who are on apprenticeships to 3%—from the current 1%—by 2020, and to tackle market failures such as the fragmented apprenticeship provision for the sector and the lack of new standards at level 4 and above. I hope sincerely that the Minister will commit to addressing those issues with his appropriate colleagues in the relevant Departments as a matter of priority.

Some 11% of workers in the sector are employed in agriculture, with a high dependence on people from outside the UK. Up to 80,000 workers come to the UK every year to pick fruit and vegetables, 98% of them from the EU. In my own region—the north-east—farmers have told me that they rely on workers from abroad not
only for seasonal jobs but to work on their farms throughout the year. Although it is important that young people are encouraged to take up careers in agriculture, the uncertainty in the agricultural and horticultural sectors about their workforce post-Brexit means that there is a need for urgent assurance from the Government. Farmers need the certainty of a good stream of seasonal workers, so if the Government will not give in to pressure to reintroduce the seasonal agricultural workers scheme—SAWS—will the Minister say exactly what measures are being put in place to encourage local people to fill the jobs?

Will the Government support schemes such as Wheels 2 Work, which helps young people in particular to access jobs in rural areas when there is no public transport? Finally, how much resource have the Government invested in plugging the gap left by the removal of SAWS? As food and farming accounts for 13.6% of the total workforce in employment, I hope that the Minister can fully address all the issues raised in the debate.

Mr Charles Walker (in the Chair): Mr Thomas, you will have two minutes once the Minister sits down.

3.4 pm

The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice): It is a pleasure to serve under your chairmanship, Mr Walker. I congratulate my hon. Friend the Member for St Ives (Derek Thomas) on securing the debate, which gives us an opportunity to recognise the importance of the food, farming and fisheries sector, which, let us not forget, employs about one in seven of all workers in this country. I should declare an interest, in that I, as some of my colleagues know, studied agriculture. I attended Writtle Agricultural College in the early '90s and studied for a higher national diploma in commercial horticulture. I also did a number of other courses through the local further education college that was mentioned earlier—Cornwall College, down in Camborne in my constituency—which offered some very good work in this area. Also in my constituency I have Duchy College, which is linked to Cornwall College and is one of the country’s leading agricultural colleges. This is an issue that I am passionate about because it is an issue I chose to study myself.

The food, farming and fisheries sector provides a huge variety of career opportunities, including many requiring skills in science, technology, engineering and maths—STEM. Food manufacturing is the biggest manufacturing sector in this country, as other hon. Members have pointed out. It employs about 400,000 people and provides about one sixth of the UK’s total manufacturing gross value added. In its 2016 productivity report, the Food and Drink Federation estimated that 130,000 jobs would need to be filled between 2014 and 2024, with food engineers and scientists particularly in demand. Clearly, therefore, there are great opportunities in the food manufacturing sector for today’s talented young people to build their careers.

Agricultural technologies are also transforming farming, creating new types of jobs needing new kinds of skills. Successful modern farming requires technical proficiency, business acumen and entrepreneurial skills. For example, I recently met a group of Tesco young farmers who were investing in developing their business, leadership and management skills and their understanding of the wider supply chain issues, while balancing busy jobs on poultry, dairy, arable and sheep farms.

The food and farming sector is also important to our nation as an industry that has a presence right across the country. It is interesting that we have had contributions from the far south-west—St Ives—and from Midlothian at the other end of the country about the importance of the sector to those areas.

Sir Greg Knight: And Yorkshire.

George Eustice: And, let us not forget, Yorkshire. The sector is a particularly significant employer in Cornwall; indeed, I have a number of important food manufacturing businesses in clotted cream and fisheries in my own constituency. Farming alone employs about 64,000 people in the south-west, and the Food From Cornwall website lists more than 330 businesses producing quality Cornish food and drink. Cornwall is, of course, famous for Cornish clotted cream and Cornish pasties, but also for Cornish sardines, or pilchards, and Fal oysters.

Sardines and oysters lead me on to another sector that is important in parts of Cornwall, including, of course, in Newlyn in the constituency of my hon. Friend the Member for St Ives. The UK seafood industry offers a wide variety of careers, including in fishing, aquaculture, processing, retail and food service. There can be no doubt, therefore, that across the food, farming and fisheries sector there are fantastic opportunities for our young people to build exciting, challenging and successful careers.

I want to talk a little about the industrial strategy and the post-16 skills plan. To secure the skilled workforce that the food, farming and fisheries sector needs for the future, Government and industry must work in partnership to prioritise training and skills. It is crucial that there are clear entry routes into the sector to help young people embark on their careers, and that employers invest in recruiting, training and developing their staff. The Government have introduced a number of policies on skills. The industrial strategy Green Paper, published in January this year, includes skills as one of its core pillars and has a particular focus on STEM. The post-16 skills plan, published in July 2016, aims to reform technical education by introducing 15 routes, or T-levels. These will include agriculture, environmental and animal care; engineering and manufacturing, which will include food manufacturing; and catering and hospitality. T-levels will provide technical education to equip students for skilled occupations, creating clear routes into the sector.

Reforms to apprenticeships will create fresh opportunities for people to develop new skills and progress their careers. The apprenticeship levy, which came into force this month, provides a new incentive for employers to invest in training. Many employers in the sector are rising to the challenge, and the number of apprenticeships starts in agriculture, horticulture and food manufacturing increased by more than 20% in 2015-16 compared with the previous year.

The Department for Education is exploring options to allow up to 10% of apprenticeship funds to be transferred down the supply chain from 2018, bringing the benefits of apprenticeships to even more businesses.
We were keen to promote that idea in DEFRA because it means small farm enterprises within a supply chain could find it easier to benefit from the apprenticeship levy.

Apprenticeships provide great opportunities both to train new entrants and to upskill and develop existing members of staff. I am delighted that exciting new apprenticeship standards for butcher, advanced dairy technician, and food and drink maintenance engineer have now been approved for delivery. Many more are currently in development.

**James Cartlidge** (South Suffolk) (Con): The sharing of the apprenticeship levy down the line is welcome, although I have one point. In Suffolk, a lot of the businesses involved in the sector are small and medium-sized businesses. What will the Minister do to ensure that the discussions he has on T-levels and maintaining quality are not dominated by the larger sector, and that small and medium-sized enterprises that need the staff have their input?

**George Eustice:** That is an important point. We have experienced people from the food sector involved in the development of the new apprenticeships. The idea that I had came when I visited a McCain factory, which manufactures chips from potatoes. It was clear to me that it had a well-resourced and well-managed apprenticeship programme within McCain, but there are 300 potato farmers in its supply chain. In most cases, those farmers do not have a human resources director to take care and look after an apprenticeship programme professionally. There was an opportunity to use the organisation and the skill sets that companies such as McCain have to foster apprenticeships on farms in Norfolk and Suffolk and wherever potatoes are grown.

I have been privileged to meet apprentices as the Minister responsible for agriculture, fisheries and food at DEFRA, and I know what great careers can begin from an apprenticeship. For example, I recently spoke alongside a former apprentice at a Feeding Britain’s school. I am delighted that exciting new apprenticeship standards for butcher, advanced dairy technician, and food and drink maintenance engineer have now been approved for delivery. Many more are currently in development.

Employers benefit from apprentices. It has been calculated that the average person who completes their apprenticeship increases business productivity by around £214 a week through increased profits and productivity, and better-quality products. Small employers provide fantastic opportunities for people to get on the career ladder. Some 96% of the food manufacturing sector are SMEs, which can also benefit from hiring apprentices. SMEs have to pay only 10% of the costs of training their apprentices—the Government pay the remaining 90%.

**Dr Poulter:** The Minister is making an excellent case for the steps that the Government are taking to promote apprenticeships in the agricultural sector. Given the fact that many people decide on where their careers will take them at a relatively early age—it is probably around age 13 or 14—what steps can be taken to encourage younger people to think about careers in agriculture worldwide the whole supply chain, and what work is he doing with schools?

**George Eustice:** My hon. Friend the Member for St Ives also made that important point, which I intend to cover later in my contribution.

Finally, it is important to recognise that we must have continuous career progression once people are in the industry. The Agriculture and Horticulture Development Board runs a series of activities to boost farm competitiveness and sustainability, including farmer-to-farmer learning through business improvement groups and demonstration farms, so that there can be a sharing of expertise through open meetings, digital tools and knowledge exchange publications. Of course, there will be international benchmarking to learn from the experiences of other countries.

The Landex colleges last year came together to launch a new national college in agriculture, to thread together some of the activities that all of the Landex colleges are engaged in, and to try to secure the progression of more people towards level 3 qualifications, again with the aim of continuous professional career development.

My hon. Friend the Member for St Ives mentioned the image of the industry and the work being done to encourage more young people to go into it. Clearly, there are opportunities in the food, farming and fisheries sector, so we should encourage more young people to explore the sector when they think about their future. Overall, we currently have the highest employment rate—74.6%—since comparable records began, and youth unemployment has been falling, but it remains important to ensure that young people are able to make a smooth transition into the labour market, and that they consider the full range of options available as they prepare to launch their careers.

Careers in food and farming are too frequently perceived as low-paid, low-skilled and lacking in career progression opportunities. We need to challenge some of the outdated myths and champion the great careers that the sector offers. Across the country, engineers, scientists and technicians are at the cutting edge of innovation in agri-tech and food production. Industry-supported organisations such as Bright Crop, which my hon. Friend mentioned, IGD and the National Skills Academy for Food & Drink are working to tackle misconceptions and increase awareness of careers in the sector through initiatives such as Tasty Careers and Feeding Britain’s Future, which is run by IGD, and “The World is Your Oyster”, a campaign run by Seafood. All of those projects highlight the varied career paths that the seafood industry has to offer and the unique opportunities it can provide.
We are highlighting some of the superb apprentices already working in the industry, including by featuring them in the Government’s “Get In Go Far” careers campaign. In February this year, the Secretary of State for Environment, Food and Rural Affairs hosted a roundtable, bringing together a range of organisations to start a dialogue about what more industry and the Government can do together to champion the fantastic employment opportunities available in the food and farming sector. The roundtable heard directly from apprentices working in two leading food businesses—Nestlé and Mondelēz—about their experiences in the sector. The best people to sell the sector are often the young people who are starting out on their own careers in the industry.

Mary Glindon: The Minister is setting out some fine examples of what is happening, but may I press him on the industry’s need for seasonal workers? We want young people to get into the long-term jobs that he talks about, which is really important and probably the basis of the debate today, but there will be a continual need for seasonal workers. Without the seasonal agricultural workers scheme, how can we perpetuate our agricultural industry?

George Eustice: I shall return to that point—the hon. Lady also made it in her speech—as we have some time available, but the debate is predominantly about careers in agriculture and I wanted to focus on how to encourage more young people into those careers.

A number of hon. Members mentioned women in farming. I spoke at a “Ladies in Agriculture” event at the Farmers Club a couple of years ago—the former Secretary of State, the current Lord Chancellor, has also addressed that event. I mentioned a Tesco young farmers group earlier. Four of the 10 farmers in the group I met were women, so I believe we are making progress. It is essential not to overlook the great contribution that women can make, particularly when they are doing increasingly well in areas such as science. Many countries face the same challenge. Indeed, when I attended the G7 in Japan last year, one of their areas of focus was how to encourage more women into farming. Some of their ideas probably would not cut it over here—it was thought that a demonstration of a tractor with pink patterns on the side of the bonnet might help. I am not sure that would work here, but getting more women engaged in farming is a challenge for a lot of countries.

My hon. Friend the Member for St Ives mentioned the importance of encouraging school-age children to consider farming. The current school food plan actively encourages all schools to give children of primary school age an experience on a farm, so that they can see how food is produced. A number of the county show associations also run great projects. The Royal Cornwall Agricultural Association runs an event every year. It invites schools from across the county to come and learn about farming and farming careers. The Devon County Agricultural Association has as usual copied Cornwall and is running a similar project, which is great. We need as many areas as possible to promote farming as a career in schools.

The hon. Member for Midlothian (Owen Thompson) talked about the importance of farming and fishing north of the border, in Scotland. I regularly visit Scotland, particularly in connection with the fishing industry. I remember a visit to the Shetland Islands last year, where there is one of the key training academies for skippers and captains of fishing vessels. He mentioned the average age of farmers, which is another long-standing problem faced by many countries. The statistics often mask the reality, which is that the father is reluctant to let go of the purse strings but the actual manager of the holding is in the next generation down. Nevertheless, we are keen to do more to encourage more new entrants. There have been a number of projects, including some in Wales and some in Scotland. In Cornwall, the “Fresh Start” initiative worked on helping people to retire and creating opportunities for new entrants.

The hon. Gentleman mentioned that, because of Brexit, it is an uncertain world. Brexit is a fantastic opportunity. I take a glass-half-full view of it. We have a great opportunity to design an agriculture policy that is better suited to all parts of the UK. Last week, I had a meeting with NFU Scotland to talk about some of its thoughts and ideas about how we could deal differently with policy in future. One thing of which I can assure him is that I have yet to find a fisherman in Scotland who would like us to rejoin the common fisheries policy having left it. The fishing industry almost universally believes that the decision to leave the EU was the right one, and relishes the opportunities that that brings to the Scottish fishing fleet.

The shadow Minister, the hon. Member for North Tyneside (Mary Glindon), and indeed the hon. Member for Midlothian, mentioned labour. As the hon. Lady will know, the Prime Minister has made it clear that she wants to respect the rights of EU citizens who are here working in the UK. She made that point early on, soon after the decision to leave the EU, and also made the perfectly reasonable point that obviously we would expect that to be reciprocated, which is not controversial. She has also made it clear that she hopes the matter can be settled early in the negotiations. I believe we can give that reassurance to those living and working in the UK now.

The hon. Lady asked about seasonal labour. Having a controlled migration policy and ending the presumption of free movement does not mean pulling up the drawbridge and stopping all immigration. It simply means what it says—having control of migration. It would be for a future Government to decide what work permits they wanted to grant, and whether they should be short-term permits or permits for more skilled people. That could be done based on an assessment of our needs. If there is a need for seasonal agricultural labour, a future Government will have at their disposal the ability to grant the types of permit that would be needed. All those issues can be dealt with.

This was an important debate on an important subject that is dear to my heart. We have made good progress with our work on apprenticeships, and we have done some great work in schools to promote agriculture and food careers. There is further to go, but I believe we have made a good start.

3.25 pm

Derek Thomas: I thank the Minister for encouraging me when I first arrived in this place to speak in plenty of Westminster Hall debates. I have done that, and he has had to respond to most of them.
The Minister said that opportunity exists in food and farming, and that jobs are increasing in the high-tech area. I agree that there is real potential to create many new well-paid jobs. That is exactly what rural areas need to hear and to see realised.

The new T-levels are welcome. They are an important step in addressing the skills gap. I urge the Minister to encourage DEFRA and other Departments, including the Department for Business, Energy and Industrial Strategy, to work with the Department for Education to assess how effective and clear the pathway for children into food, fishing and farming really is, so that schools can be encouraged to focus on other things besides the journey towards a university degree or something similar.

Finally, as we introduce measures such as making tax digital, will the Minister contribute to the debate on how people in fishing, farming and food production, particularly those with small businesses, can embrace the opportunity of tax digitalisation, and how we can ensure we have the broadband and mobile phone capacity to deliver that?

I am grateful for the opportunity to have this important debate, and I thank all those who took part.

Question put and agreed to.

Resolved, That this House has considered employment opportunities in food and farming.

Wells Bid for UK City of Culture

[Mr Gary Streeter in the Chair]

4 pm

James Heappey (Wells) (Con): I beg to move, That this House has considered Wells’s bid for UK City of Culture.

It is an honour to serve under your chairmanship, Mr Streeter. I am honoured to have secured a debate today—the penultimate day of this Parliament—to raise Wells’s bid to become UK city of culture in 2021. As a proud constituency MP, I have supported the bid since its genesis, which was not long ago. I will continue to support it because it has enormous potential to change the stars of both Wells and the wider Somerset area.

Before I get going, it is important to place on the record that, in the absence of a large civic construct to put together this bid, it has fallen to volunteers in and around Wells to do so. One of those volunteers, Andy Webb, deserves particular note. The amount he has achieved in such a short time is phenomenal.

Before I talk specifically about Wells’s bid, I want to say a few words in my capacity as chairman of the all-party parliamentary group on the UK events industry, not least because I see that Nick de Bois hopes to return to Parliament and may well be restored to the chairmanship of the APPG when he gets here. It has been an absolute pleasure to chair that APPG for the past two years. I have learned an enormous amount about the ingenuity of the UK events industry and its role in driving our visitor economy and showcasing British business through the calibre and expertise of the events that we put on around the world. I have also seen the value of local, regional and national events, including the city of culture, which is a series of events over the course of a year or so. In Londonderry, city of culture status was worth £100 million to the local economy, and in Hull it has already been worth £60 million. Hon. Members can therefore perhaps see why Wells and the wider Somerset area are so keen on securing city of culture status. It would be transformative.

John Penrose (Weston-super-Mare) (Con): I congratulate my hon. Friend on securing this debate about an issue that is tremendously important for his constituency and surrounding constituencies. He mentioned that, unlike larger civic constructs—that is the phrase he used—the bid is being put together by a small, dedicated band of volunteers. I am sure that he has therefore already spoken to Visit Somerset, which used to be called Somerset Tourism. I hope it has engaged strongly in creating Wells’s bid, if only because the knock-on effect for the local accommodation industry close to my home in Weston-super-Mare may be profound. I hope Visit Somerset is providing the support my hon. Friend hopes for.

James Heappey: I very much agree. This is a huge opportunity, not just for Wells but for Western-super-Mare. Visit Somerset has been involved, along with several other local bodies, in supporting the volunteers in putting together the bid. However, we need to discuss the differences in Wells’s bid so that the Minister might satisfy himself that the bid process lends itself as keenly to rural areas as to urban areas. Wells’s bid is not about
post-industrial regeneration, which was the centrepiece of the bids by Londonderry and Hull. There is a very different opportunity down in Somerset, which I will talk about later.

Our bid draws on a rich cultural heritage that is way out of proportion with the size of our city. We are England’s smallest city, but our cathedral has a centuries-long tradition in music, as has the now ruined Glastonbury abbey, which still hosts wonderful musical events during the year. We have the Glastonbury festival just down the road. There is Arthurian legend all over, with Avalon and Glastonbury itself, which will be a wonderful theme to draw on throughout the city of culture year. There are now internationally significant art galleries in Bruton. There is an opera festival in Wedmore, there are comedy festivals in Wells, and there are literature, food and film festivals. We have Cedars Hall, a brand new world-class concert hall. We are the location for many movies and TV programmes, and so much more. That all goes alongside a rural, agricultural life and an incredible natural history, but we are also embracing our emerging digital arts industry as we tap into the success of those sectors in Bristol and Bath.

The cultural offer is perhaps more developed and diverse in Wells, the smallest of the bid cities, than in other large cities, but let us be clear: we are much less well funded. The bid document quite understandably requires certain commitments about a bid’s underpinning. Does the Minister believe that that is fair, given that we are trying to build a country that works for everyone? We must recognise that that includes developing the economies of rural areas as well as urban areas. I wonder whether, in the few days he has left—I accept that his civil servants are almost locked down in purdah—he will satisfy himself that, when smaller local authority areas bid for such things, the process perhaps needs to be weighted to recognise that they are unable to underwrite bids in the same way as larger metropolitan areas. Are there other ways of doing it?

The great advantage of volunteers coming together as they have in Wells is that there is private sector engagement, which is encouraging. The Heritage Lottery Fund has been forthcoming in explaining what involvement it may have. If we are aiming to create a country that is fair, given that we are trying to build a country that works for everyone? We must recognise that that includes developing the economies of rural areas as well as urban areas. I wonder whether, in the few days he has left—I accept that his civil servants are almost locked down in purdah—he will satisfy himself that, when smaller local authority areas bid for such things, the process perhaps needs to be weighted to recognise that they are unable to underwrite bids in the same way as larger metropolitan areas. Are there other ways of doing it?

The great advantage of volunteers coming together as they have in Wells is that there is private sector engagement, which is encouraging. The Heritage Lottery Fund has been forthcoming in explaining what involvement it may have. If we are aiming to create a country that is fair, given that we are trying to build a country that works for everyone? We must recognise that that includes developing the economies of rural areas as well as urban areas. I wonder whether, in the few days he has left—I accept that his civil servants are almost locked down in purdah—he will satisfy himself that, when smaller local authority areas bid for such things, the process perhaps needs to be weighted to recognise that they are unable to underwrite bids in the same way as larger metropolitan areas. Are there other ways of doing it?

Rebecca Pow (Taunton Deane) (Con): I applaud my hon. Friend for bringing this debate to the Chamber. One of the big drivers behind cities of culture is improving economic prosperity. As my hon. Friend says, Wells, with its cathedral, is a glorious location. It was the location for the film “Hot Fuzz”. My dad went to school there, at the Blue School. It is important to recognise that Wells sits in a poor rural environment. The effect of Wells securing city of culture status might reverberate out into the surrounding rural areas, including to my constituency of Taunton Deane and the rest of Somerset, and improve our productivity, which we so badly need to address. As Conservatives, we are addressing it, but we need to do more.

James Heappey: My hon. Friend is exactly right. If someone flew over our constituencies, they would see so many trees and fields that they would think all was well down below. It is so easy to assume that, but there is a hidden deprivation in rural areas that is just as significant a challenge as the challenge in inner-city areas. In fact, dealing with that deprivation is arguably a much greater challenge. Too often in rural areas, rather than deprivation being concentrated in one area and the aim of intervention therefore being clearly defined, families who live in deprivation are on their own. There might be only one family in a hamlet who live in such circumstances, or deprived families might be scattered across a town or a large village, making it much more challenging to intervene in their lives. There is an opportunity for city of culture status to uplift the entire area, so that we can find and engage deprived people who live in isolation—we can do something that could be transformative to their lives.

The Minister will be well aware of several obvious benefits of city of culture status that are common to all bid cities. The most obvious place to start is the visitor economy. Somerset’s visitor economy is already growing—it has grown from £1.2 billion to £1.3 billion in just the last few years. Visit Somerset has been on the front foot in looking at all sorts of ways of marketing our county, with huge success, as have the various tourism expos that have come to the county, several of which I have had the pleasure of hosting. I suspect that the Minister will want to pass back congratulations to Visit Britain, which has brought several international delegations of tour operators to Somerset. I hosted a group of Spanish, Italian, Portuguese and Mexican tour operators in Glastonbury just a month or two ago. It was great that Visit Britain brought them to the area to see what we have to offer.

Despite that, the reality is that Somerset is still too often the drive-through county on the way to the far south-west—that is music to your ears, Mr Streeter, but Somerset has so much more to offer and I am sure you will not begrudge us if we hold up visitors a little longer at our end of the peninsula. So much more could be done in the visitor economy in our part of the south-west, and it would be great to see the city of culture status acting as a catalyst for a growth in visitor numbers. It would also be fantastic to see the city of culture status acting as a catalyst for infrastructure improvement—the railway lines south of Bristol are not planned for electrification, while the line from Reading to Taunton and down to the far south-west is perhaps not being electrified as quickly as we might have hoped. Perhaps a major, internationally significant tourism event, such as city of culture events or something along those lines, might be a reason to accelerate the improvement of those lines.

City of culture status might be a great hook for a number of airlines that have been looking at bringing in daily services from Bristol airport to New York, Doha and Istanbul. Perhaps city of culture status might be the final encouragement they need to commit to those services, which would be great not just for Bristol and the greater Bristol area, but for the whole south-west peninsula. City of culture status could be a catalyst for that, and for road improvements for my hon. Friend for Bath (Ben Howlett) and for North East Somerset (Mr Rees-Mogg) have been doing some great work on improving the route from the M4 down through
Bath and into Somerset and west Wiltshire—it would be great to see that succeed. I have been working on getting some improvements to the A39 and the A361 for cars coming in from the M5 at Bridgwater north, in order for them to access Mendip more quickly. What a great thing it would be if city of culture status was to be the catalyst for those road improvements.

The Minister has been doing great work on broadband and mobile phone coverage—they have improved enormously in our part of the world in recent years. Given that there might be some growth in the emerging digital arts industry in the Somerset area, city of culture status might also catalyse that need for digital connectivity and see us accelerate.

Rebecca Pow: I wonder if my hon. Friend will give me the pleasure of intervening again, as I am the only other Back Bencher here!

James Heappey: I would be delighted.

Rebecca Pow: I feel I am speaking up for the rest of Somerset, and perhaps the Minister might listen to this. Productivity in the south-west has historically been below that of the rest of the country—we are at about 7% and the rest of the country is at about 8%. Does my hon. Friend see city of culture status as a great opportunity to address that? The knock-on effect could be enormous. If we had a city of culture in the south-west—that would be unusual because the money is all going north—it could do so much good and have a big impact on productivity.

James Heappey: My hon. Friend is an excellent battle buddy to have in today’s pursuit of the Minister. She is entirely right. England’s smallest city cannot do this alone. This offer encompasses Glastonbury, Shepton Mallet, Frome, Cheddar, Wedmore, Street and villages all over the county, but also places slightly further afield such as Taunton, Bath and Bristol. This is a hugely exciting regional opportunity.

The Minister might say: “So what? Every bid says city of culture status will bring more tourism, boost productivity and bring inward investment.” He is not wrong. However, that is where a bid from a small city in a rural setting becomes interesting. The challenge of yesteryear was the regeneration of post-industrial cities. The new challenge for the next decade is how we build more resilient communities that can deal with loneliness, an ageing population and the challenges of mental health, and particularly dementia among that ageing population.

Somerset has those problems acutely and is in the nation’s vanguard when it comes to the ageing population. City of culture status could be seen as an opportunity for the arts to bring communities together and enhance the culture of volunteerism, which already exists in our communities but which could become so much more, and therefore to build networks of people who are looking out for one another. It would be hugely exciting if the arts and city of culture status brings them together in the first place.

I hope the Minister will reflect that there is an economic challenge in the south-west. Although there are not the brownfield sites seen previously in other bid cities, he might reflect that the south-west has lagged behind in inward investment for some time, and that a flagship project of international significance could really drive the local economy. It would be exciting, and therefore ticks all of the boxes of a more conventional bid.

I hope the Minister also sees that one of the Government’s great challenges over the next decade will be tackling loneliness and helping the elderly to live independently in their own homes, so that they do not need adult social care and do not need to be in hospital. City of culture status could be a catalyst for developing that resilience, building that network of volunteers and embracing the huge horsepower that exists within community and voluntary groups. If a celebration of our community, culture and shared history can be used to create a legacy of support and of looking out for one another in a resilient community, that is hugely exciting.
Mr Streeter, you have indulged me and my colleagues from Somerset for long enough. It has been a huge honour to pitch to you and the Minister the value of a bid for Wells to become the UK city of culture. I know the Minister does not make the decision, but I hope that we might be successful in reaching the shortlist in due course, and that he will go away full of enthusiasm for what we have to offer.

4.19 pm

The Minister for Digital and Culture (Matt Hancock):

It is a great pleasure to serve under your chairmanship, Mr Streeter, in what I expect to be the final Westminster Hall debate that I will respond to in this Parliament. I congratulate my hon. Friend the Member for Wells (James Heappey) on securing this debate and on so powerfully arguing for Wells to become the UK city of culture in 2021. We can see why the people of Wells elected him. He has a deep passion for his city, and he touched on some of the things he has been able to do in the two years he has been an MP to improve the city and life for its residents. I wish him well in his bid to gain their trust to do that in the next Parliament. We can see today how such a passionate advocate is needed for the city of Wells and the surrounding areas. He made the broader case, including for the value of Wells becoming the city of culture to Somerset and the south-west more widely.

Under the UK’s city of culture programme, places can compete to hold the title once every four years, and the prize is that title. There is no formal funding support, although there is a huge amount of support to draw in from all sorts of places, private and public. The programme uses creativity and culture to transform a place, attracting visitors and bringing communities together. The competition was launched in January, and 11 places have registered their intention to bid: Sunderland, Perth, Paisley, Stoke-on-Trent, Coventry, Swansea, Hereford, Warrington, St David’s, Portsmouth and Wells. The bids need to be received by the end of this week, so this is a very timely debate. They will then be assessed by the independent advisory panel, while Parliament is dissolved. A shortlist will be announced after the election and the winning city announced by the end of this year.

I thought it was striking how my hon. Friend described the way that a largely voluntary bid is coming together, drawing people from the community and the private sector—within the council area, of course, but led by volunteers. I pay tribute to those who have worked on the bid so far. As the smallest city, Wells has an iconic selling point.

We have heard today about the cultural assets that already exist in Wells. The city of culture is all about boosting the assets that already exist, as well as adding new ones. In Wells in particular, those draw from an ancient tradition and a long and illustrious history. There is the cathedral and the bishopric, which has been in place since 909. The seat has been the Bishop of Bath and Wells since 1245. The current bishop is Peter Hancock—no relation, but a great man. There is a great heritage, with 341 different listings, four of which are for the Bishop’s Palace alone. My hon. Friend also mentioned Glastonbury festival and Cheddar, the home of cheese. The variety and depth of the history is a real attribute.

The area has enjoyed significant investment from both Arts Council England, which has invested almost £700,000 in 48 projects since 2010, and the Heritage Lottery Fund, which has invested almost £3.5 million over the same period. The theatre and circus area of Glastonbury festival are benefiting from grants this year. Last year, the Palace Trust was awarded money for its “Dragon’s Lair” project to help children and families engage with the Bishop’s Palace. There has been significant public investment, as well as the private investment that my hon. Friend talked about.

I want to touch on a couple of things that my hon. Friend said about looking at the city of culture competition in a different way, not only to support primarily physical and economic regeneration but to support and strengthen the resilience and value of communities in a small city and rural setting. He put that very well. He is right that Wells would be a different choice from previous winners, where the focus has been on the economic regeneration and social rejuvenation of an area that has had a difficult time over recent generations. Wells is about building on success and building stronger and more resilient communities. He put that well, and I have noted that and will ensure it is noted by the judging panel too.

The evidence is that the value of the UK city of culture competition comes to all bidders: just bidding brings value. It brings people together and it brings national attention, as this debate is doing. Preparing the bid can generate new ideas and create new partnerships. Bidding areas often think about the plans and development over time. Hull was successful only on the second attempt, but it has been hugely successful this year. Indeed, Rough Guides said that Hull was one of the top 10 cities in the world to visit this year. Hull expects a £60 million boost to its local economy and more than £1 billion of investment. That is the benefit of winning, but it is the taking part that counts also, because people pulling together with the goal of winning has its value.

I want to acknowledge the support that my hon. Friend has from my hon. Friend the Member for Taunton Deane (Rebecca Pow), who put powerfully the case for the wider benefits to Somerset, and from my hon. Friend the Member for Weston-super-Mare (John Penrose), who made powerful supportive comments. Their contributions showed the value expected to the wider community, not just Wells. The bid is really about Wells in Somerset.

Rebecca Pow: To pick up the Minister’s point about the rural connection, this is a massive selling point for the Wells bid. We are finding that the urban-rural divide is getting larger. If we could do something to link the two better, perhaps through the arts, that would be a really positive move.
Matt Hancock: My hon. Friend is a powerful advocate for her constituency and makes the case incredibly well for the importance of closing the urban-rural divide and ensuring that people in Taunton and right across rural and urban areas of the country benefit from the arts, culture and technology. I have very much taken that on board.

I will end by saying that my hon. Friend the Member for Wells is a brilliant local representative and a terrific advocate for Wells. I give him and the bidders all encouragement in this bid. There is only one thing I cannot give him, and that is which he seeks—victory today in his bid, along with many others, to make Wells the UK city of culture in 2021. However, thanks to his efforts, the bid that they are making has been brought to the attention of people at the most senior levels, so it will get the very best shot that it can.

Motion lapsed (Standing Order No. 10(6)).
I would like to use the opportunity provided by the debate to praise the charities and organisations that aim to help grandparents who have become estranged from their grandchildren, often through no fault of their own. One such charity is GranPart, which operates in my constituency of Northampton South and aims to help grandparents in the county with advice and services that allow them to try to reconnect with their grandchildren, or at least to share their experiences with others and share best practice in order that people can try to reconnect with their own families. I have attended the monthly meeting and listened to some of the distressing stories of how grandparents have ended up losing contact with their grandchildren. Sometimes that is because arguments have gone too far; sometimes it can be due to families separating; and sometimes people never really understand the reasons why.

Some people have written to me to suggest that the situation could be changed with a few minor amendments to the wording of the Children Act 1989. That primarily means adding in a reference to a child’s extended family as well as to their parents. That minor change could ensure that grandparents were given rights to see their grandchildren that were similar to the rights of any parent in order to help to secure the child’s welfare, and ensure that grandparents were not negatively impacted by any change to a child’s family situation. However, I can envisage situations in which that could lead to conflict. In most families, the primary responsibility for bringing up children lies with the parents, and I would not wish to see parental responsibility confused in any way by giving additional rights to grandparents that superseded the role of a parent or, as my hon. Friend Dr Matthew Offord (Hendon) (Con) pointed out, that would probably be allowed if deemed to be in the child’s best interests. Perhaps—this is an issue for the Minister to address—that could be reconsidered to give grandparents an automatic presumption for the family court.

When grandparents lose access, it can be even more difficult if they do not have any access to information about the children or know their whereabouts. In the same way as my hon. Friend the Member for Eastbourne (Caroline Ansell) described, a lady came to my surgery and told me that she did not know where her grandchildren were living or what they looked like any more and she had no access to information about them. She would have loved to have had contact with her grandchildren, but it also kept her very worried that she did not have any information about them and did not even know whether they were safe and being looked after. In that situation, I was able to write to Northamptonshire County Council and say that if any information was able to be passed on, I would be able to do that. It replied simply that the children were safe.

There are sometimes obvious safeguarding reasons why information cannot be shared, but I think that the matter could be looked at again to see how the law can ensure safeguarding while also allowing grandparents to have basic information about their grandchildren just to reassure them that they are safe and well. I hope that, after the election, the issue of grandparents’ access to children can be taken forward by working together to ensure that the voice of grandparents, too, is taken into account when working with families. I will now draw my comments to an end. I look forward to hearing from other hon. Members and from the Minister.

I declare an interest—because I am of that age—as a doting grandfather. Looking round the Chamber, I am not sure whether everyone is a grandparent, but I know that you, Mr Streeter, have achieved that goal. When I held my eldest son Jamie in my arms some 29 years ago, I thought that nothing in this world could top the pride and love that I felt as I looked into that perfect little face. I was wrong. There was a little girl who made her way into this world and into a special place in her heart. I am also grateful for the previous intervention, in which my hon. Friend the Member for Hendon (Dr Offord) talked about the law in France. That point should be considered, and I am sure that my right hon. and learned Friend the Minister will come to it when he responds to the debate. I understand that the law in England and Wales gives the family court the power to make various orders about children, including about whom they can spend time. Grandparents would be required to seek the permission of the court before applying, but that would probably be allowed if deemed to be in the child’s best interests. Perhaps—this is an issue for the Minister to address—that could be reconsidered to give grandparents an automatic presumption for the family court.

Dr Matthew Offord (Hendon) (Con): My hon. Friend will recall that on 31 January my constituent, Lorraine Bushell, and the Hendon grandparents support group had a lobby day here in Parliament. One issue that they raised was not that grandparents should have a specific right to access to their grandchildren, but that the child should have a right, as in France, to have contact with their extended family.

David Mackintosh: I am grateful to my hon. Friend for his intervention. I do recall the event that was held here. I think that it was held in a room not far from this Chamber, and the room was packed to overflowing. Many hon. Members were present to lend their support to the campaign and to receive the advice and information on best practice that was offered on the day.

Caroline Ansell (Eastbourne) (Con): My hon. Friend will be dismayed but not surprised to learn that at my last advice surgery I, too, saw grandparents who were suffering in this way. Their plea was for a change in best practice that was offered on the day.

David Mackintosh: I am grateful to my hon. Friend for her intervention. I have had similar constituency surgeries, at which similar stories have been relayed to me. I am also grateful for the previous intervention, in which my hon. Friend the Member for Hendon (Dr Offord) talked about the law in France. That point should be considered, and I am sure that my right hon. and learned Friend the Minister will come to it when he responds to the debate. I understand that the law in England and Wales gives the family court the power to make various orders about children, including about whom they can spend time. Grandparents would be required to seek the permission of the court before applying, but that would probably be allowed if deemed to be in the child’s best interests. Perhaps—this is an issue for the Minister to address—that could be reconsidered to give grandparents an automatic presumption for the family court.
grandfather’s heart that had never been touched before. My little Katie is eight years old. When I thought there was no more room left in my heart, little Mia came along—she is just three years old—underlining the fact that there is nothing more enjoyable than time with grandchildren. There is also the fact that, as we all know, they can be handed back whenever they get a bit stroppy. That is one of the great advantages of being a grandparent.

The fact of the matter is that we are here today in Westminster Hall to debate this issue because we want to ensure access for grandparents. I am lucky; I have access to my grandchildren. I am very fortunate. I am also fortunate that most of my family and friends are in the same position.

**Julian Knight:** I am absolutely convinced that the hon. Gentleman is a magnificent grandfather in many respects and an archetypal grandparent. This is a two-way thing. Both my grandmothers are still alive, and they are both 91 years old. One of them virtually brought me up from what was effectively a broken home. The relationship and bond that we formed is something that has carried me through my entire life. I cannot imagine anything worse than not having access. Does the hon. Member for Northampton South outlined in his introduction. However, where such an agreement cannot be made, the grandparent can seek the leave of the court and, if successful, apply for a child arrangements order to agree access. That is all very well, but it is not as simple as that. It is not easy to do when parents are estranged, and unfortunately children are often used as a weapon, which is very painful.

As a grandparent, I can only imagine being cut out of my beautiful granddaughters’ lives. I would certainly do everything in my power to facilitate Katie and Mia visiting, no matter what, but if that was not possible and could not be achieved, I would have to go to court for access, which is expensive and soul-destroying when grandparents’ rights are so restricted. The hon. Gentleman made a salient point in his final few words about the pain that going to court causes not only to grandparents and parents but to children. They cannot quite understand what is going on or what all the arguments and fights are about, but they know that something is wrong and that they are the piggy in the middle, if I can use that terminology, being pulled from all sides. All sides may genuinely love their children or grandchildren, but access can be denied.

It is good to see the Minister in his place, and we look forward to his response. More must be done to support access rights. If that means enacting legislation to enshrine clearer rights for grandparents—that is what has been suggested by the hon. Gentleman and in interventions, and it is what I would look for, too—then that is what needs to happen. The Government enjoy the fact that one in four working families rely on grandparents for childcare, which saves the Government money in tax credits and childcare vouchers; it follows that grandparents should receive the benefit of Government notice and attention. That is what we are here today trying to achieve—that their rights are protected should the unthinkable happen. If today’s debate moves that process on and enables legislative change to come in the next Parliament, and if the Minister is able to respond in a suitable way, I would speak strongly in support. A nanny tax credit and such things are great, but it is clear that more support is needed for those who are not able to see their grandchild or grandchildren.

I fully support the motion and look to the Minister to ensure that, when the new Government are in place after 9 June, they take the issue on board and take steps to clarify further the rights of grandparents in the UK as a whole. On behalf of grandparents who do not have access to their grandchildren, I say passionately that that would be a step in the right direction.

4.45 pm

**Yasmin Qureshi** (Bolton South East) (Lab): It is a pleasure to serve under your chairmanship, Mr Streeter. I thank and congratulate the hon. Member for Northampton South (David Mackintosh) on bringing such an important issue before Parliament. His speech set out the various considerations associated with this sensitive issue.

Grandparents can enrich the lives of children and provide support to parents trying to balance work and home life. They can also be the only people who tell parents off—I remember it was great hearing my mum’s mum telling her off—and often grandparents are the ones who stick up for the children and give them treats and things. The importance of grandparents in the lives of children cannot be stated often enough. Many people who have been lucky enough to enjoy a close and loving
relationship with their grandparents accept that it is one of the best experiences a person can have, as the hon. Member for Solihull (Julian Knight) said.

However, family relationships sometimes break down. Having worked in family law, I am well aware of the pain and distress that frequently accompanies family breakdown. At its most extreme, it results in children being taken into care. Where there is a responsible grandparent available who can step in and avert that outcome, that is surely to be welcomed. A more frequent occurrence, as hon. Members have said, is grandparents becoming detached from their grandchildren when the parents separate. When that happens, grandparents who have been a central part of the child’s life can feel understandably excluded. It is quite right that they should have some form of redress to apply for access.

The current means used to decide where a child lives and with whom they have contact is child arrangements orders, which were introduced by the Children and Families Act 2014 to replace the previous framework of contact and residence orders. A child arrangements order can determine where a child lives, who a child spends time with—those persons are named in the order. It also details who they can make phone calls to, who they can visit and what activities they can do with a named, specific person.

Under the present system, the grandparents have to seek leave from a court to apply for a child arrangements order, and only if they have lived with the child for three years. The application generally requires leave from the court. That can cause a lot of problems. The stipulation of having stayed with the child for a minimum of three years can exclude various different arrangements, such as those applying to grandparents who have not specifically spent three years with the child, but are on the scene and see the children and provide a lot of support.

Over the past number of years, it seems that the number of grandparents applying for rights of access has gone down. That is unusual, bearing in mind that a lot of grandparents want to have access to their grandchildren. One reason is that they have to jump through the hoop of applying for leave, then going through the process, which can be quite costly and time-consuming. Many grandparents are not able to avail themselves of the process.

The Labour Government produced a Green Paper in 2010 with the intention of removing the requirement to seek the leave of the court, and a family justice review was set up in March 2010. That provision was supported by the coalition Government, who ordered a review in November 2010. However, they took the view that the need for grandparents to apply for the leave of the court before making an application for contact should remain. That is a plausible explanation for why the number of grandparents applying has reduced.

Obviously, everyone wants to prevent vexatious claims from grandparents or people doing it for malicious purposes—we want to ensure that those who go for it do so with the best motives at heart—but I am sure that if people in the legal profession put their heads together, they could come up with an acceptable halfway house. Perhaps we could offer free legal advice to grandparents about their options, or make the process simpler and speedier.

Jim Shannon: As elected representatives we look for solutions to problems, and one way of finding a solution is through the mediation process. Does the hon. Lady think that that might be a way of doing it? I am looking to the Minister for an answer to that, too.

Yasmin Qureshi: That is a helpful way to deal with these things. Arbitration or mediation has been found to work in many scenarios—whether for the divorce settlements of couples who are separating or for access to children, even if the person is in employment. We could explore that option, which is not expensive and is much more straightforward.

As I said, I am sure that if legal professionals and others in the system put their heads together, they would come up with a system that is much more flexible and responsive to grandparents’ needs and enables them to see their grandchildren without enormous legal obstacles and hoops that they have to jump through. This is not a party political issue: everybody accepts that grandparents have a very important role to play. I am sure the Department can come up with a more flexible, less costly solution that requires grandparents to jump through fewer hoops.

4.52 pm

The Minister for Courts and Justice (Sir Oliver Heald): We have had a very constructive, warm-hearted debate. I think we all found it moving to hear the hon. Member for Strangford (Jim Shannon) and my hon. Friend the Member for Solihull (Julian Knight) talk about the love they feel for their grandchildren and the very special role that grandparents can play. The hon. Member for Bolton South East (Yasmin Qureshi) talked about her grandmother telling her mother off and what fun that was. I think we all recognise that. Extended family life is important to all of us.

The hon. Member for Strangford made a good point about mediation. I did some family law cases as a barrister, and I have often thought that mediation can lead to the settlement of a family dispute or the breakdown of a relationship with less confrontation and heartache for everybody involved, so I think that was a very wise point. Comments were made about the pain of family breakdown and the court hearing. All of that is very well taken.

I cannot make any announcements today because we are in purdah, but I have previously said that, assuming the electorate allow it, we will introduce a Green Paper later in the year on family justice, which will provide the opportunity to look at these issues and a number of others that hon. Members touched on. Having said all that, I congratulate my hon. Friend the Member for Northampton South (David Mackintosh) on securing this debate on an issue that is vital and, as he said, complex. It is a pleasure to serve under your chairmanship, Mr. Streeter.

The sorts of experiences that we are discussing—heartbreaking stories, as my hon. Friend put it—were recognised at his meeting with GranPart in Northampton, an organisation in which I know he takes a particular interest, as well as talking to his constituents more generally about the issue. We heard from my hon. Friend the Member for Eastbourne (Caroline Ansell) what constituents have told her about the issue. I agree...
with my hon. Friend the Member for Hendon (Dr Offord), who said that he has a strong support group in his constituency, that children should not be used as weapons.

I am sure that most children see their grandparents as important figures in their life and benefit tremendously from a positive relationship with them. For many children, loving relationships with grandparents enrich family life. As was mentioned, grandparents often play a key role in the raising of their grandchildren, particularly with so many parents at work these days, and I recognise that grandparents can be a great source of stability for children when parents decide to separate. They can provide a sense of continuity in traumatic circumstances at a time when children are fragile. Sometimes, when parents are unable to meet their children’s needs, grandparents can take on full responsibility for their care.

After parental separation, in many cases, grandparents continue to enjoy relationships with their grandchildren, although the circumstances are obviously different as the parents live apart. However, there are some cases in which grandparents are prevented from seeing their children, with no good reason. The Government recognise the immense distress caused to grandparents and children when parents separate. In such difficult circumstances, which are similar to bereavement, children often feel a greater sense of loss: they have lost not only a parent, but grandparents too. I am sure that some hon. Members and hon. Friends who have spoken in this debate will recognise such scenarios from the constituency experiences that they have described.

High-conflict cases involving disputes over children can have an impact on those children. Parents can end up viewing grandparents as being on the other party’s side, which can become a barrier to their continued involvement in their grandchildren’s lives. Grandparents, too, can be tempted to see the other parent as the enemy because they feel that their son or daughter has been wronged. That is part of the difficulty, unpleasantness, hurt and distress of a break-up, and such feelings of hurt are fully understandable, but if the children are exposed to that sort of adult conflict, it is damaging for them. That is why the current law does not provide for any automatic decisions, but gives the court great flexibility.

On grandparents in private law disputes, when grandparents’ informal attempts to secure ongoing involvement in their grandchildren’s lives fail, they have the option of asking the court to intervene. They might not want to; as my hon. Friend the Member for Eastbourne said, they might feel that there has been enough hurt and distress in the family without going to court and facing it all again. The Children Act 1989 includes arrangements that help grandparents to re-establish relationships with their grandchildren when things go wrong, but a court process is involved. Family courts can make a child arrangements order to determine with whom a child is to live, spend time or otherwise have contact, and when and where such arrangements are to take place.

A child arrangements order will usually provide for direct face-to-face contact, such as long or short visits and overnight stays where appropriate. It may also provide for the child to have no contact with a person or specify that that contact is to be indirect, through emails, telephone calls, letters or cards. There is a lot of flexibility in the court’s powers to make a child arrangements order, but the welfare of the child is the paramount consideration when the court considers any matter that relates to their upbringing. That is in contrast to any perceived rights of any adult family members.

Whether the court will order that a grandparent should have involvement in a child’s life will depend on a number of factors. Where one or both parents oppose such involvement, the court will apply the factors in the welfare checklist in section I of the 1989 Act. It may ask the Children and Family Court Advisory and Support Service to produce a welfare report on the beneficial impact of grandparent involvement and on any risks of harm from ongoing parental opposition to such involvement and from the exposure of the child to the resulting conflict. That report may include the ascertainable wishes and feelings of the child; obviously, the older the child is, the more important those are considered to be.

It is open to anyone, including a grandparent or other family member, to apply for a child arrangements order. However, the situation is not the same as that for parents; as has been said, grandparents and other family members usually need to obtain the permission of the court before proceedings can begin. This may appear to be an extra hurdle, but experience suggests that grandparents do not usually experience any difficulty in obtaining permission if their application is really about the interests of the child. Permission to apply may be sought at the same time as making the application itself, just by ticking a box—there is no extra fee, process, or hearing.

The leave requirement is designed not as an obstacle, but as a filter. The idea is to sift out applications that are not in the child’s best interests, such as vexatious applications. I reassure hon. Members that the law sets out clear objective criteria for the court to determine these issues. There are exceptions; not every case requires leave. In certain circumstances, grandparents do not have to apply for permission. Under section 10(5) of the 1989 Act, a grandparent may automatically be entitled to apply for a child arrangements order if “the child has lived for … at least three years” with them; the three-year period “need not be continuous but must not have begun more than five years before, or ended more than three months before, the making of the application.”

A grandparent may also apply under section 10(5) if they have the consent of both the parents or “the consent of each of the persons named” in an existing child arrangements order, in which case there is no need to obtain leave to apply.

Jim Shannon: I referred to the fact that many grandparents look after their grandchildren when they are out of school and the parents are working. Has the Minister had a chance to consider whether the childminding that grandparents do could be part of the solution that we are trying to find? If the grandparents are making a constructive contribution, such as by childminding, will the Government look at whether we can use that as a method of coming to an agreement?

Sir Oliver Heald: That is certainly an interesting thought. Of course, I cannot say what the next Government will do. As the hon. Gentleman knows, we are in the funny—well, the important and democratic—period of seeking re-election. [Interruption.] Very, very important, yes. We must not take the electorate for granted, and
one Parliament cannot bind another, but if the Green Paper process goes ahead, which I hope it will, all these issues can be looked at in that context. A history of having minded the child in the way that the hon. Gentleman mentioned is an important factor.

I think we would all agree that disputes over children can be very complex—a point made by my hon. Friend the Member for Northampton South. Parental disputes over children can also affect wider family relationships, and the relationship between the children and their significant relatives can be vulnerable to an unpleasant breakdown involving a lot of distress. No one would want to rekindle distress or make it worse for the child.

Research has provided some insights. A study funded by the Nuffield Foundation, a charity that aims to improve social well-being, gives some insights into how easy it can be for wider family members to become embroiled in conflicts over children. The study was of 197 case files from county courts in England and Wales in 2011, and its primary aims were to understand the detail of different types of childcare arrangements set up during litigation at county court level and to shed some light on how the different types of county court orders then in existence were used and understood. Some 12% of the cases examined were not disputes between parents but involved non-parents, such as grandparents or other relatives who were caring for the children, and three of the cases concerned applications from grandparents to have contact.

Although the sample size was small, the findings shed light on how some grandparents can become directly involved in conflicts over children. The findings also demonstrate the considerable lengths to which the court will go to facilitate a child’s involvement with their grandparents, and the court’s difficult task of weighing up the benefits and risks of such contact. I think we would all agree that the principle of grandparents being part of a child’s life is a very important one, and the research shows that the courts take it seriously too.

I will say something about public law cases because grandparents play an important role in them. It is a principle of the 1989 Act that local authorities should support the upbringing of a child by their family wherever possible, if it is the most appropriate way to safeguard the child’s welfare. Local authorities can apply to the court for a care order when they believe that a child has suffered or is likely to suffer risk of significant harm. The care order allows the authority to take over the welfare of the child. Local authorities must seek to give preference to placing looked-after children with wider family members first, if it is not possible to return them to the birth family and, if that is not possible, with a friend or another person connected with them. The court can appoint a special guardian as a permanent alternative to long-term foster care or adoption, and that is often a family member such as a grandparent, or a friend.

In conclusion, the courts recognise the importance of children maintaining relationships with their grandparents following parental separation. Family courts are cognisant of that when considering applications relating to child arrangements. However, such cases are not straightforward, given the tensions and ongoing conflict that can often arise when parents separate, and for that reason, as I am sure hon. Members will agree, the welfare of the children must continue to be the paramount concern.

We have had a good debate and some good points have been made. If the Green Paper process goes ahead, as I hope it will, there will be an opportunity for us to consider the matter more fully and for organisations that have particular viewpoints to make a contributions.

Mr Gary Streeter (in the Chair): Mr Mackintosh, you have a couple of minutes to wind up if you wish.

5.8 pm

David Mackintosh: Thank you, Mr Streeter. I will be brief. I thank the Minister for his response and all hon. Members who have taken part. I know that my constituents who have experience of this type of separation from their grandchildren and are watching the debate will be grateful that the matter has been talked about here in Parliament and will look forward to the Green Paper process hopefully continuing in the autumn.

Question put and agreed to.

Resolved.

That this House has considered grandparents’ rights of access to children.

5.9 pm

Sitting adjourned.
Westminster Hall

Wednesday 26 April 2017

[MR CLIVE BETTS in the Chair]

School Funding: North-east of England

9.30 am

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): I beg to move,

That this House has considered school funding in the north-east of England.

It is a pleasure to serve under your chairmanship this morning, Mr Betts. I am very pleased to have secured this important debate, albeit on the second last day that Parliament is sitting in this Session. I know the subject of the debate has made many of my constituents very concerned, as well as those of my fellow MPs from across the north-east who, I am pleased to say, are in attendance today in some numbers and those who unfortunately could not be here. They include my fellow Sunderland MPs, my hon. Friends the Members for Sunderland Central (Julie Elliott) and for Houghton and Sunderland South (Bridget Phillipson). My right hon. Friend the Member for Tynemouth (Mr Campbell), who has raised concerns with the Minister following a meeting he had with headteachers in his area, is also concerned about the effect on his constituency. He asked me to convey his apologies, as he really wanted to be here but had to be elsewhere.

I also thank my hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop), who has done a lot of work over recent months to raise awareness of our collective concerns about the Government’s negligent approach to schools in our region. I have to add, Mr Betts, that he will be sorely missed when he steps down from this place next Wednesday, both by us, his regional colleagues, and, I know, his constituents. I am thrilled to see him in his place today.

Labour Members are passionate advocates for the education of children and young people. It is safe to say that “Education, education, education” is a mantra that we still believe in, yet sadly we have seen this Government ride roughshod over our education system and our local schools, by putting them in an unprecedented position. The Government have not only failed to support our schools; they have made cuts that are fundamentally detrimental to the very viability of some schools.

In my contribution this morning, I will set out why that approach to education is so damaging and why there must be an urgent rethink by Ministers. To do this, I will look at three areas: the national situation; how it is affecting schools in my constituency and the north-east; and, finally, how that approach to our education system is affecting the very nature of our schools, whose purpose is to educate our children and address societal issues, such as child poverty and social mobility.

Before I even get to the crux of why I called this debate, perhaps I can already predict what the Minister will say in response. He will probably say, as the Prime Minister said just a few weeks ago, that this Government have protected the schools budget. However, he knows as well as I do that that is not actually the case, because the real issue is the failure to recognise that our schools are facing real-terms cuts, not cash cuts. It is deeply disingenuous of the Government to say that they have protected school budgets. I suppose it is like the Government paying public sector workers the same as they paid them seven years ago and then saying that they have protected their salaries. Oh, hang on a minute—they have done that as well.

These real-terms cuts are mainly down to inflation, but also four other things: the increases in the cost of employers’ contribution to national insurance and pensions; the abolition of the education services grant to local authorities and academies, which has reduced funding by £600 million; the cost of annual pay awards to teachers, which is set to increase by 4.4% by 2020; and, finally, the impact that the apprenticeship levy will have on maintained schools that take on apprentices. Much of this would not be a problem if the Government were not overseeing static funding for our schools, whereby these real-terms cuts now range from between 6.5% and 8%.

On top of all this, there are growing concerns about what the new schools funding formula will do to schools’ budgets and to staffing retention and the schools estate, which is in dire need of an uplift. We might easily come to the conclusion that what we are seeing is the complete mismanagement and neglect of our education system—a perfect storm, if you like.

Instead of coming to terms with those issues, we have seen this Government shove their heads in the sand and carry on regardless, ignoring what many in society—from MPs across the House to teachers and parents themselves—are calling for, which is support for our education system to ensure that our children succeed in life. As the Public Accounts Committee recently stated in its report on school cuts, “the Government does not seem to understand the pressures that schools are already under.” I completely agree with that, and I feel frustrated that Ministers are continually ignoring the concerns of a wide cross-section of society on this matter.

School leaders, who know their budgets the most, were surveyed by the National Association of Head Teachers, with 72% saying that their budgets will be untenable by 2019-20. That is not surprising when the National Audit Office has set out that the Department for Education expects schools to make £3 billion of savings a year by 2019-20. It is safe to say that this £3 billion cut—which is what it is, rather than a saving—as well as the funding pressures that schools face and the lack of action to support them through all these difficulties, is leading to headteachers having to make impossible decisions, some of which will ultimately impact negatively on pupils and their education, and all because of what the Minister is doing, or not doing, as the case may be.

This sorry state of affairs that our schools find themselves in is nothing to do with efficiencies; it is all about impoverishing our schools. Shamefully, this approach will hit children living in the poorest areas the most, such as in parts of my constituency and those of my fellow north-east MPs from across the House. We all have deprived communities in our constituencies. That means that more and more children will be held back in life, when we should be supporting them to achieve social mobility and to achieve their full potential.
[Mrs Sharon Hodgson]

As I stated at the beginning of my contribution, I know that this is an issue that many of my constituents and teachers in my constituency are concerned about. That is not surprising, when the total budget cuts by 2019 across the city of Sunderland are expected to be over £16 million, which means an average cut of £470 in per-pupil spend and a loss of 439 teachers across the borough of Sunderland.

In my constituency, the worst hit school is Rickleton Primary School, which will see a budget cut of nearly £150,000. That is well above the average cut for primary schools nationally, which is estimated at around £103,000, which is still a huge cut. The headteacher of Rickleton Primary School, Mr Loththouse, set out clearly in an email to me, which I have sent on to the Secretary of State for Education, what those funding pressures will mean for his school, from potential staff redundancies to the impact on his pupils’ education, and it is not only Mr Loththouse. Many other headteachers across Sunderland have expressed similarly grave concerns. Those concerns were reflected in a meeting I held in Sunderland recently with around 30 headteachers and school governors, who all agreed that our schools were at a crisis point. That led me to securing this debate today.

The worries of those headteachers and school governors are genuine and showed just how concerned they were for the education of the next generation. In all my 12 years as an MP, I have never been in such a meeting, with headteachers expressing concerns of such gravity. If the Minister had been at that meeting, he would have had his eyes truly opened to the extent of his actions and the gravity of the situation. One headteacher from Sunderland said that if they did not see any support from the Government for their school, it would mean losing five teachers, which would not be legal under the 30:1 pupil-to-teacher ratio. The true scale of this issue was described extremely well by another headteacher at the meeting, who said that balancing their budget had always been hard under successive Governments—they had always had to deal with cuts—but that these cuts will be impossible to achieve. She ended by saying:

“This can’t be done—no joke, not kidding or exaggerating”.

Following that meeting, a joint letter from headteachers in different parts of our region, some of which are represented by MPs who are here today, appealed to parents to make their voices heard by the Government regarding these plans. I for one am proud to stand with my local headteachers, school governors and parents who are deeply concerned about this issue and urge the Minister to rethink his disastrous plans, which will negatively affect the lives of children and young people not only in my constituency, but across the north-east and in other parts of England.

To help the Minister along, I will read an extract from that letter to parents. It will help him understand what is happening on the ground and the plight facing our schools right now. It is unprecedented for teachers from three boroughs to get together and write to parents in this way. The letter states:

“School leaders in our region have endeavoured to make every conceivable cut to our spending, but are now faced with reducing basic services still further, all to the disadvantage of your child.”

Teachers do not go into this profession to make life harder for children and to make cuts. They do it because they want to help transform the lives of all children, especially those who need extra support the most. What we are currently seeing is the exact opposite, and it is all due to this Government’s shocking failures. As someone who has campaigned during my 12 years as a Member of Parliament to improve the lives of children and young people, especially those living in poverty, I fail to see how the Government’s current actions with our education system will help to alleviate any issues of child poverty and disadvantage in our society.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I thank my hon. Friend for calling this debate and the critical point she is making about education in deprived communities and social mobility. The school I went to, Kenton Comprehensive School, has announced that it will cut 24 staff posts, including three teacher posts. The head says that she is making every effort to ensure that that does not impact on the learning experience, but does my hon. Friend agree that at a time when we need to enhance our skills, when the future of every child depends on the education they receive, and when social mobility and social equality are such an issue, it cannot be acceptable to cut education and staff in this way?

Mrs Hodgson: I totally agree. As my hon. Friend knows, education is a critical way of reducing poverty in society, as it equips children and young people with the knowledge and tools to get on in life, but the best schools also inspire them to go on and achieve their dreams. That is crucial in the north-east, where an estimated 132,000 children are living in entrenched generational poverty. That is why the Minister is deeply worrying to those of us representing seats in the north-east. The children we represent do not deserve that.

It is a well known fact that poverty impacts on the attainment of children in our society. That was clearly documented in 2015, when GCSE results were analysed. It showed that 36.7% of disadvantaged pupils received five A* to C grades, compared with 64.7% of all pupils. In this country, there is a strong correlation between parental social background and children’s test scores, particularly when compared with other developed countries, where it is less so. This is compounded by the fact that children in some of England’s most disadvantaged areas are 27 times more likely to go to an inadequate school than children living in the least deprived areas. That is why it is important that schools are used as a conduit to alleviate some of the issues that children in poverty face and to ensure that they get the best possible start in life.

Poverty is not inevitable. We do not need to see poverty in our society. What poverty tells us is that, due to a lack of political will, innovative thinking and a drive to act, we have failed as a society to address the social and economic issues that cause poverty. We have seen none of those things when it comes to school budget cuts. Instead we are seeing further social separation and division. That is seen quite plainly in the Government’s pet project, where they plan to pump millions of pounds of taxpayers’ money into grammar schools and the rolling out of more free schools and academies, instead of supporting what parents and teachers are calling for, which is for their child’s current school to be funded properly. That was brought to light just today with the publication this morning of the Public Account Committee report. It called the Government’s free school policy “incoherent” and wasteful, with the Department for
Education spending over the odds for schools and new free school places in areas where they were not needed, because there was not demand. Why can we not take some of this wasteful spending—the Public Accounts Committee is cross-party and it knows what it is talking about—and use it to mitigate the terrible funding cuts that our schools are facing?

In conclusion, for the sake of the children who live in my constituency, but also those of other MPs across the north-east, the Minister must rethink his and his Department’s approach to education without delay. Our education system should be funded fully and fairly, so that it can not only educate our children, but use its power to help improve our society. I hope the Minister will truly listen to this debate and take all our concerns into consideration, especially those of teachers and parents. Investing in education is investing in our children’s and Britain’s future. Those children in the classroom today are our future workforce. They will take our country on to greater things if we only give them the chance. Failing to support them now will be disastrous for our nation’s future and will only store up problems in later years for society as a whole. I hope the Minister understands the scale of what this all means and will go back to his officials following this debate and seriously reconsider his approach to funding our schools. Our children deserve no less.

Several hon. Members rose—

Mr Clive Betts (in the Chair): Order. We have got about 50 minutes before I need to start calling the Front Benchers. We have got six Members wishing to speak in the debate, so I think you can work it out for yourselves. It is about eight minutes each. If Members can keep to that without a formal time limit, that would be helpful.

9.46 am

Mrs Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con): It is an honour to speak on the last day of Westminster Hall in this Parliament. I congratulate the hon. Member for Washington and Sunderland West (Mrs Hodgson) on securing this debate. She was talking about the challenges of school funding, but it was disappointing not to hear about some of the impressive improvements in educational outputs across the north-east over the past few years. Children are getting the benefit of the improvements, which have come through the education framework and through Ofsted’s encouragement for schools to hone in on what is important in ensuring that children get the very best possible education from those early years and all the way through.

Speaking as the Member for Berwick-upon-Tweed, which is right up in the northern reaches of our region, we have a different set of challenges to many colleagues here today. I have very many small schools, where the challenges relate not to pressure on places, but to transport and the ability to sustain a school that, by definition, will have small and erratic numbers of children. The arrival of Ofsted can be good in one year and not so good in another, because cohorts vary so dramatically from year to year.

Some years ago, the Minister visited a high school at the very top of the constituency, in Berwick itself. We were pleased to welcome him there. The challenge is that the school, like every senior school, has a fixed cost with a small sixth form. There is no other school to go to—the next high school is 30 miles away. If a young person is choosing college rather than sixth form, the next provider is 60 or 70 miles away in my Labour colleagues’ constituencies. That is a very long way from Berwick. The challenge is to ensure that we can maintain the full provision of education in that far-flung school right up on the Scottish border.

What I would pitch to the Minister on this last day before we head into the election madness is that, in considering how to use continuing education more effectively, the Department needs to think more fully about how we encourage schools to use modern online learning tools. It would probably need capital investment, but it would help children in schools where the challenge is not so much, “Can we find a place?” but, “How can children access the high-tech learning skills they need to work in the industries that the north-east is growing, which will become, and are in some cases already, world-leading?”

I challenge the Minister to think about how we change the nature of the education that we give our children. The pupil-to-teacher ratio is important in younger years, but as children go up the school age groups, there is an opportunity to draw in excellent education from around the world. My son has recently been teaching himself how to write computer code—I cannot remember which one—because, apparently, that was of interest to him. He used a free Stanford University online tool. All he needed was a computer and decent broadband to sit in his room and learn it. He can now speak in a very strange language, none of which makes any sense to me, but he is now able to do stuff at school. The course was not available to him at school, so he did it off his own bat. Access to those tools are not expensive. They require technical investment, and for schools to think more broadly about how they use the funding that the Government provide to give children a chance to jump to another level in their educational attainment. The schools can be world-leading.

Chi Onwurah: Thank you. I am glad the hon. Lady for having raised the issue of apprenticeships levies, which for small schools in Northumberland is proving to be problematic because councils have been given the freedom...
[Mrs Trevelyan]
to pass the levy fee on. It is an issue for a small school that suddenly got a bill for £10,000 a few weeks ago and will not take up the opportunity of an apprenticeship levy, and I very much hope the Minister looks at it in more detail.

Alex Cunningham (Stockton North) (Lab): Schools in my area have contacted me about the apprenticeship levy. The hon. Lady says that the local authorities have the ability to pass the levy fee on to schools. Local authorities in my area have suffered tens of millions of pounds-worth of cuts. Does she expect them to pick up the bill or does she think the Government should offer a concession or do away with it for schools?

Mrs Trevelyan: The question is how the levy is used. For some of my larger schools the apprenticeship levy is a reasonable fee to pay because they will have the opportunity to benefit from apprentices and will increase their cohort of staff. We need to be a little more flexible and encourage councils to think more constructively in how they deal with the levy.

Mrs Hodgson: I know the hon. Lady’s constituency and she speaks well for the schools that will be affected. On the apprenticeship levy, I mentioned Rickleton Primary School and the letter that Mr Lofthouse wrote to me and the Minister about the cuts he will have to make. He has been in touch with my office this morning to say that it has already started. Today he has had to tell Liam, his apprentice, that he will have to let him go because of the apprenticeship levy. That is exactly the point we are making. It is ludicrous that, because he now has to pay however many thousands of pounds in the apprenticeship levy, he cannot keep the apprentice whom he said was excelling in his apprenticeship. Does the hon. Lady agree that that really needs to be looked at?

Mrs Trevelyan: One challenge that I found as a new MP is that, even if a policy is a good one, getting the delivery right on the ground is another thing. A simple phrasing of words need not negate the opportunity to apply what I would call common-sense thinking. If a school is happy to pay into the levy pot but happens to have an apprentice, it does not mean it should be excluded from the programme. I hope that will be resolved at a local level rather than be considered an impossible, insoluble problem, because that would never have been the intention of the policy.

Speaking as a member of the Public Accounts Committee—the report we published yesterday highlights some of the challenges of how money for free schools is being spent—there is an enormous amount of good work going on. In Berwick-upon-Tweed, we are looking to apply for a free school to create an autism school, because there is an enormous gap across the north-east, particularly in rural areas, in provision for our autistic children. I will revert to mentioning my computer-geek son again, who has Asperger’s and gets mentioned more often than he likes in Hansard. We have been fortunate enough to get by in mainstream schools with the extraordinary support of individual teachers, but the reality is that far too many families across the north-east need access to the different levels of teaching that autistic children across the spectrum require. We hope to be able to create a free school through the free school network. The scheme will allow us to do that. It gives flexibility, freedom and support for parents and teachers who understand special needs provision. We hope to reach out across the region to support families whose children have enormous potential, particularly in the IT and engineering spheres, which are and have always been key skill sets of north-east businesses—they continue to grow. We need to ensure we harness all those talents, including those of a growing number of autistic children.

There is a fascinating statistic. The science is as yet not entirely defined, but the more engineers you put together, the more autistic children you have. There is a spectrum and we create more of these young people—they are mostly young men but there are some young women—for whom a different learning pattern is required. If we get that right, we get extraordinary individuals whose great skills we can use for our economy. I therefore encourage the Minister to continue with the free schools system.

9.56 am

Phil Wilson (Sedgefield) (Lab): It is a pleasure to serve under your chairmanship, Mr Betts. I congratulate my hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson) who secured this important debate. I pay tribute to my hon. Friends the Members for Middlesbrough South and East Cleveland (Tom Blenkinsop) and for Hartlepool (Mr Wright), who will be leaving our ranks. I am sad to see them go. They are both friends of mine and I know they have been excellent representatives for their constituencies over the years.

“Education, education, education” was the mantra of the previous Labour Government, but we do not hear that now. That mantra is finished and no longer there under the current Government. On funding for schools, we need only look at what Durham County Council said about the effect the cuts will have on schools in the county: the funding formula is likely to lead to redundancies with small schools becoming financially unviable; 50% of primary schools will see cuts and 68% of secondary schools will also lose funding; 111 primary schools will see a reduction in funding of about £10,000 on average; and 21 of 31 secondary schools will see a loss of funding of about £48,000 to £50,000.

The National Union of Teachers and the Association of Teachers and Lecturers have surveyed schools about the funding required from parents, who are being asked to pay for school plays and sports events, and to help fill the funding gaps. One in six parents are being asked to fund their children’s schools; 76% of schools said their funding has been cut; and 93% of schools have said they are pessimistic about future funding. Some parents are paying on average £20 a week to their local school to keep it going.

Parents are being asked to fund sports events, school concerts, arts and design materials, text books, library books, IT and sports equipment. Some 44% of schools are renting out buildings and some are renting out their car parks. That reflects something that happened before. I remember the 1990s when my children were at school under a previous Tory Government, when the schools
used to ask for help with funding for text books, pens, pencils and equipment. We have come full circle, but this time it is even worse.

Sedgefield Comprehensive School, which I attended quite a while ago, has been rebuilt under Building Schools for the Future. It is a fantastic facility, with fantastic teaching staff and fantastic children who want to learn and get on, and who aspire to do the best they can in their lives. It was recently named one of the top 50 state schools in the country by The Sunday Times. That is fantastic news. That was established through what the previous Labour Government did. When I compare the school today with what it was like all those years ago, I would say that it has been transformed. The previous Labour Government helped to achieve that. I am proud of our record and of what we have done for that school.

The headteacher, David Davies, has said that “schools face the prospect of being unable to heat classrooms” and of being unable to ensure that all the subjects that need to be available can be available. He is the head of one of the top state schools in the country. He has said that it is a “complete and utter myth” that the Government are protecting school budgets:

“In recent years, we have seen pension contributions included as well as moderate pay rises and there has been no increase in the budget”.

Schools NorthEast says that schools in the region would have £42 million to spend on education if they were funded at the national average, and more than £320 million if funded at the London rate. The National Audit Office has said that the cuts will be the equivalent of £3 billion by 2020—£119 million in cuts in real terms for the north-east, which is equivalent to 3,200 teachers. It says that the north-east faces an 8% real-terms reduction in its funding. Sedgefield comprehensive’s headteacher, Mr Davies, has said:

“This will mean schools having to reduce......services, which could include only heating classrooms for part of the day, reduced investment in school buildings. IT facilities being stretched beyond their usable life and expensive subjects being cut such as music and design technology. It is our responsibility to provide the best possible education, but ultimately parents need to be aware that the future of their son or daughter is at risk with these cuts.”

I am a great believer in aspiration, but it is not achieved with the kind of cuts faced not just in Sedgefield, but around the north-east. When headteachers such as David Davies are coming out and passing those remarks to the local newspaper, we know we have a problem that the Government need to address.

The data for the comprehensives and secondary schools in my constituency show that Ferryhill Business and Enterprise College will have a £253,000 cut through a change in the budget by 2019, which is equivalent to six teachers. Greenfield Community College will have a reduction of more than half a million pounds, which is equivalent to 14 teachers.

The Minister for School Standards (Mr Nick Gibb): Can I just clarify whether the hon. Gentleman is talking about funding to the school, or whether the figures he is citing are the cost pressures facing the school, which is different from the income?

Mrs Emma Lewell-Buck (South Shields) (Lab): It is semantics.

Mr Gibb: It is not semantics. Actual income to schools in Sedgefield goes up under the national funding formula by £300,000, which is a 0.7% rise in income. So that we can have a transparent, honest debate about school funding, is the hon. Gentleman talking about the cost pressures?

Phil Wilson: The figures have been quoted by headteachers. They know what the budget pressures are and they say that the budgets are being cut. They say that they are under pressure and are losing funds to the equivalent of the number of teachers I mentioned. Woodham Academy will lose the equivalent of five teachers. Hurworth School, another excellent school in my constituency, will lose the equivalent of nine teachers; Sedgefield comprehensive will lose 11 teachers; and Wellfield Community School will lose nine teachers. The cut in the budget and the pressures that they have to face is equivalent to £2.2 million.

Part of my constituency takes in the rural aspects of Darlington. Every headteacher from primary and secondary schools in the Darlington borough—39 of them—has written to all parents to point out the dangers to the education of their children because of the changes to formulae and the cuts and pressures on budgets between now and 2020.

Mr Gibb: Will the hon. Gentleman give way?

Phil Wilson: I will not. The Minister will have plenty of time to make his comments at the end. I want to get through my speech as other people want to make their comments.

There are also cost pressures and budget changes for the primary schools. For Heighington School in Darlington, which is in my patch, that is £125,000. The primary schools in Sedgefield—Sedgefield Primary School and Sedgefield Hardwick Primary School—will see £120,000 odd changes in their budgets. The Minister can shape it any way he wants, but this is affecting schools, teachers and pupils. Headteachers are coming out and saying that, so there is obviously a problem. We can trade figures left, right and centre, but the headteachers are those who know what is happening on the ground.

I want to raise another issue, which is not related to funding but is important to me. It is so important to pupils Christina Davies, Aidan Wong and Melissa Foster from Greenfield School that they came to see me recently. They are concerned about the new GCSEs, where they are treated differently to those in public schools. Only 7% of pupils are in public education—93% are in state schools.

Chi Onwurah: Does my hon. Friend agree that the over-representation of privately and public-school educated people in positions of power on the Government Benches, together with this Government’s obsession with free schools and grammar schools, mean that it is impossible for them to understand the budgeting and funding pressures and what they mean for the experience of our young people?

Phil Wilson: There is an element of truth in that, and it comes down to the core of my next point, on which I would love to hear the Minister’s comments. In state schools, 40% of coursework used to go towards a final GCSE mark, and there was a chance to sit it in January
I was appalled to note that the income per pupil of some schools in my constituency is projected to decrease by almost a quarter between the 2013-14 academic year and 2019-20. On average, that equates to a £305 cut per pupil and an average cut of 7% for each school in my constituency. The figures for individual schools paint a much bleaker picture. I was particularly concerned that the School Cuts campaign, backed by the National Union of Teachers, estimated that Durham Johnston Comprehensive School—rated one of the best-performing schools in the country—is set to lose £613 per pupil, equivalent to the loss of 19 teachers, which will have a huge impact on the school. Framwellgate School in the north of my constituency is set to lose £437 per pupil. Belmont Community School will lose £461 and St Leonard’s will lose £300 per pupil. Durham Community Business College, which serves a really disadvantaged community, will face a massive cut of £961 per pupil. That is simply devastating for the school.

Primary schools are affected too. St Oswald’s Church of England Primary School will lose £609 per pupil, and Bearpark School, which is also in a very disadvantaged community, will lose the most—£924 per pupil. That is absolutely outrageous. What can the Minister possibly say to justify such cuts?

That all equates to the potential loss of 670 teachers within the local authority of Durham and a budget deficit of more than £24 million by 2019. The situation is terrible and needs to be addressed by adjusting the funding formula and putting more money into education. Overall, the north-east is estimated to lose £119 million in schools funding in real terms by 2020—equivalent to the loss of more than 3,200 teachers. Parents and teachers across Durham have been in touch with me because they are really concerned about the situation.

In 2015, the Conservatives ran on a manifesto pledge to protect education funding, and they promised a real-terms increase in the schools budget in this Parliament. Not only have they failed to keep that promise, but, as we have said many times, they are bringing about a cut in real terms. The effects are damaging: class sizes have increased severely, subjects have been dropped from the curriculum, pupils with special educational needs have lost support, and teacher and school staff vacancies have been left unfilled. Without additional money, the already severe crisis in schools will get worse, threatening standards in education and, perhaps most critically of all, the life chances of pupils across my constituency, the north-east and the country as a whole.

In March, I met the National Association of Head Teachers in Parliament, which is unanimously deeply concerned about the cuts to school budgets. Some 72% of school leaders say their budgets will be unsustainable by 2019. At a recent meeting, headteachers in my constituency said exactly the same thing: they are having to make impossible decisions. What a difference that is compared with a decade ago. Under the Labour Government, I met headteachers regularly to discuss where the investment we were putting into schools was going to go, what new schools we would have, what new technology we would use and what new skills development we would invest in. Not only are the Government not funding our schools properly; they are wasting money on a free school that failed in my constituency, and there is now a proposal for another one. It is a total and utter waste of money.

or June. That cannot be done now. If someone does an IGCSE in a public school, they have the chance to do that, and the result is still recognised by employers.

The pupils from Greenfield school who came to see me are asking why they cannot have a level playing field. If they cannot have 40% of their coursework counted towards the GCSE, why is it not the same in public schools or vice versa? They just want a level playing field and for everybody to be treated the same. Why is it that, just because someone can afford to pay for their child’s education, they have a better chance in life than those children of the 93% of parents who do not have the chance and opportunity to send their children to public school? I am not saying do it one way or the other, but let us have a level playing field. It affects the aspirations and social mobility of our children and is fundamentally unfair.

Mr Gibb indicated dissent.

Phil Wilson: The Minister can shake his head, but I have pupils and headteachers coming to see me about this. It is fundamentally unfair when people in public schools have a better chance in life than those children of the 93% of parents who do not have the chance and opportunity to send their children to public school? I am not saying do it one way or the other, but let us have a level playing field. It affects the aspirations and social mobility of our children and is fundamentally unfair.

Phil Wilson: The Minister can shake his head, but I have pupils and headteachers coming to see me about this. It is fundamentally unfair when people in public schools have a better chance in life than those children of the 93% of parents who do not have the chance and opportunity to send their children to public school? I am not saying do it one way or the other, but let us have a level playing field. It affects the aspirations and social mobility of our children and is fundamentally unfair.

Mr Gibb: Will the hon. Gentleman give way?

Phil Wilson: I am going to wind up. The Minister can answer all the points as he wants and I am sure he will. We have a fundamentally unfair system and it needs to be addressed. I am sure my hon. Friends can see that Government Members are shaking their heads. Am I surprised? No, I am not, because they do not believe it is unfair.

Several hon. Members rose—

Mr Clive Betts (in the Chair): Order. Speeches are overrunning. If we continue to overrun, that will cut the time down for other colleagues, so we will now have a seven-minute guideline time, please. I call Roberta Blackman-Woods.

10.9 am

Dr Roberta Blackman-Woods (City of Durham) (Lab): It is a pleasure to serve under your chairmanship, Mr Betts. I congratulate my hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson) on securing this really important debate. I pay tribute to the work of my hon. Friends and Members for Middlesbrough South and East Cleveland (Tom Blenkinsop) and for Hartlepool (Mr Wright), who will be very much missed by their colleagues.

As has often been said, the proposed fair funding formula is neither fair, and nor will it properly fund schools. As other Members pointed out, the proposed freeze on per-pupil funding is a cut in real terms. The National Audit Office estimates that inflation and cost increases will lead to a £3 billion funding gap due to reductions in real-terms spending. It is estimated that 99% of schools across the country will have a per-pupil funding cut, and schools in the north-east will be particularly badly hit.

[Phil Wilson]
Since my schools were chucked off the list of the right hon. Member for Surrey Heath (Michael Gove)—we all remember that—they were due to get money under Building Schools for the Future because they desperately need capital investment. That money has not been forthcoming under the coalition Government or this Government, and the schools in question cannot even get a meeting with the Minister to discuss how to replace buildings that are no longer fit for purpose. Perhaps the Minister can tell us what he and his Treasury colleagues are going to do to put more money into schools and what he is going to do about capital funding.

10.15 am

Alex Cunningham (Stockton North) (Lab): It is a pleasure to serve under your chairmanship, Mr Betts. I congratulate my hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson) on securing this debate. I share her sentiments about my hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson).

I, too, am immensely proud of the progress made in our schools during the last Labour Government. The money ploughed into nurseries and primary schools in particular reaped benefits. I remember one secondary headteacher telling me that more and more children were arriving at his school better equipped, with higher levels of numeracy and literacy than ever, ready for the secondary school curriculum. As the hon. Member for Berwick-upon-Tweed (Mrs Trevelyan) said, some of that improvement has been sustained, but that is because of the tremendous base that the Labour Government created in schools during their time in office. Funding has not been at the levels needed in recent times, and even parents are worried. The gains made over a generation are in jeopardy.

Ann Harland from Billingham wrote to me about her worries that her child’s school, Prior’s Mill Church of England Controlled Primary School in Billingham, faces a cash cut of up to £86,576 over the next four years. That is the equivalent of a couple of teachers or an effective budget cut of £86,576 over the next four years. That is far from fair. It is based only on current pupil numbers, whereas we have seen that already in social care—but if they really want to be fair on funding, to address the attainment gap and to see every child realise their potential, they need to take action now to ensure that no school and, more importantly, no child loses out.

The Institute for Fiscal Studies recently reported that schools spending is projected to fall by 6.5% in real terms between 2015-16 and 2019-20. That means that even the schools that benefit from the new formula will have their gains completely wiped out by other funding pressures. That will undermine the quality of education in classrooms, putting children’s academic progress at risk.

Even Tory colleagues know that their Government are letting our schools down. Doubtless Ministers are working on special arrangements for particular areas—we have seen that already in social care—but if they really want to be fair on funding, to address the attainment gap and to see every child realise their potential, they need to take action now to ensure that no school and, more importantly, no child loses out.

Mary Glindon (North Tyneside) (Lab): It is an honour to serve under your chairmanship, Mr Betts. I congratulate my hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson) on securing this debate, which has given rise to many impassioned and honest speeches. I also wish my hon. Friends the Members for Middlesbrough South and East Cleveland (Tom Blenkinsop) and for Hartlepool (Mr Wright) all the very best for the future.
[Mary Glindon]

Last month, I and my right hon. Friend the Member for Tynemouth (Mr Campbell), who sends his apologies for being unable to be here today, attended an NAHT meeting of headteachers from across North Tyneside about the effects of Government budget cuts on schools. Both he and I vowed that we would do all we could to support our heads in their campaign to get the Government, if possible, to reverse those severe cuts, which, as they stand, will not only affect our children’s education but cost us important skilled teaching jobs.

I would like to press the Minister on the apprenticeship levy, which is of particular concern to community primary schools in North Tyneside. We heard about the ludicrous situation of a school in Washington and Sunderland West. That case shows that the levy places an unjust burden on all the schools it affects, which mainly have very small budgets. North Tyneside Council, which has had to impose a levy, is really concerned. It has raised its concerns with the Government, but in the face of its budget situation, all it can do is sympathise with those schools.

Headteachers of community primary schools have contacted me to point out the unfairness of the levy. North Tyneside Learning Trust schools and academies are exempt from the levy, which eats up 0.5% of the budgets of schools that are affected by it. I must make it clear that schools are not opposed to the idea of extending the apprenticeship scheme, but they feel strongly that the levy was never intended to impact relatively small employers so heavily.

For example, Holystone Primary School has a wage bill of only £1.3 million per annum. Schools in the North Tyneside Learning Trust, Church schools and smaller academies in North Tyneside are excluded from the levy because, under education and employment law, they are deemed employers in their own right. There appears to be a loophole in the levy’s application. As community school support staff are North Tyneside Council employees, those schools’ wages fall within the local authority’s overall wage bill, which is clearly more than £3 million. For Holystone, the levy amounts to £6,500 per annum. Although that school has managed to make some savings—sadly, by reducing staff hours—it is still sailing close to the wind in balancing its budget.

**Mrs Hodgson:** My hon. Friend makes an excellent point, and she has expounded upon it to make her case really well. Does she agree that the Minister could do more to reverse that?

**Mary Glindon:** My hon. Friend anticipates what I want to say in my closing remarks. I ask the Minister to look at the application of the levy, which is clearly unfair and adds to the burden on our community primary schools, which are already stressed and are trying hard to provide our children with the best education possible in the face of unfair cuts. I also ask him to heed the pleas of everyone here and realise how unfair the Government’s cuts are for all our schools and the future of our region.

10.25 am

**Catherine McKinnell** (Newcastle upon Tyne North) (Lab): I am incredibly grateful to my hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson), who is an excellent MP, for securing this important debate to highlight the complex issues facing education funding in the north-east. As a parent of three young children, a member of the Education Committee and a local MP who cares very much about the schools in my area, one of the best things about being an MP is getting to visit local schools. I am always blown away by the enthusiasm and ingenuity of the children I talk to and by the hard work and dedication of the education professionals I meet. However, it has become increasingly clear of late from the number of distressing stories I have heard that headteachers are deeply concerned about the real-terms cuts to their school budgets.

I recently visited a primary school in a deprived part of my constituency where the headteacher, who was clearly struggling to hold back tears, told me that budget pressures had forced her to cut the school’s family support counsellor and consider cancelling long-standing extracurricular activities for the children. It is clear that for a primary school that needs to provide all-round support for its children to lose such a counsellor through lack of resource not only has an impact on the school’s academic outcomes but makes it unable to help children and families who may face chaotic home lives or experiences that could lead to mental health issues, meaning that those issues will not be picked up in childhood and may escalate throughout adolescence and into adulthood. That is clearly a false economy, both in educational terms and more broadly. When children are suffering, they are not able to learn, which leads to lower educational attainment and compounds the social mobility challenge.

I have also spoken to headteachers who decided to take early retirement to reduce budget pressures, knowing that the school would save some money if it got in a younger headteacher on a lower wage. It is baffling that the Government are creating a situation where talented, valuable headteachers see no option but to retire for the sake of their schools’ budgets.

Although the Government repeatedly inform us that they are protecting schools funding—the Minister has already attempted to do that today—they know just well that they are failing to give a full account of real-terms cuts. The introduction of the living wage and rising inflation, which, according to the Government’s own measure, is currently at 2.3%—its highest for more than three years—mean that schools have to make their money go significantly further. The National Audit Office has said that, as a direct result, schools will need to find an extra £3 billion by 2020, which equates to an 8% real-terms cut in funding. For one secondary school in my constituency, that amounts to a reduction of £761 per pupil by 2019 and, worryingly, the potential loss of 30 teaching jobs.

The Prime Minister’s so-called “great meritocracy” clearly does not extend to the north-east. While the children of the north-east continue to be let down, the current Tory Government unveil plans to expand grammar and free schools at a cost of £320 million. The Public Accounts Committee today denounced the Government’s free school programme as “incoherent and too often poor value for money”.

I am also incredibly frustrated and angered that the Government are steamrolling ahead with their divisive grammar schools policy when there is overwhelming
evidence that grammar schools do not increase social mobility. Statistics from the Sutton Trust show that less than 3% of entrants to grammar schools are entitled to free school meals; so the answer, for the Government, is to create more of them, rather than to invest in schools that now serve less well-off children. It defies common sense.

In response to the disappointing announcement of only £260 million of extra funding for existing schools in the north-east, Mike Parker, the director of Schools NorthEast, said:

“The Government has to recognise that if it wants a world class education system it has to fund schools appropriately.”

He also said that the funding settlement “doesn’t fill the operational black hole in schools across England.” The question remains: why fund new grammar schools on an ideological whim when, as my hon. Friend, I had not noticed that he was also in his place, and I did not want him to leave thinking I do not love him as much as my hon. Friends. I am sorry they are leaving but very much hope to hear from them again.

Mr Iain Wright: As with my hon. Friend the Member for Washington and Sunderland West, it was in my excitement at the start of my speech that I said we might never hear from my hon. Friends again; I did not mean that, obviously.

The desperate state of schools in the north-east is clear from the speeches that my hon. Friends have made, but I am afraid schools throughout the country are in similar circumstances. The crisis in schools is a national failure, perpetrated by the Conservative Government, and made worse by news today of the failed free schools policy and by the decision made by the Prime Minister in her short time in office to divert school funding to grammar schools. That is despite all the teaching bodies, the unions and thousands of teachers talking about the crisis in schools. The Government’s response is to deny that the problem exists, trot out the mendacious response that funding in schools has never been higher, and try to introduce an inequitable new funding formula that has been universally condemned and under which every school in England is likely to face funding cuts in the next three years.

I hope that today the Minister will at least accept that there is a crisis in schools, and take the opportunity to explain why the Government are not responding to the consultation on the new funding formula this side of the general election. Surely the public deserve, at the very least, a summary of responses to the consultation, so that they can make a fully informed decision before they go into the polling booth.

Alan Hardie, the principal of the excellent Whitburn Church of England Academy in my constituency was recently forced, as many others have been, to do the Government’s dirty work; he had to send a begging letter to parents, asking for donations of £10 a month to cover basic resources. Alan said:

“We hear the same phrase repeated time and time again by the Department for Education that school funding has never been higher. What they neglect to mention is more and more of this funding returns directly back to central government through the very significant increases in employer’s National Insurance and pension contributions. This is a stealth tax that means that schools have less and less to spend on the pupils in their care”.

The truth is that schools in England are facing their first real-terms funding cuts in 20 years, and must find about £3 billion-worth of savings—on average about 7% of their overall budget; that the secondary schools that will experience the largest cuts will, in real terms, lose an average of £291,000; and that funding to the most deprived secondary schools, where more than 30% of children receive free school meals, will fall, while the highest relative gains will go to pupils in the least deprived areas. It is an all-too-familiar approach from the Government, who, time and again, make those who can least afford it pay for their mistakes.

Since 2010 the Conservatives have offered much in the way of rhetoric on education, but have consistently failed to make that a reality. Instead, they have left in their wake a litany of broken promises. They promised us they would recruit and keep the best teachers. Yet

Catherine McKinnell: I did not want to take up time in my speech, in case there was not enough time in the debate, but I too want to pay tribute to both my hon. Friends. I am sorry they are leaving but very much hope to hear from them again.
schools face a crisis of both recruitment and retention. Teachers are leaving the profession in record numbers, and many more are set to follow. The Conservatives promised they would create small schools with smaller class sizes, but the opposite is true. Even analysis by the Department for Education has revealed that more than 500,000 primary school children are now in super-sized classes of more than 30. In secondary schools more than 300,000 pupils are taught in classes of more than 30. The Government promised in their manifesto that money following children into schools would be protected and that funding would rise in line with pupil numbers. Yet the National Audit Office has confirmed that schools are required to make £3 billion of efficiency savings.

Worse still, the Department for Education does not have a clue where it expects schools to make those savings. Perhaps the Minister can use the debate as an opportunity to let us, and schools, know how the savings can be made; or will he confirm what we all know—that the only way to make the savings is by schools continuing to increase pupil-to-teacher ratios, reduce basic services such as cleaning and site and premises work, stop investment in books and IT equipment, cease providing apprenticeships to people such as Liam, who was mentioned by my hon. Friend. Friend the Member for Washington and Sunderland West, design curriculum offers that fulfill only basic requirements, not replace staff who leave outsource support services, and lose more support staff, teaching assistants, lunchtime supervisors, caretakers and—the death knell—teachers?

The National Union of Teachers general secretary, Kevin Courtenay, said that headteachers are cutting back on all spending areas to try to keep teachers in front of classes. That is where the Government have taken us; it is the depth of the crisis in schools. Schools are struggling just to put teachers in classrooms. He has said that the fears about schools operating on a four-day week are real. Four-day weeks—that is the future of children's education under another Tory Government.

Children with special educational needs and disabilities are another group that the Government promised to prioritise, but it is the hardest hit, as specialist support is no longer available.

The pupil premium, which was designed to help children from poorer backgrounds, is being used by almost a third of schools to cover their budget shortages, with schools with the highest numbers of disadvantaged pupils more likely to report cuts to staff as a result of those shortages. Is it not true that the Government's priorities do not lie with disadvantaged children or children with special educational needs?

**Tom Blenkinsop** (Middlesbrough South and East Cleveland) (Lab): Does my hon. Friend agree that a lot of these cuts have come from fiscal pressures? If the Government really were a defender of state education, they would review those fiscal pressures and the needs of state education above those of private education. At the moment, private schools, due to their charity trusted status, are exempt from tax cuts, to the detriment of state schools, which now have to pay higher national insurance levels and the apprenticeship levy. Private sector education seems to have special dispensation, unlike its state counterparts. Does she agree that the Minister should look at that fiscal arrangement first before making further cuts to state education?

**Mrs Lewell-Buck:** It will come as no surprise to my hon. Friend that I completely agree with him. This is about priorities, and the Government's are completely wrong. Some £320 million has been promised for 70,000 new places at grammar schools, while other schools, such as those my hon. Friends have referred to, are having to send out begging letters and get rid of staff.

**Dr Blackman-Woods:** My hon. Friend is making a powerful case. Does she agree that the most pernicious aspect of the Government's education policies is that schools in the most disadvantaged areas face the biggest cuts, yet the Government waste money on grammar schools for the few and not the many?

**Mrs Lewell-Buck:** I completely agree with my hon. Friend. The Government's priority is an obsession with the educational policy of the 1950s and bringing back grammar schools. All of the evidence shows that those schools favour the wealthy. A child from a private prep school is 10 times as likely to get into a grammar school as a child on free school meals.

It is becoming crystal clear that the Government are not interested in the views of the profession, but I wonder whether they are interested in the views of children and parents. After all, it is their lives, hopes and dreams that the Government are playing with. Nathaniel Smithies is a year 9 pupil at Whitburn Academy in my constituency. He wanted me to say to the Minister:

“I feel worried when a school like mine with an Ofsted Outstanding is so worried that it has so little money in the coffers that it has to ask our parents to pay to try and give us the level of education I know my teachers want to give us. I’ve noticed extracurricular and enrichment activities are diminishing, and we have to pay for little extras for art or for materials like Corriflute or balsa wood for graphics lessons or modelling. And we have a set limit on printing—like if you need to print your homework out at school. I didn’t have to do this when I was in year 7.”

Nathaniel's mam, Lisa, added:

“When I was asked to help fund my child's education by contributing £10 per month I felt myself torn. As a mother who wants to provide my child with the best chances possible to fully realise his wonderful, as yet unrestricted potential, I will do whatever I can afford to make this happen...But by contributing to my school do I help create a two-tier education, whereby children whose parents can afford to contribute get a better education than those children whose parents are not able to contribute? Does it mean that later on I will be told by the Government that school budgets are adequate because I have helped bridge the funding gap and will now have to continue to do so to maintain the status quo?”

She went on to say:

“I often hear politicians say we need to invest in the future. Surely there is no sounder investment in the future than for a Government to invest in educating children and providing all children the opportunity to be the best they can be, so that all our futures are the best they can be. Somewhere out there among today's schoolchildren there are future Prime Ministers and the next generation of innovators, artists, writers, athletes, engineers, soldiers, scientists, leaders, doctors, nurses and educators. A good education for all leads to a more tolerant, fairer and integrated society. We should be saying what more is needed, not how little can we spend on our schools before we break them!”

The coming election is a real chance for parents to make a choice for the future of our education system. I know what Labour's response is to Lisa's questions. We
Mr Clive Betts (in the Chair): I will leave two minutes at the end for the mover of the debate to respond. I call the Minister.

10.45 am

The Minister for School Standards (Mr Nick Gibb): It is a pleasure to serve under your chairmanship, Mr Betts. I start by congratulating the hon. Member for Washington and Sunderland West (Mrs Hodgson) on securing this important debate. I, too, will be sorry to lose the hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) and other colleagues. He talked about funding pressures facing schools, but I want to get the factual basis of the issues on the record, so that we know what we are debating. It appears to me that hon. Members in this debate are opposing the national funding formula, which is designed to address iniquities in the system and will see increases in their funding.

I trust that the hon. Member for Washington and Sunderland West agrees that we share the ambition to unlock talent and creates opportunity, regardless of where they live, their background, ability or need. We are introducing the national funding formula in order to tackle the unfairness in the current funding system, using up-to-date data rather than 10-year-old data. That is why, contrary to what has been said today, under the national funding formula hon. Members will see increases in their funding.

I accept that schools face cost pressures, and I will come to those issues in a moment, but let us get the facts clear. Schools in the constituency of the hon. Member for Newcastle upon Tyne North (Catherine McKinnell) will see a £1.6 million increase in funding overall as a direct consequence of the national funding formula. That is a 3.6% increase—85% of schools in her constituency will see an increase in funding. Funding to schools in the constituency of the hon. Member for North Tyneside (Mary Glindon) will increase by £0.8 million, which is a 1.4% increase in spending. She mentioned Holystone Primary School. That school’s funding will rise from £1.43 million in 2016-17 to £1.47 million, on the basis of the new national funding formula—a 2.7% rise. That is a direct consequence of the national funding formula.

As a direct consequence of the new national funding formula, funding to schools in the constituency of the hon. Member for Stockton North (Alex Cunningham) will rise by £0.6 million—a 1.3% increase—and schools in the constituency of the hon. Member for Sedgefield (Phil Wilson) will see an increase in funding of £0.3 million, which is a 0.7% rise. He mentioned Sedgefield Community College, where he went to school. That school’s income will rise from £5.332 million to £5.384 million—a rise of 1%—as a direct consequence of the national funding formula. It is important to distinguish the national funding formula from other cost pressures affecting schools, which I will come to in a moment. Those cost pressures are being absorbed across the public sector.

Mr Iain Wright: I am thankful for, and moved by, the Minister’s tributes to me, my hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) and other colleagues. He talked about funding increases in general terms, which is true, but we are also seeing record pupil numbers. Will he pledge that, as part of the national funding formula, we will see a rise in funding per pupil in the next Parliament? Just to clarify, I am not dead—at least, not yet.

Mr Gibb: The hon. Gentleman looks very healthy to me. May I just say that the figures I have cited are for 2016-17 and are based on actual pupil numbers in 2016-17. They do not take into account the extra funds that will come forth as pupil numbers rise.

Phil Wilson: The Minister is talking as if there is not a problem. If everything in the garden is so rosy, why is the headteacher of Sedgefield Community College saying that the Government protecting the budget is an utter myth?

Mr Gibb: I did not say that there are no issues. I said that there are cost pressures facing schools, but I want to get the factual basis of the issues on the record, so that we know what we are debating. It appears to me that hon. Members are opposing the national funding formula. The national funding formula is designed to address iniquities in the system and will do so. As a consequence, schools that have been historically underfunded on the basis of their intakes will no longer be so, if and when we implement the national funding formula.

Mrs Lewell-Buck: Will the Minister give way?

Mr Gibb: I will, and then I will make some progress.

Mrs Lewell-Buck: I disagree with the Minister; I do not think we can separate the existing funding pressures from the national funding formula. If he is so confident in the Government’s new national funding formula, why will his Department not publish its response to the consultation before the general election?

Mr Gibb: Well, we are now in purdah and therefore it is not permitted for us to make announcements of that magnitude during the election period.

Mrs Lewell-Buck: How convenient.

Mr Gibb: It is not convenient, actually.

School funding in the constituency of the hon. Member for City of Durham (Dr Blackman-Woods) will rise by £0.4 million—a 0.9% increase—as a direct consequence, again, of introducing the national funding formula. School funding is at its highest level on record, at almost £41 billion this year, and it is set to rise to £42 billion by 2019-20 as pupil numbers rise.

However, the current funding system is preventing us from getting that record sum of money to where it is needed most. Underfunded schools do not have access...
to the same opportunities to do the best for their children, and it is harder for them to attract the best teachers and afford the right support. That is why we are reforming the funding system by introducing a national funding formula for both mainstream schools and the high-needs support provided for children with special educational needs. It will be the biggest change to school and high-needs funding for well over a decade.

Such change is never easy, but it will mean that, for the first time, we have a clear, simple and transparent system that matches funding to children’s needs and the school they attend. In the current system, similar schools and local areas receive very different levels of funding with little or no justification. Those anomalies will be ended once we have a national funding formula in place, and that is why we are committed to introducing fair funding. Fair funding will mean that the same child with the same needs will attract the same funding regardless of where they happen to live.

We launched the first stage of our consultation on reform in March last year. We set out the principles for reform and proposals for the overall design of the system, and more than 6,000 people responded, with wide support for those principles. Last month we concluded the 14-week second stage consultation, covering the detailed proposals for the design of both the schools and high-needs formulae. Our proposals would target money towards those who face the greatest barriers to their education.

In particular, our proposals would boost the support provided for those who are from deprived backgrounds and those who live in areas of deprivation but who are not eligible for free school meals—those ordinary working families who are too often overlooked. We propose to put more money towards supporting those pupils who have fallen behind, in both primary and secondary school, to ensure that they have the support they need.

Alex Cunningham: Will the Minister give way?

Mr Gibb: I will not give way now, because of lack of time; I apologise.

Overall, 10,700 schools would gain funding under the new national funding formula, and the formula will allow those schools to see gains quickly, with increases of up to 3% in per-pupil funding in 2018-19 and 2.5% in 2019-20. Some 72 local authority areas are proposed to gain more high-needs funding, and they would also do so quickly, with increases of up to 3% in both 2018-19 and 2019-20.

We have listened to those who have highlighted the risks of major budget changes in our first-stage consultation, which is why we have introduced a floor of a 1.5% minimum funding guarantee per year, and no school can lose more than 3% overall per pupil as a consequence of these changes.

Schools in the north-east would, on average, see a 1% increase in funding in a result of our proposals, and 60% of schools in the region would see an increase in funding, compared with 54% nationally. Schools in the north-east are doing well: 68% of pupils in key stage 2 SATs reached the expected standard in reading in 2016, compared with 66% nationally, and 82% of children are passing the phonics test, compared with 81% nationally.

Of course, the picture would not be uniform across the whole of the north-east. I recognise that the proposals would result in budget reductions for schools in the local authority of the hon. Member for Washington and Sunderland West and no real overall change in funding to schools in her constituency. However, I believe that the formula we have proposed strikes the right balance between the various competing considerations for funding, such as the balance between the core funding that every child attracts and the extra funding targeted at each of the additional need factors. We propose to use a broad definition of “disadvantage” to target additional funding at schools most likely to use it, comprising pupil and area-level deprivation data.

I want to turn to the issue of costs. We recognise that schools are facing cost pressures, including salary increases, the introduction of the national living wage, increases to employers’ national insurance pension scheme contributions and general inflation. From the start of 2016-17 to the end of 2019-20, we have estimated that those pressures will amount to approximately 8% per pupil, on average. To be clear, that is not an 8% pressure in a single year, nor is it an 8% pressure that is all yet to come. In fact, some of those pressures have already materialised and been absorbed in the past financial year. Over the next three years, per-pupil pressures will, on average, be between 1.5% and 1.6% each year. The current, unfair funding system makes those pressures harder to manage, and introducing a national funding formula will direct funding where it is most needed.

We have published a wide range of tools and support to schools, available in one place on gov.uk. That includes tools to help schools to assess their level of efficiency and to find opportunities for savings; guidance on best practice, including on strategic financial planning and collaborative buying; case studies from schools themselves; and support for schools to acquire greater financial skills. We have launched a school buying strategy to support schools to save more than £1 billion a year by 2019-20 on their non-staff spend. That will help all schools to improve how they buy goods and services.

I am grateful for today’s opportunity to debate school funding. A fair national funding formula for schools and high needs underpins our ambition for social mobility and social justice, and it will mean that every pupil is supported to achieve to the best of their potential, wherever they are in the country.

10.57 am

Mrs Hodgson: I am grateful to the Minister for leaving me some time to wind up; not all Ministers do that. This has been an excellent debate. At this late stage, on the penultimate day of this Parliament, it is heartening to see so many colleagues from across the north-east here today. That just goes to show how worried we all are about these funding cuts to our schools. We have all made the case as strongly as possible, as we have all met with our headteachers and are regular attendees at our schools, and we have been told at first hand the consequences of the Government’s actions.

I listened to what the Minister had to say. I really was hopeful that he would listen and commit, even at the final stage of this Parliament, to act or at least promise to look at this again in the next Parliament if he is lucky
enough, which I am sure he will be, to be returned at the election and appointed again to his current position in government—if they win.

Alex Cunningham: That will be Emma’s job.

Mrs Hodgson: Yes, it might be the job of my hon. Friend the Member for South Shields (Mrs Lewell-Buck). I am sure she will be putting this all right. That will be a great day indeed, and I look forward to it.

Sadly, the Minister did not make any such commitment. I am sure my hon. Friend the Member for South Shields will, so I look forward to that day. The Minister instead referred to the fairer funding formula, telling hon. Members that we were wrong. He cited a few examples of schools that may be a little bit better off with regard to the funding formula, and he read out a list to try to make that point, but he is missing the bigger point, which is that the national funding formula is being used as a smokescreen. We all agree with fairer funding for schools across the country, but this is being used to hide the real-terms cuts and pay for the other four pressures on school budgets that I highlighted in my speech, such as the pay rise, the national living wage, the apprenticeship levy and trying to fix the schools that are falling to pieces.

I am sorry that we have not made progress on this issue today. I remind the Minister that the electorate is watching; they are watching all of us, and I am confident that they will make their verdict on this at the ballot box on 8 June. Hopefully it will be my hon. Friend the Member for South Shields who can fix this when we come back to this place in June.

Question put and agreed to.

Resolved.

That this House has considered school funding in the north-east of England.

Colne to Skipton Railway

11 am

Andrew Stephenson (Pendle) (Con): I beg to move, That this House has considered the Colne to Skipton railway.

When I put in for this debate, I did not realise that a general election would be coming up. I appreciate that my hon. Friend the Minister may be unable to make any commitments today, but I know he is a long-standing supporter of reinstating the Colne-Skipton railway line. He reiterated that as recently as the last Transport questions, on 30 March, in reply to my question. However, this debate is timely for a number of other reasons, which I hope to set out in my speech, and the case for reinstating the Colne-Skipton line will continue to be made, regardless of what happens on 8 June. I hope the debate will help to shape the Government’s transport policy over the next five years, not just the next 43 days.

Let me give some background. The rail line between Skipton and Colne—the town in my constituency where I live—was opened in 1848. This 11.5-mile stretch of track formed part of a line that went all the way from Leeds to Liverpool. It survived the Beeching report only to be closed in February 1970. Thankfully, we have moved on from the 1970s and now have a Conservative Government who are investing in our rail infrastructure. An example is the millions of pounds spent in the last Parliament on reopening the Todmorden curve and providing a direct rail link between Burnley and Manchester.

Closing the line obviously affected the area between Colne and Skipton the most, as it took away its rail link entirely. However, it has also had a much wider impact, because a trans-Pennine route was lost. Reinstating the line would be great news for Pendle, but would also boost the entire northern economy, improving connections from Preston through to Leeds and everywhere in between, and to the Settle-Carlisle line, and restoring a missing link between Liverpool in the west and Hull in the east.

The campaign to reinstate the line has never gone away, but it has also never been stronger. I pay tribute to the Skipton East Lancashire Rail Action Partnership, a campaign group that has constantly made the case for reinstating the line since 2001. I am a patron of the group and meet with it regularly. Without SELRAP, today’s debate would simply not be possible.

My predecessor, Gordon Prentice, who served as Member of Parliament for Pendle for 18 years, led a debate on the subject back in 2005. Many of the points he made in support of the line apply today. His debate was called on the back of a 2003 report commissioned by the North Yorkshire and Lancashire County Councils on reopening the line. It was broadly supportive but raised some concerns, which the then Transport Minister cited, on passenger flows and whether the funding environment at the time was “conducive to investment in rail capital projects”.

As the Minister will be well aware, since 2005, the number of passenger journeys on our rail network has risen dramatically, from about 1 billion then to some 1.7 billion today. I hope the Minister agrees that the current Government are much more “conducive” when it comes to investing in our railways.

Earlier this year, the same councils, along with the Lancashire local enterprise partnership, and the York, North Yorkshire and East Riding local enterprise partnership, commissioned a further report. Entitled
“Central Trans-Pennine Corridor East-West Connectivity: An Economic Study”, it was prepared by Cushman & Wakefield and SYSTRA. I know the Minister has read it—he told me he had done so when I asked him about it in Transport questions on 30 March—and I hope he remains familiar with it and enthusiastic about its conclusions.

The comprehensive, 92-page report clearly sets out the opportunities from improving trans-Pennine connectivity, and some of the dangers if action is not taken. Reopening the Colne-Skipton line is not the only way to improve trans-Pennine connections, but the report makes it clear that there needs to be investment. It makes several points that, to my mind, suggest that as the solution. The report makes it clear that, across Lancashire and Yorkshire, huge economic growth potential remains untapped, largely because of the constraints in east-west connectivity. It concludes that there is a “robust and compelling quantitative and qualitative economic case for enhanced East-West Connectivity across the Central Corridor”, an area that includes the Colne-Skipton line.

The report considers a mix of road and rail improvements and finds benefits to both. There are certainly strong arguments for improving road connections, for example at the end of the M65. However, the report also finds that there are “diminishing returns” from highways improvements, showing that there is likely to be a limit to what improving trans-Pennine roads would achieve. The report finds that there would be “more bang in terms of wider economic impacts” from even limited improvements to rail travel, due to the “very poor quality of rail services in East Lancashire at present”.

Simply put, past failures to invest in east Lancashire’s railways mean that massive improvements are possible now, and are just waiting to be tapped into. The report describes the potential benefits from rail investment in general, and from reopening the Colne-Skipton line specifically, as “transformational”.

There are a number of reasons why improvements to road infrastructure, although welcome, will not be enough without complementary investments in rail. Despite lower than average rail usage, east Lancashire also contains areas of low car ownership—a problem that we need to bear in mind if we are serious about tackling pockets of deprivation. The road network also lacks resilience, with unreliable journey times on roads such as the A59. People without cars need predictable transport options, and we need other means of transport to take pressure off the roads at peak times or if there has been an incident. The geography of the area limits road improvements, but the Colne-Skipton track bed is already there. In recognition of the poor state of our railways, Rail North sees potential for a 25% reduction in generalised costs across the northern rail network. I fail to see how that can be achieved if east-west connections such as Colne to Skipton are not restored.

Like the national economy, the local economy of my constituency of Pendle has recovered well under the Conservative Government. Unemployment has fallen substantially, and the businesses I visit report growth, and that they are taking on more staff and investing in apprenticeships. Indeed, Rolls-Royce has just begun a major £50-million investment in its site at Barnoldswick in my constituency.

However, the Lancashire economy could be doing so much better. It is being held back by a failure to make progress on improving local infrastructure. According to Lancashire’s strategic economic plan, it lags behind national average economic performance by about 20%, in terms of gross value added per person, and growth has lagged behind national and regional performance for at least a decade. The LEP must act to rectify that long-term underperformance.

Lancashire is aiming for 50,000 new jobs, 40,000 new homes and £3 billion in additional economic activity by 2025. There is ambition, but there has been a failure to push effectively and secure the resources that the region needs to improve its infrastructure. East Lancashire is expected to deliver 10,000 of the new jobs. I believe we will be able to deliver them, but we cannot reach our full economic potential if the M65 growth corridor remains a transport cul-de-sac. In rail terms, we are literally at the end of the line.

The report identifies mismatches between the supply of and demand for skills, all the more so in those sectors with the most growth potential, and low levels of agglomeration, which undermine productivity and force northern employers to draw workers from a smaller area than the area drawn on in the south of England. That prevents east Lancashire from securing high-wage, high-value employment opportunities and, if it is not addressed, the whole region will miss out on inward investment, which is already comparatively low. In effect, Yorkshire and Lancashire operate as two unconnected labour markets, which restricts opportunities for workers and businesses in both great counties.

I hope the Minister will discuss with his colleagues in the Department for Culture, Media and Sport how to open up the north of England for tourism. That is a key issue for the York, North Yorkshire and East Riding LEP. The area has Scarborough, Whitby and two national parks, which Pendle residents cannot at the moment easily reach by train. We in Lancashire also have so much to offer. Just in Pendle itself, we have the Forest of Bowland area of outstanding natural beauty and, of course, the iconic Pendle hill.

The Minister may be pleased to see that the importance of Blackpool’s visitor economy is recognised in the report. Reopening this line could shave an hour off the journey time to Blackpool from Skipton. I am sure he would welcome that.

Let us remember that it is not just Pendle or even east Lancashire that stands to benefit. The area covered by the report has a combined annual GVA of £70 billion, which is 5% of the national total and more than a fifth of the northern powerhouse economy, covering at least 32 parliamentary constituencies. As the report makes clear, improving east-west connectivity can enhance the wider economic prosperity of the north as a whole.

It is not just regional train hubs such as Preston, Leeds or York that will be better connected. Leeds Bradford international airport aims to double its passengers from 7 million per year by 2030, but it needs better connections to realise that aim. The Skipton-Colne line cannot fix the problem on its own, but it can help to open up the airport to more people from the west.
Manchester airport would benefit, too. Both airports are vital to the future of the northern economy. We should also note the rapid growth of the Leeds city region—it is the fastest growing city region in the UK. Bradford and Calderdale are so close to east Lancashire, but they are unconnected by rail. Better connections to those areas are seen as key in the west Yorkshire transport strategy.

Even our ports stand to benefit, especially if new rail freight lines can be opened or freed up by passenger journeys moving to new lines. Ports from Heysham to Hull could see a boost from better trans-Pennine transport links. The report cites the example of Drax power station, which imports biomass through Liverpool. Currently, the trains take seven hours to get there when the journey time should be nearer to three hours. There is a huge need to improve connections to northern ports, and the Colne-Skipton line could be part of the answer.

I stress that reopening the Colne-Skipton line would be consistent with and complement much current Government policy, aims and recent achievements. The northern powerhouse is delivering massive investment across the north, closing the economic gap with the south and doing much to enhance connectivity across the region. The north is receiving excellent backing through the local growth fund. In Pendle, the £32 million transformation of Brierfield Mills is going ahead thanks to funding from central Government via the growth deal. In January, I secured a further £4 million for the extension of the Lomeshaye industrial estate in Nelson, creating an additional 1,100 full time jobs. However, the Government’s northern transport strategy identified how the lack of east-west transport capacity constrains the northern economy. The northern powerhouse strategy published in November states, rightly, that “the government will...continue to consider other routes across the Pennines”.

The electrification of lines between Manchester, Liverpool, Preston and—of course—Blackpool, with better rolling stock, is bringing long-term improvements to the northern rail system. However, those benefits are yet to reach east Lancashire. Our rolling stock remains poor-quality, services are slow and few, and connections are poor. This is undermining the economic productivity of Lancashire as a whole, but especially east Lancashire. Sectors such as advanced manufacturing—especially aerospace—health innovation, digital and the low carbon energy sector are all distinctive prime capabilities of the northern economy. According to the latest research, they all stand to benefit from improved connectivity, as do logistics, food and drink, and other sectors. In particular, advanced manufacturing is a priority growth sector on both sides of the Pennines. Lancashire has the largest concentration of aerospace production in the UK, employing more than 20,000 people, including 1,000 at Rolls-Royce in Barnoldswick in my constituency, but the area will have no train link unless the Colne-Skipton line is restored.

Page 91 of the “Central Trans-Pennine Corridor East-West Connectivity” report models the outcome of reopening the line as generating £43.47 million in GDE each year. Every study so far has shown that the economic benefits of the scheme make sense—I would even go so far as to say that it is a no-brainer. Over recent months, I have written to Transport for the North, North Yorkshire County Council, Lancashire County Council and the Lancashire local enterprise partnership urging them to take a lead.

In my maiden speech back in 2010, I backed reopening the line and paid tribute to the work of SELRAP. Seven years on, I repeat what I said, and if I am re-elected on 8 June, I will keep on saying it. All parties, including the local authorities behind the study, now recognise the benefits of reopening the line. However, they all seem reluctant to prioritise it. I hope the Minister will continue to do all he can to help me to move this vital scheme forward.

11.14 am

The Parliamentary Under-Secretary of State for Transport (Paul Maynard): It is a pleasure to serve under your chairmanship, Mr Betts. I congratulate my hon. Friend the Member for Pendle (Andrew Stephenson) on securing the opportunity to speak on this issue. He is quite right to have done so. Like him, I was first elected in 2010. One of the first emails I received was from SELRAP—I am sure that he received one too—asking me to put down my name in support of the project, and I was happy to do so. I know full well that he has been an immense supporter of SELRAP’s work from day one. Even if no election were in the offing, I would still say that his commitment to and passion for the project have been noticeable. I have followed rail policy as a member of the Transport Committee, as a rail Minister and in between the two roles, and I cannot remember a time when he has not been raising the Skipton-Colne line in the Chamber, in Westminster Hall and with Ministers. He deserves credit for that.

My hon. Friend is right to identify so many of the benefits that will come from the line. As a Blackpool MP, the health of the visitor economy is always at the forefront of my mind. Train links from the Pennine towns to the resorts are always important for ensuring that people can access the coast. I welcome anything that improves those links. Just the other week, I passed through Skipton on the Flying Scotsman, which was reopening the Settle-Carlisle stretch of the railway after Network Rail’s tremendous efforts to revive and restore the line since the landslide that disrupted it. I thank the Keighley and Worth Valley Railway for host ing us. We started at Keighley and went through Skipton to Settle. As I passed through Skipton I thought, “Yes, maybe one day, with all the focus on reopening lines around the country, Skipton-Colne will be a reality and we will be able to get there from Lancashire.” What could be a better round trip than going from Blackpool to Preston, Colne, Skipton, Settle, Carlisle and back to Preston? That is a day trip that we can all dream of doing one day. My hon. Friend is quite right to push for the reopening of the line.

It is worth putting things in a wider context. The era of Dr Beeching’s reductions and the days in the ’70s when we were looking at scaling back the rail network are long gone. The focus is now on looking for lines to reopen to expand the capacity of our network. We need only look at the Borders Railway in Scotland, which shows the opportunities that come from reopening railway lines. Reopening lines has brought much bigger benefits than anyone ever predicted, particularly in terms of passenger numbers. Now, if ever, is the time to ensure that, if lines can be reopened, we properly ensure the practicality, feasibility and cost of doing so.
My hon. Friend is right to draw attention to the importance of the northern powerhouse and of investing in the north of England. I have always shared his view that, when we discuss trans-Pennine connectivity, eyes always drift northward to the links between Cumbria and Newcastle, or southward to the Woodhead pass and the links from Manchester to Sheffield. We almost forget that the M65 ends on the wrong side of the Pennines—or in my case the right side, which is Lancashire, of course. There are far more opportunities for enhancing connectivity in the middle of the county. As he says, getting from Lancashire to North Yorkshire is not always the easiest or most obvious journey to take. Commuting levels are quite low, despite the sizable employment opportunities on either side of the Pennines—opportunities that, because of the work he has been engaged in, will only grow.

It is important that we understand the opportunities for trans-Pennine connectivity. The reopening of the line has to be properly considered by all partners in the region. I am sure my hon. Friend shares my frustration that that is not always the case with all regional stakeholders. LCC, and by extension the local enterprise partnership, seem not to have fully embraced the project to the extent they might have done down the years. It was not as prominent in Lancashire County Council’s transport strategy as I expected it to be, given the interest that so many in the county show. It is not just my hon. Friend’s constituents who want the line reopened. In my constituency, I have had people down the years writing to me, asking me to prioritise the reopening.

One might think, “Why does it matter that local stakeholders are not being as enthusiastic in wanting the Government to get on with it?” It matters because a clear policy of the Government is that we want local organisations and agencies to identify the priorities in their areas that we can support through the growth deal. We want to see the local enterprise partnership identifying projects that will bring the most benefit to the region, as my hon. Friend so eloquently explained. We look to the regional bodies to take the lead. If we are to properly build the northern powerhouse, we have to make the investments in transport connectivity that he talked about, which are east-west as much as north-south.

A lot of attention goes on north-south connectivity. It is not just a matter of HS2, but inter-city services, too. East-west matters just as much in the north of England. That is why we are supporting the idea of northern powerhouse rail and look forward to the recommendations that Transport for the North will come up with. There is also the TransPennine operator for services between Manchester and Leeds. As well as the investment that we would hope to see one day in Skipton and Colne, should we reach a point where we feel it can be reopened, all the railway lines need improvement.

Before turning to that line specifically, it is worth reflecting on many of the investments we have been making in the region. They will benefit my hon. Friend’s constituents in Pendle in particular. He has already mentioned some of them, such as investment in the Burnley-Pendle growth corridor. There are the benefits provided by the M65, where I understand work on junction 12 is complete.

Paul Maynard: I am sure that, like me, my hon. Friend wishes some projects had planted a “Finished” flag in the ground a few weeks earlier. Junction 13 will be finished shortly, perhaps. We have announced the third growth deal with Lancashire LEP, which will provide further funding on the M65 corridor for junctions 4 to 6, and the north-west Burnley growth corridor. Both of those will bring further benefit to east Lancashire.

We have funded improvements to the Blackburn to Bolton rail corridor, which will enable a more frequent service between Blackburn and Manchester Victoria. Work is now complete and additional services should begin at the next timetable change next spring. That, of course, is not the only improvement we have delivered on the east Lancashire rail network. Thanks to our regional growth fund and my hon. Friend’s lobbying at the time, we reinstated the Todmorden curve after years of waiting. We have had faster connections to Manchester Victoria via Rose Grove since May 2015. I am sure it was on my hon. Friend’s election leaflets at the time, and he can now say he has achieved that.

We are delivering improvements across the region and undoubtedly there are more to come. Over the next few years, we will see major improvements to the Northern rail network, creating better journeys for passengers, supporting trade, supporting investment and creating a stronger economy. Through the Northern and TransPennine Express franchises, we are investing in modern trains, delivering more comfortable, more frequent, faster and more direct journeys. All the Pacers will be gone, replaced by a mix of brand new trains and refurbished trains upgraded to an as-new standard. Passengers will notice that transformative investment. We have already seen the impact the new trains have had on services between Manchester and Liverpool through electrification. It is a transformative new deal for the franchise.

Investment in the network will include improvements to the Calder Valley line and to the central trans-Pennine corridor, including line speed improvements, improved signalling, improved resilience, more capacity and better journey times. Once the full complement of infrastructure and new trains is delivered, Bradford will have an increased train frequency to Manchester and new direct connections to Manchester airport, via the Ordsall chord and Liverpool. The Ordsall chord matters not just for Manchester, but because of what it enables across the north-west. Many of those new service patterns and the new innovations we want across Lancashire’s rail network are enabled by improving the through-flow in Manchester city centre. Anyone who is passing through the city needs to go and look at what is occurring at Ordsall, with the new bridges and the engineering work.

It is one of the most complex pieces of civil engineering we have undertaken in over 100 years, but it will transform rail services in the north, and it cannot come soon enough in my view.

My hon. Friend focused on Skipton to Colne rather than everything else. The line was closed, as he rightly points out, in 1970. It took until 2001, surprisingly, for SELRAP to establish itself, but it has been diligent ever since in putting its name at the forefront of local campaigning. It has been an excellent example to many other campaigns around the country. SELRAP wants to protect the former railway track bed from development.
so that it can feasibly be reinstated as a main railway line. I join my hon. Friend in paying tribute to its work over the last 16 years to raise the profile of reinstating this 12-mile link between east Lancashire and Yorkshire.

As we have consistently explained to both the partnership and local representatives, local bodies have to determine whether a rail reopening is the best way of addressing local and regional economic development needs, and to secure appropriate funding, including that which we make available through the growth fund and devolution deals. I understand the frustration and the bemusement that this project has not come to the forefront of all the growth deals we have been negotiating with Lancashire. I urge my hon. Friend to consider whether the next round is the chance to do just that.

My hon. Friend made valid points about the role that cars can and cannot play in local economic development. I notice that the level of car ownership is not high in parts of my constituency, rather like in his seat. People need public transport alternatives that are accessible to them. In Blackpool, that could be the tram. In his patch, the Skipton to Colne railway might be part of that. That is why we are funding far more local community rail partnerships, to try to reconnect people with their railways. Too many people do not realise the opportunities that rail can bring for accessing employment. I know what good work they are doing in east Lancashire with the community rail partnership, and the support that Northern, in particular, is giving to community rail partnerships is to be praised.

We have also been looking carefully at the reports that have been produced, not least the economic study that my hon. Friend cited into the trans-Pennine links. Once again, it is full of important, helpful and sensible information and assessments of the potential benefits. We have been negotiating with Lancashire County Council to undertake a study of key improvements in passenger connectivity between towns and cities and strategic freight capability. Much of that work is also being carried out by Rail North and Transport for the North, looking at the strategic overlay.

Part of northern powerhouse rail is trying to assess what benefits we want to achieve for passengers. If we understand what changes we want to make, it is far easier to identify which inputs, in terms of infrastructure investment, will bring us to what passengers want, which is faster and more reliable journeys and a greater range of destinations that they can access from their local stations. I am confident that we will get some good news on that front when we hear the final views of Transport for the North in the near future. We also need to keep working with all the regional bodies and actors identified to improve east-west connectivity across the Pennines. I do not want to prejudge what the outcome of that might be—whether it is road, rail or whatever—but my hon. Friend made a powerful case as to why rail has to be part of that mix.

The report that my hon. Friend identified does not necessarily seek to make the case for particular investment in either road or rail, nor does it assess the potential costs of any of these interventions. The key point is that we need to be much more certain about what the costs of reopening Skipton to Colne would be. I recognise that it is almost a Catch-22, because to get a robust cost estimate costs money in itself. That is the next big hurdle that SELRAP will have to overcome.

No one could say that my hon. Friend has not made a powerful case today, just as he did in his maiden speech. I very much hope that, in his next speech in the Chamber after 8 June as the newly re-elected MP for Pendle, he will make a powerful case for the opening of Skipton to Colne. Perhaps I will still be the Minister and be able to deliver that. Who is to say? We have many weeks of uncertainty ahead, but one thing is certain: that track bed is not going away. It will still be there, ready to be reopened, whatever the public decide on 8 June. I hope we can one day travel on it together.

Question put and agreed to.

11.29 am

Sitting suspended.
Whirlpool: Product Safety System

[Ms Joan Ryan in the Chair]

2.30 pm

Andy Slaughter (Hammersmith) (Lab): I beg to move, That this House has considered Whirlpool and the product safety system.

Thank you, Ms Ryan, for the opportunity to open this debate today in Westminster Hall on a subject that I have become heavily involved with and extremely concerned about during the last year. May I also say what a pleasure it is to experience your chairing of a debate for the first time? I am sure it will not be the last.

This issue affects many people across the UK and I am very pleased that hon. Members from throughout the country are here today. Members will probably recall that I led an Adjournment debate last September on tumble dryers, as a direct result of a tragic incident in my constituency. On 19 August 2016, Debbie Defeiritas, a constituent of mine, was in the kitchen of her home on the seventh floor of Shepherds Court, an 18-storey block of flats overlooking Shepherd’s Bush Green, when she became aware of a burning smell. Her Indesit tumble dryer, which is a make owned by Whirlpool, was running and had caught fire mid-cycle. The fire subsequently tore through the block and 120 firefighters had to attend the scene to put out the blaze.

The incident resulted in 100 families being evacuated from the block and 26 were found temporary accommodation in hotels that night. Luckily, there were only minor injuries, but London Fire Brigade has said that if the fire had happened late at night the outcome would have been far worse. It is clear from other fires caused by white goods that such incidents can lead, and indeed have led, to tragic loss of life. It is a great relief that that was avoided at Shepherds Court.

Today, five of the flats affected remain out of action and the tenants from those properties are still in temporary housing provided by Hammersmith and Fulham Council. Although those tenants are being adequately housed, they experienced substantial trauma and upheaval as a result of this incident, as I am sure people appreciate. I visited the block last weekend. Most residents are now back in and the local authority has redecorated the floors, but the legacy of the fire will last for many years.

Mrs Madeleine Moon (Bridgend) (Lab): Does my hon. Friend agree that the shocking thing about this situation is that Indesit knew for 14 months that there was a problem, and it took action from Trading Standards, which issued enforcement notices, the Local Government Association and a pressure group to get notices sent out to the small number of people that Indesit knew had these machines, telling them they should unplug them and not use them again until they had been repaired?

Andy Slaughter: I am very grateful to my hon. Friend for that intervention and I am also grateful to the large number of Members attending this debate, which shows the degree of interest in the subject. I will go through what happened—hopefully not at great length, but with some precision—to show just how culpable Whirlpool has been and to outline the specific tasks that we want the Government to ensure are carried out, so that there is no repetition of last year’s fire and this particularly serious issue is resolved.

The key point is that my constituent had followed Whirlpool’s safety advice to the letter, which at the time of the fire was:

“You may continue to use your tumble dryer whilst waiting for the modification, however we require that you do not leave your dryer unattended during operation.”

Ms Defeiritas was supervising her tumble dryer when the fire broke out, as she had been advised to do. However, in reality many people would not do so and why should they? In the 21st century, manufacturers should make products without fault that do not pose a risk to life and property. Although it is perhaps inevitable that products are occasionally faulty, in such instances a manufacturer must take immediate action to inform consumers of the fault, and it must also issue an immediate and full recall. Anything less is hugely irresponsible.

Ms Margaret Ritchie (South Down) (SDLP): I congratulate my hon. Friend on securing this very important debate on an issue that has had an impact on the lives of many people throughout Britain and also in Northern Ireland. Does he agree that Trading Standards must be forced to do a lot more in relation to this issue, and that currently there is a serious gap between faults that manufacturers and suppliers of electrical goods know about, and what consumers are aware of?

Andy Slaughter: I absolutely agree and I know that a number of Members from Northern Ireland, Scotland and Wales, some of whom are here today, have been putting a lot of pressure on. I hope that pressure will continue, because clearly the current Trading Standards regime does not work. That is why we need the Government to intervene and not simply say that this is a matter that can be resolved at local authority level.

Given that the Shepherds Court fire was more than eight months ago, I am disappointed that I have had to come back to the House today to raise the matter again, as I had hoped that by now both the Government and Whirlpool would have taken action to remedy this situation. Unfortunately, however, there has been little progress: Whirlpool has not properly rectified the problem; and the Minister and the Government have not acted decisively. As a consequence, I believe lives are still at risk.

In particular, Whirlpool’s complete lack of accountability and responsibility for those consumers whose daily lives have been—and indeed are still being—put at risk, is simply unacceptable. The company’s behaviour throughout this whole process prompts the question of why anyone would want to buy a Whirlpool tumble dryer, or indeed any other product made by the company, in future.

Andrew Bingham (High Peak) (Con): I thank the hon. Gentleman for giving way and for securing this debate. I have a constituent who has a very similar story to the one he has just outlined. She asked me not to reveal her name, but she was using her tumble dryer and it actually exploded. Flames went up and hit the roof. We talk about the consequences of such fires for people’s lives. She lost pretty much everything and unfortunately she was not insured. This happened some time ago and she is still living with the consequences. All that time, as the
hon. Gentleman said, Whirlpool seems to have been completely ambivalent about the consequences of these incidents for people’s lives.

Andy Slaughter: I am grateful to the hon. Gentleman for that intervention, because I believe that Whirlpool is cynically trying to delay everything from legal actions on liability through to inquests, to resist what in the end will undoubtedly be very substantial payments that it will have to make. However, the consequences of these incidents, particularly for poorer people who may not have insurance and who—as is the case with some of my constituents—have lost all their belongings as well as their homes, are absolutely devastating.

Since the fire in Shepherds Bush, Whirlpool has failed to answer the most basic questions in my correspondence with the company, and its letters in response are often written not by the company itself but by its PR agency, Ketchum.

Alberto Costa (South Leicestershire) (Con): I congratulate the hon. Gentleman on securing this debate, particularly given the experience of one of his constituents. Of course, the hon. Gentleman and I have been in correspondence on this matter over a number of months. When I first raised this issue, I did not just raise it on behalf of constituents; I myself happen to be the owner of one of the tumble dryers in question.

I never revealed to Whirlpool that I am an MP. Why should I? I should be treated just like any other member of the public. When I first contacted Whirlpool about this issue as an MP, it did not have the courtesy to respond to me. When I first received a letter from Maurizio Pettorino, the managing director of Whirlpool UK, in September 2016, in which he profusely apologised for not having responded to me in the first place but only after I had raised the matter in the House of Commons, he said to me that in my South Leicestershire constituency there were 5,000 customers affected by this situation.

Joan Ryan (in the Chair): It is a very long intervention.

Alberto Costa: What does the hon. Gentleman say about the fact that I then received a letter dated 28 March from Mr Pettorino, which told me that 16,900 of my South Leicestershire constituents are affected by this situation?

Andy Slaughter: I thank the hon. Gentleman; since his own personal experience of this matter, he has been assiduous in pursuing it. In response to his question, frankly I do not think it would have made much difference if he had originally said he was an MP, because when MPs have attempted to get Whirlpool representatives to come to this House to speak to Committees and all-party groups, they have refused to attend. His story does not surprise me, and the different figures that he cites are a sign either of Whirlpool’s incompetence or that they simply do not care what they say.

I am incredibly frustrated by Whirlpool’s lack of engagement with MPs and its refusal to co-operate with them. That is despite the fact that we continue to hear in the press of tumble dryer fires across the UK almost daily. London Fire Brigade sent me details of a fire that it attended last weekend. The occupants of a flat with a faulty tumble dryer—it was a Hotpoint tumble dryer—managed to escape, but a 96-year-old woman in the flat above had to be rescued and taken to hospital by firefighters.

There is a real risk to life and limb here. The Local Government Association has reported that firefighters are now attending three fires a day caused by tumble dryers. Figures I received from the London Fire Brigade ahead of this debate show that there have been 1,520 fires caused by tumble dryers and washing machines since 2009 in the London fire authority area alone. Overall, in London—I refer to London not because this is not a problem across the country, but because the London Fire Brigade is one of the few to have retained a research department following cuts to fire services, so it is able to collate and act on information—tumble dryer fires increased by 24% between 2015 and 2016.

On the wider issue of product safety, each year between 250 and 300 house fires in London are caused by white goods. We know from organisations such as Electrical Safety First, which is a charity that campaigns for our constituents to use electricity safely in the home, that electricity is the cause of many house fires and that fires caused by electricity are increasing. The Minister must therefore look closely not only at the issue with Whirlpool and tumble dryers, but the wider context of fires caused by all white goods and electrical goods, such as mobile phone chargers and refrigerators. Just this week, we had an inquest into the death of someone who sadly died escaping from a fire caused by a fridge-freezer.

It is clear from the statistics that the Government must get to grips with this escalating problem. There are far too many unsafe electrical appliances in our constituents’ homes. Has the Minister spoken to the Home Office about the rising number of fires caused by electrical goods and the effect faulty tumble dryers are having on the figures? What does she intend to do to reduce the number of fires and protect consumers from these faulty goods?

I am not the only one who has raised these issues in the House, as is clear from the number of Members here today. We just heard from the hon. Member for South Leicestershire (Alberto Costa). He spoke in my previous debate of his total frustration with Whirlpool as one of their customers. He called then for the resignation of the managing director, and I doubt he has changed his mind. My hon. Friend the Member for Swansea East (Carolyn Harris), who is the chair of the all-party parliamentary group on home electrical safety, has raised the issue several times with the Minister and has been excellent in raising awareness among MPs.

I am sad to say that my hon. Friend the Member for Hartlepool (Mr Wright) is stepping down as an MP, but as Chair of the Business, Energy and Industrial Strategy Committee he has tried to engage with Whirlpool with limited success. My hon. Friend the Member for Makerfield (Yvonne Fovargue), who sadly cannot be here, and my hon. Friend the Member for Poplar and Limehouse (Jim Fitzpatrick), who is here, have also been instrumental in supporting the campaign and in coming with me to meet the Minister. Many Members have tried to engage with Whirlpool and the Government, but they have been ignored and have received answers that are simply unacceptable.

Mrs Moon: I think my hon. Friend is personally responsible for protecting and saving the lives of many people who have these risky appliances. I think we all
owe him a debt of gratitude. Our hon. Friend the Member for Newport East (Jessica Morden) has also been raising this issue, but I wrote to the Department for Business, Energy and Industrial Strategy asking about the final report on the recall system, which the working group on product recalls and safety was commissioned to do. I was told that the report had been received and would be published in due course. Given the impending general election, we cannot wait for another two months and let this drift. Is it not right that the Minister should give us the decision today on what the Government will do to protect lives?

Andy Slaughter: Again, I am grateful to my hon. Friend for her comments and for raising that issue. I will conclude my speech by putting that matter to the Minister. If, when the new Parliament is elected, we still do not have satisfactory answers, I hope that whoever then chairs the BEIS Committee will pursue the matter with the Government and Whirlpool.

Having mentioned many Members, I want briefly to pay tribute to the campaign organisations, without which we simply would not have got this far. It is invidious, because some always get left out, but they include Which?, Electrical Safety First, the London Fire Brigade, the LGA and the Chief Fire Officers Association. They have all been extremely helpful in keeping the issue on our agenda and ensuring we are properly briefed. In particular, Which? has led a campaign specifically on Whirlpool’s unwillingness to undertake a recall. That resulted in a change in Whirlpool’s safety advice in February. Last December, Which? sought a judicial review into what it regarded as failures by the trading standards team overseeing the case in Peterborough. As Members may be aware, Peterborough trading standards has been acting as Whirlpool’s advisers, and the review would have looked into whether Peterborough trading standards acted lawfully in this capacity. Which? said at the time:

“We believe that the way Whirlpool has handled the tumble dryer safety issue is absolutely appalling and to add insult to injury Peterborough Trading Standards has failed to do its duty to protect consumers. We have decided to step in and take legal action because we want Peterborough Trading Standards to properly protect Whirlpool customers and carry out its role as an enforcer of product safety laws.”

Jim Fitzpatrick (Poplar and Limehouse) (Lab): Is it the case then that Which? forced Peterborough trading standards’ hand and moved the issue on as a result of the threat of judicial review?

Andy Slaughter: Absolutely. Trading standards and Whirlpool had to be dragged kicking and screaming. Peterborough trading standards said Which?’s action was premature, which is extraordinary given what happened in my constituency. In February, Peterborough changed its mind and finally issued an enforcement notice. After resistance and presumably after it took legal advice, Whirlpool changed its advice to consumers, at last telling them to stop using the faulty machines. The London Fire Brigade and many others had been advising that all along. It is clear that if it was not for Which?, the previous advice would still be given to consumers, putting them and their families at risk. While that change of advice was a step in the right direction, it is simply not enough. The organisations I have mentioned, along with my hon. Friends and I, want to see a full recall of these faulty machines, and we will not rest until that has been implemented.

Finally, in terms of acknowledging who is on the side of virtue, I would like to say—Members do not always do this—that we have had huge support for a full product recall not only from the public, but from the media. I must mention Alice Beer of ITV, as she is here and has done fantastic campaigning work, as has Lynn Faulds Wood. The Daily Mirror, The Sun, The Guardian, the BBC and ITV have all taken the time to provide ample coverage of this issue, and the petition I set up calling for a full product recall has now reached the magic 100,000 signature mark. If the matter is not resolved by the time the new Parliament comes in, I hope it will be considered for a fuller debate on the Floor of the House.

It is clear that the issue is not going away, and the public are incredibly dissatisfied with the response they have had. The Minister said in my previous debate that she was satisfied with Peterborough’s actions at that time, so will she please explain what discussions the Government have had privately with Trading Standards and Whirlpool since that debate? What is her assessment of Peterborough trading standards’ actions now? Does she recognise that Peterborough trading standards was wrong last year when it failed to take effective action against Whirlpool? Does she believe that it is now right to have done so, albeit only when threatened with legal action? Does she accept that the Government played no part in that and can take no credit, but that they have an opportunity to act now?

The Minister’s brief includes consumer protection, but for her to be able to claim that she really does protect consumer rights, we need substantive action. At the moment, we are leaving many people with dangerous tumble dryers in their homes. What discussions has she had with Whirlpool recently? When will she acknowledge the daily problems that people are having with their tumble dryers, which they are now told not to use because of the risks to life and property? How many more lives need to be lost before firm action is finally taken? Is this not just the tip of the iceberg of a wider problem with white goods and recalls that needs to be urgently addressed?

That brings me to the BEIS working group. We have already had one review—I mentioned Lynn Faulds Wood—which made very sensible recommendations, such as creating a single register for all product recalls, which the fire brigade has long been calling for. However, that was ignored by the Government and another review was set up. In the previous debate, the Minister said that the working group was “primarily focusing on three work strands: establishing a centre of excellence, or official website...considering how to ensure that we have more reliable, detailed guidance on product recalls, which would, I hope, improve the rate of recall from its current one in four success rate; and establishing a mapping process whereby all organisations involved in product recalls can have access to better data and information sharing.”—[Official Report, 13 September 2016, Vol. 614, c. 875.]

She also mentioned that that work would take two years, and that was a year after Lynn Faulds Woods had reported. We were told to expect an interim report at Christmas. Four months later, there is no sign of that
report. Where is it? Has it now been buried as a result of the general election, as my hon. Friend the Member for Bridgend (Mrs Moon) suggested? When will the Government take action to protect consumers? Will they include any of Lynn Faulds Wood’s recommendations, such as the creation of a single register for product recalls?

Brexit also raises a number of issues for the Minister’s Department about important EU electrical safety regulations and consumer regulations that we need to ensure are maintained in UK law. Will the Minister confirm where the report is and whether it will include considerations on Brexit? What is her Department doing to ensure that we maintain important EU consumer laws when we leave the European Union? My concern is that her Government will seek to deregulate consumer protection, rather than increase it, as they are seeking to do with environmental regulations.

Returning to the faulty dryers, do the Government know how many unregistered machines are still out there posing a risk? We know that millions of affected Whirlpool machines are missing from any registration scheme. What are the Government telling Whirlpool to do to ensure that consumers do not use those machines in the meantime? We were told that there was press advertising; I cannot say that I saw it, and it was certainly not sustained over a period of time. Do the Government have any faith in Whirlpool’s modification programme, particularly given that some consumers have reported that their dryers continue to catch fire after modification?

Alberto Costa: I am grateful for the hon. Gentleman’s generosity in giving way a second time. I witnessed my own tumble dryer being fixed. Whirlpool claims that the modifications have been tested by independent experts. Which? informs me that it has not been forwarded any of the details associated with those tests. Does the hon. Gentleman agree that, in the interests of transparency and consumer protection, that information should be shared? If it has been shared with the Government, I urge the Minister to share it as soon as possible, so that we can identify whether the modified tumble dryers, let alone those that still await modification, are safe.

Andy Slaughter: I am grateful for that point, because one of the features of this issue is how secretive Whirlpool has been, to the extent that it still does not publish a full list of the models affected. It appears to put what is left of its public reputation before the safety of its customers.

I ask the Minister to make these inquiries, as Whirlpool is not responding to individual Members. How does it intend to compensate customers for the losses they have suffered through fires that have already occurred? When is it completing its rectification programme? Is that rectification or replacement programme itself safe? Importantly, how will it raise public awareness? London Fire Brigade estimates that there could be as many as 3 million machines still out there unmodified, with owners who simply do not know, unless they have been lucky enough to see a news programme or are perhaps members of Which?.

This has gone on for far too long; delays are costing lives and destroying people’s homes, as we saw in my constituency. Whirlpool is a brand seriously damaged by its own incompetence and a series of own goals—a lack of engagement and an ignorant and arrogant attitude to its customers and Members of this House. It is a textbook case in how not to do it.

The Labour party will introduce measures to improve the product safety and recall system if we are elected on 8 June. I appreciate that the Minister might today be responding for the last time in her post. I know that she has taken an interest in the issue and I hope she can answer some of the questions. Will the BEIS working group’s report be published before the election or has it become less of a priority? Why have we not heard anything about it? Why has Whirlpool failed to engage with MPs and the Government? Will the Government push Peterborough trading standards to implement a full product recall, as they should have done months ago, before any more lives are lost?

The Whirlpool tragedy should be a watershed. Perhaps a million machines have been modified. Perhaps, as Whirlpool estimates—it is only an estimate—another million have gone out of service because they are redundant, given that the problem dates back to 2004. However, there are potentially up to 3 million machines still out there. Can we have an assurance from the Minister today, finally, that this will act as a catalyst for a proper registration scheme and a proper recall system?

One of the most shocking aspects for me, other Members and constituents is that we believed that there was an effective system of product safety in this country. The Whirlpool tragedy has exposed that there simply is not—but it is possible, because it happens in the US and in other countries. If the Minister is to have a legacy in this job, it could be to commit this or a future Government to saying they will go forward with a proper system of product safety and recall, as well as ensuring that the disaster that is the Whirlpool scheme is finally put to rest.

Jim Shannon (Strangford) (DUP): It is a pleasure to serve under your chairmanship, Ms Ryan. I commend the hon. Member for Hammersmith (Andy Slaughter) for bringing forward this issue, on which he has been a champion in debates in the House, including in a shorter Adjournment debate, when he fully put forward the issue and was supported by many of us here today and those from further afield. I thank him for bringing it forward today and am fully supportive of his purpose. He gave much detail on what has happened, and I will try to give my speech without repeating it.

I have had constituents in my office who are anxious and concerned about being told, “Just stay in the house,” when the machine is in use. Let me set the scene with an example of one constituent. My constituent and her husband work full-time jobs and also work some additional shifts to pay the mortgage. She leaves the house with her two-year-old and her one-year-old baby at 8.30 am. She returns at 6.30 pm, gives the children their dinner and bath and has them in bed for 8 pm, at which stage her 18-year-old babysitter takes over, to allow her to go to her evening meetings. She does not have the time to sit for the washing and drying cycle to complete, and cannot leave an 18-year-old in charge of a fire hazard with sleeping babies upstairs—that is unrealistic.

Her option is to sit and watch the washer-dryer cycle throughout the night. That is certainly ridiculous, but it is the reality of what the firm wants people to do, as the
hon. Gentleman set out in his introduction. Is it a joke? No, it is not, and that is why in Westminster Hall today, with the Minister in her place—she has a very wide-ranging portfolio, given what she was here responding to yesterday and what she is doing today—we believe that legislation needs to be put in place that makes firms accountable and protects consumers, which it quite clearly does not at this moment in time.

I read the very succinct briefing provided by Which?—I am sure we have had sight of that. Where a product could cause a risk to life or serious injury, Which? expects it to be promptly recalled by the manufacturers. What could be clearer or simpler than that? Yet we have firms who clearly disregard that and have a blasé attitude in how they respond. I ask again: how can we make those firms act with the urgency that we really need? All right-thinking people expect that, but we must make what is expected from manufacturers crystal clear.

As we know, Whirlpool acquired the Indesit Company, including its brands Hotpoint, Indesit, Swan, Proline and Creda, in 2014. In August 2015, Whirlpool informed Peterborough trading standards, as its primary authority partner, that up to 5.3 million dryers in the UK were affected by a fault discovered in more than 120 models. The magnitude of that number! The 5.3 million dryers in more than 120 models is nearly everything it has. Why has it not been coerced, persuaded or made to act more quickly? Those driers were also at risk of catching fire and required urgent modification to address the problem.

In August 2015, the company admitted what had to be done and notified trading standards, but the number of driers and models is very large. By 2016, about 750 fires had been reportedly linked to Hotpoint, Indesit, Proline, Swan and Creda tumble driers. Of course, since then there have been even more. A fire in a tower block in Shepherd’s Bush—I am sure the hon. Member for Hammersmith or other hon. Members will talk about it—left 50 people unable to return to their homes. The London Fire Brigade found that it had been caused by an Indesit tumble drier. We could see the horror that it caused on TV: it did not affect just one person, but all the other residents of the tower block. There are other examples—the fire brigade gave us one. Does Indesit not realise the danger? We do as elected representatives, and the people who own the driers and those whose homes have been damaged certainly do as well.

Which? found that those affected have been forced to wait far too long for a repair or replacement, and that customer service staff have given incorrect and potentially dangerous advice.

Mrs Moon: Does the hon. Gentleman share my concern that some of the machines have been sold on? When houses go up for sale, electrical goods go with them, and perhaps the second owners do not appreciate that the machine they inherit with their new home is dangerous, so they will not be looking to see whether it should be repaired.

Jim Shannon: I thank the hon. Lady for that very wise intervention. I had not given much thought to that. Sometimes the machines are sold on, but where is the follow-on? How does the company find out about those people? The people who have got them know about the problem from the adverts on TV, the stories in the papers and so on, but in many cases they do not know that they have something dangerous sitting in their home. The hon. Lady is right. We are trying to be positive in our questions to the Minister, but perhaps she will give some thought to that issue.

The hon. Member for Hammersmith spoke about home fires, and the hon. Member for South Leicestershire (Alberto Costa) spoke about some personal examples. There is a record of damage, and the company admits that there is a problem, so surely it should be held to account and should award compensation to people who have had massive fires in their flats and properties. Let us be honest: it is only for the grace of God that people have not been injured or died as a result of this issue.

Whirlpool has not acted in the best interests of consumers. It resisted a recall of the affected models and failed to repair and replace affected machines in a timely way. The affected consumers were told not to use their tumble driers. When someone is told not to use their tumble drier, they expect the company to come and repair it or replace it with something that works correctly.

Ms Ritchie: Does the hon. Gentleman agree that regulation is an issue? A series of recent product safety issues have brought into sharp focus the need for proper regulation and enforcement. Does he agree that the Government should focus their attention on that issue, too?

Jim Shannon: I thank the hon. Lady for those comments. Clearly, the issue for us all is safety. As I said, it is only by the grace of God that nobody has been injured or killed. It is unrealistic to expect consumers not to use their tumble dryer for months on end, so it is possible that further fire and safety incidents will occur as a result of continued usage. Whirlpool should issue a full recall of all affected models immediately. If there are 5.3 million dryers, we will get them all back. If there are 120 models, we will work on that and get it done.

Which? reported that one in five—22%—of the affected customers surveyed in April 2016 were still waiting for their machine to be repaired or replaced. Does the company have any sense of urgency or safety? Are these issues lost on it? The Minister must be able to feel our frustration and anger. Other Members who speak after me will reiterate that. We need to be on the ball to ensure action is taken.

A third of customers who had their dryer repaired or replaced said they were dissatisfied with how the manufacturer handled the situation. I’ll tell you what, if I had been waiting since 2016, I would be very dissatisfied. I would be wondering what the company was doing and whether it had got the notification of the repairs to be done in a tray in a locked room where nobody ever goes. Six in 10, or 62%—it is rising all the time—of those who were surveyed for the first time in November 2016 and had decided to wait for a repair were concerned about using their tumble dryer, so the vast majority of those who own those dryers are concerned. One quarter—26%—of affected customers were told that they would have to wait longer than six months for their tumble dryer to be repaired. If only it did take six months to have it repaired, at least we would have a date. One in five—22%—were told that the wait would be between
three and six months. Where is the company’s understanding of the inherent danger that those delays compound?

I will conclude with this comment because others wish to speak. We must ensure that consumer protection legislation is in place to deal with this issue. Current legislation allows that to take place. I believe the power is with the Minister: she can do this. I respectfully ask her, in the short time she has, to ensure that action can be taken after the election. It is incumbent on us all to ensure that this does not happen again. I thank the hon. Member for Hammersmith and all those who have come to Westminster Hall to support the safety not only of my constituents but of people throughout the United Kingdom of Great Britain and Northern Ireland, who rely on legislation to force manufacturers to do the right thing. The fact is that we have to force them. I believe we must deal with this issue.

3.7 pm

Jim Fitzpatrick (Poplar and Limehouse) (Lab): It is a pleasure to serve under your chairmanship, Ms Ryan. We have this pleasure very infrequently, but I am very pleased that you are presiding over business today. I am also pleased to follow the hon. Member for Strangford (Jim Shannon).

I congratulate my hon. Friend the Member for Hammersmith (Andy Slaughter) not only on securing this important debate and on his excellent speech, which comprehensively detailed all the issues he has been working on, but on leading the campaign to hold Whirlpool to account and to ensure that this matter is not forgotten in Parliament. He has done a sterling job and we all owe him a debt. He led a group of us to meet the Minister last year shortly after the fire. I have to say that the meeting was very reassuring. The Minister was very positive and made all the right noises and promises. It is therefore a trifle disappointing to say the least that, although we expected a report at the end of last year, we are still waiting for her conclusions. I hope that she will offer us some more assurances today. She clearly got it—she knew that there are deficiencies in the system, and she clearly wanted to do something about the issue—so I look forward to her comments.

I want to thank three organisations that sent us briefings: London Fire Brigade—not because I am a former employee, but because it provides a great research service on such issues, as my hon. Friend outlined—Which? and Electrical Safety First. Their briefings are essentially consistent on the major issues, but they emphasise different points. For example, they agree on the need for a single register for all UK product recalls, they are all unhappy with the present system, and they all criticise Whirlpool’s performance. The London Fire Brigade also states that organisations such as insurers should be under an obligation to have evidence that a fire has been caused by a faulty appliance to inform Trading Standards. Notwithstanding the weakness of Peterborough trading standards, many trading standards offices are excellent. At least if the information is in the public domain, matters can be taken forward.

The London Fire Brigade also requires that all appliances should be marked with the model and serial number, so that they can be identified in the case of a fire and matters can be taken forward as a result of working out what caused the blaze. The cause can be tracked down, traced and dealt with.

Electrical Safety First makes various key points—the gap between faults known to manufacturers and suppliers and the awareness of consumers is too great; there should be transparency and shared information. ESF says there should be a more efficient recall system, similar to the one in the United States. It requires a Government website—perhaps the Minister will comment on this—so that consumers can check whether their goods are at risk.

There should also be increased product registration—a matter we discussed with the Minister—but the evidence is clear that people do not fill out product registration forms when they buy goods because they are frightened they will be bombarded with sales literature and marketing information about future products from the companies from which they procured the goods. We are all sensitive to that. We do not like cold calls and trashy leaflets coming through our doors. People should be able to register at the point of sale and therefore be advised of recall. According to ESF, the recall success rate is 20% or below. It is very worrying that people do not understand that they own products that could jeopardise them, their families and their homes.

I will conclude shortly, because I know that a lot of colleagues want to speak and time is limited, but I want to mention two paragraphs that Which? has drawn attention to. Which? stated:

“Where a product could cause a risk to life or serious injury we expect it to be promptly recalled by the manufacturers. We do not believe this is happening in the case of Whirlpool’s fire risk tumble dryers given the known risks. Which? believes Whirlpool’s handling of the tumble dryer safety issue is unacceptable and exemplifies the weaknesses of the product safety system and the need for the system to be reformed. Which? wants Whirlpool to issue a full recall of their affected dryers and Government to reform the product safety system”—

a point that was so well articulated by my hon. Friend the Member for Hammersmith. Which? also states—this was the matter that I intervened on him about—that Peterborough trading standards was forced into taking action because of the legal action that was taken in the judicial review. In that instance, that is a very unsatisfactory situation. My last point, and the most worrying one, is that it should not need a judicial review or the threat of legal action to force a trading standards organisation to force an international, respected manufacturer to protect its customers against the risk of fire and the risk to life, limb and home.

I look forward to the three Front-Bench responses to this debate, particularly the Minister’s, because she has shown a clear interest in this matter. She gets all the issues and is the only one in the room who has the power to take this matter forward. I hope she can give us more reassurance today.

3.13 pm

Corri Wilson (Ayr, Carrick and Cumnock) (SNP): I thank the hon. Member for Hammersmith (Andy Slaughter) for securing this important debate and for the work that he has done on the topic so far. I am relieved that this debate has finally been granted and pleased that I have the opportunity to take part. For some time I have been deeply troubled by the dangers posed by Whirlpool-owned tumble dryers and Whirlpool’s lack of response. I hope that today’s debate will be a wake-up call for both Whirlpool and the Government. They must act now.
Whirlpool initially refused to admit fault with any of its machines. Its advice then changed to the astonishing recommendation of watching the machine while it was on. Frankly, I think people have much better things to do with their time than watch a tumble dryer. People are now advised to unplug the affected appliances and refrain from using them. That is a clear admission of fault. If Whirlpool has recognised that its machines pose a fire hazard, why are they still in homes up and down the country?

Although Whirlpool has carried out maintenance on some machines, there are hundreds of thousands still to be looked at, and an estimated 3 million more that have yet to be identified. On top of that, it is not even certain that the maintenance carried out is an effective solution. Whirlpool’s response to the issue has been too little, too late. To check whether a machine is one of the models affected, people have to search through various pages on the Whirlpool website where the information has been buried under promotions and advertisements.

The consumer group, Which?, has found that those lucky enough to be made aware of the fault are being forced to wait for months to have their machines repaired. More than a quarter of people were told they would have to wait, as we have heard, up to six months. People’s lives are at risk and the response has been totally unacceptable.

In my constituency of Ayr, Carrick and Cumnock I have seen the damage that such inaction has caused. I was contacted last year by a local family whose home had been completely destroyed by a fire caused by a Whirlpool tumble dryer. The family, already struggling to make ends meet in austerity Britain, were left homeless with only the clothes on their backs. Having lost everything, Whirlpool offered them £175 in compensation. That is an absolute disgrace. I strongly urge the Government to show some humanity for once and ensure that all those affected by fires are properly compensated.

The No. 1 job of a Government is to protect the population. Despite repeated calls for action, the Government continue to sit on their hands, offering small snippets of advice to Whirlpool, while millions of homes across the UK live with potentially life-threatening appliances. There is no time to waste.

Last year the Government rejected two petitions relating to faulty tumble dryers: one on the basis that it was unclear what was being requested from the Government, and the other because it was not something the Government were responsible for. Well, the Government can no longer shirk their responsibility. Whirlpool and Trading Standards have the power to recall faulty products, but so do the Government. A new petition, which has now been signed by more than 100,000 people, is crystal clear. The Government must urge Whirlpool UK to recall all faulty tumble dryers immediately, or step in themselves.

The Whirlpool issue also raises broader questions about the future of consumer protection in the country. As was mentioned earlier, EU legislation currently requires that all appliances meet specific standards relating to product safety, environmental impact, and consumer protection. As is the general theme of Brexit, we have absolutely no idea what the Government plan to replace it with. I think even the Government do not know.

The Government have a duty to ensure that consumers are not put at risk following Brexit and that legislation is more robust than it has been under EU rules. The Whirlpool issue is just one example of the UK’s inadequate product safety and recall system. I therefore urge the Government to use Brexit to introduce a new national regime that puts the safety and rights of the public, not the profits and interests of companies, at its heart.

Although I understand that the Government’s energy is now focused elsewhere, the Whirlpool issue cannot go on any longer. With up to 5.5 million faulty tumble dryers sitting in homes across the UK as we speak, the stakes could not be higher. I therefore urge the Minister to take immediate action in agreeing a full recall of all affected appliances and to ensure that families, such as the one in my constituency, whose lives have been torn apart by this matter are fully compensated. It is the Government’s duty and it is the right thing to do.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): It is a pleasure to serve under your chairmanship, Ms Ryan. I am pleased to take part in this important debate. I congratulate my hon. Friend the Member for Hammersmith (Andy Slaughter) on securing it.

Along with other hon. Members here, I am a member of the all-party group on home electrical safety, so I declare that interest. I have come to the debate because of the historical links that my constituency has with electrical appliance manufacturing over many years. I will therefore focus my remarks on issues to do with product safety and how faulty electrical products are damaging consumer confidence in the UK.

In Merthyr Tydfil and Rhymney we have a proud history of the manufacture of washing machines. We led the way for many years, making the post-war kitchen appliances modern and convenient. The Hoover factory opened in Pentrebach in my constituency in 1948 as part of the Labour Government’s work to ensure manufacturing advances in the UK after the war. Hoover soon became a market leader in the UK because the products were made to a high standard and were not imported, unlike many of the products manufactured today. By 1973, Hoover’s 25th anniversary in the town, 5,000 people were employed making washing machines, tumble dryers and dishwashers. Manufacturing in the UK had reached its peak. Unfortunately and tragically, it has been allowed to drift and we now rely on cheaper imports.

In March 2009, manufacturing came to an end in Merthyr Tydfil. The surrounding area, including my constituency, is still proud of the legacy of appliances being built locally, giving jobs to the local economy, and benefiting people’s lives.

I do not want to focus just on Hoover’s 2009 decision, devastating as that blow was. Many other manufacturers have also decided to send production overseas, and now import electrical goods into the UK. How can we be sure of the credibility of the component supply chain to large companies, and how do we ensure proper quality of the finished product and that it is built to last? Perhaps our departure from the European Union will offer an opportunity for us once again to galvanise the great range of talent that remains in the UK manufacturing sector and to encourage our trusted British brands to
return manufacturing to the UK. Perhaps the Minister will give her view on that. The car industry has been supported, but what about UK white goods manufacturers?

As we have already heard today there is a serious ongoing issue with Whirlpool tumble dryers, which is still having a huge impact on many of our constituents. Given the often wet weather in Wales—

Mrs Moon: No!

Gerald Jones: Well, it certainly is in parts of Wales; so many of my constituents rely on tumble dryers, and many of those are made by Whirlpool, which owns the Hotpoint, Indesit and Creda brands. Figures from South Wales Fire and Rescue Service show that over the past two years seven fires have been caused by tumble dryers in Merthyr Tydfil and Rhymney. Across south Wales there have been 43 fires, with more than 55% of those attributed to the Hotpoint, Indesit or Creda machines sold by Whirlpool. Those cases highlight the serious failure in product safety across the country. It seems that a well-known, trusted manufacturer has been allowed to place on the market potentially dangerous machines that have the ability to cause serious damage, injury and worse. What will the Minister do to ensure that the products that are manufactured overseas and sold in the UK are safe?

Through our membership of the European Union we have benefited from a range of legislation, cross-border working and co-operation on product safety, market surveillance and consumer protection to ensure that only products that meet strict minimum safety standards can enter the marketplace; additional safeguards have been created for our constituents and they have been provided with rights to redress when things go wrong. What work is the Minister doing with colleagues in the Department for Exiting the European Union to ensure that that can continue after Brexit?

I understand from research undertaken by the charity Electrical Safety First that there has been an increase in the number of second-hand goods sold online via social media, including a large number of white goods. Vulnerable people, including those in my constituency, who now have less disposable income owing to Tory austerity, may now buy a second-hand product rather than a new one. The item may be unsafe or previously have been recalled by the manufacturer—something that neither the seller nor the buyer may be aware of. As my hon. Friend the Member for Bridgend (Mrs Moon) said, such things may be acquired through moving home. Will the Minister look at the number of previously recalled second-hand goods that have been sold, to find out the impact on product safety and on the safety of our constituents in their homes?

What will the Minister do to reassure us and our constituents that the Government are taking the issue seriously? What are the Government doing to ensure that product safety legislation is fit for purpose? I understand that Whirlpool is struggling to contact a large number of people who may have one of the faulty machines in their home. What work is the Minister undertaking with Whirlpool to ensure that those machines are found and that our constituents are kept safe? One of the Minister’s roles is to ensure consumer safety. Will she now demonstrate that it is possible for our constituents to be confident that manufacturers will take responsibility for their products, and that they will act to prevent more of the incidents with tumble dryers that have happened recently, the consequences of which have been so devastating? I hope that the Minister can provide answers to my questions.

3.23 pm

Carolyn Harris (Swansea East) (Lab): It is a pleasure to serve under your chairmanship, Ms Ryan. I congratulate my hon. Friend the Member for Hammersmith (Andy Slaughter) on securing the debate. Mine will be a speedy speech, as I have crossed out three quarters of it already. I want to say a big thank you to Electrical Safety First, which has been the secretariat for the all-party group on home electrical safety, of which I am proud to be the chair. I am grateful for all it has done.

The continuing problem with tumble dryers is becoming increasingly serious, and we are now at a crossroads; the Government must intervene. The issue is not just about the fact that machines are faulty; I can tell the House of a case in Wales where there was loss of life. Last weekend the Welsh media reported on the deaths in 2014 of two young men, in a tumble dryer fire caused by a Hotpoint machine. Time is running out for Whirlpool to rectify the wrong.

I appear to be the only person in the debate who has had a face-to-face conversation with Whirlpool. It happened last year, and was with not the managing director but, if I recall correctly, a communications officer, or perhaps the head of communications. I have refreshed my memory of the meeting from my notes, so that I can share it with the House today. The representative provided me with a short background to the situation, stating that, while the number of machines affected was 5.3 million, because of the period of time that has passed, the number likely to be still in use is 3.5 million. The individual was keen to highlight that the company had proactively approached Trading Standards about the matter, rather than waiting, and that all the actions taken had been approved by Trading Standards. That was of course with reference to Peterborough, although we had no further discussion about Peterborough at the time.

The representative stated that Whirlpool had sent out 3.5 million letters to those for whom it was possible to get contact details, and the company at that time expected to complete 640,000 modifications. It had given itself until March 2017 to complete the modifications—a deadline that I am confident has not been met. The representative informed me that to undertake the task Whirlpool had recruited the services of 1,500 engineers—so many that, in the company’s words, there were now no more qualified engineers available for it to recruit. I was advised that the company had increased the options for those affected, who could receive a replacement machine for either £50 or £20, depending on whether it was being delivered, and the old machine collected, or whether they were to pick it up from a recognised retailer.

Throughout the meeting, I persisted in arguing that the matter should have resulted in a full recall. In response Whirlpool highlighted the fact that the tumble dryer market in the UK is about 1 million units a year, and that it is responsible for more than 50% of that—something that makes the situation all the more terrifying. When I asked about its advice that machines could be used, I was told that they could be used but not left...
unattended; but the company gave that advice with regard to all electrical appliances, anyway. It seems a little strange to me.

Another thing that was highlighted was that the company believes there is a customer blame issue, to do with consumers not following the advice given in product instructions about caring for the product—emptying the fluff collector, in this case. Apparently people in other countries are much better at that. Whirlpool did not want to blame consumers publicly, but the company believes that more should be done to raise awareness of the need to care for products.

Since the meeting, my hon. Friends the Members for Hammersmith and for Hartlepool (Mr Wright) and I have been in regular correspondence with the company, seeking clarification of specific issues and requesting meetings. As yet, nothing has happened. I wrote as the chair of the all-party group, requesting someone from Whirlpool to attend a meeting, but my office had to chase up the correspondence for two months. It transpired that communication between Whirlpool and its public relations company had been lost. Why is a PR company answering letters from MPs on behalf of a company? Why does not the managing director’s office deal with us directly? I find that attitude to the House contemptible.

I am going to leave out much of the rest of what I was going to say in my speech—apart from telling the House about an interesting tweet that I had at the weekend, from someone who is not a constituent. He sent me a photograph of his tumble dryer being repaired, 18 months after he brought it to Whirlpool’s attention. He was delighted that it was being repaired, but he told me that he has an acutely autistic little boy, who has spent the past 18 months believing that the tumble dryer is a very dangerous piece of equipment. He cannot now convince his child that the machine is safe. Anyone with experience of working with people with severe autism or similar health issues will know that the anxiety that that little lad is now experiencing, having had one of the defective machines in the house, is causing trouble not just for him but his family.

I thank the Minister for her positive responses to my correspondence and the little notes on the bottom. I appreciate that she has taken everything that I have been in regular correspondence with the company, that communication between Whirlpool and its public relations company had been lost. Why is a PR company answering letters from MPs on behalf of a company? Why does not the managing director’s office deal with us directly? I find that attitude to the House contemptible.

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company being required to update its safety advice warning to consumers to instruct them to stop using their machines immediately and unplug them until they are repaired. I am sure we all agree with the hon. Member for South Down (Ms Ritchie) that Trading Standards must do more.

Ms Ritchie: The hon. Lady is making a compelling case. Does she agree that Trading Standards should also look at Whirlpool’s delay in dealing with repair requests? People should not have to wait an inordinate time suffering a great deal of worry and concern.

Margaret Ferrier: No one would disagree that it has been far too long. People are still using these appliances and could be at serious risk, so I take the hon. Lady’s point.

Since becoming aware of the issue, Electrical Safety First has argued that the product safety notice issued by Whirlpool was inefficient and has called for a full recall so that at-risk machines are repaired or removed from homes. When there is such a risk to consumer safety, there is no excuse whatever for Whirlpool not to act in the best interests of consumers, yet it cannot claim to have done so, since it has resisted recalling affected models and failed to repair or replace affected machines quickly. Regrettably, corporate operations seem to have got in the way of consumer wellbeing, as we heard from several Members.

The hon. Member for Swansea East (Carolyn Harris), who chairs the all-party parliamentary group, mentioned that a PR company, not Whirlpool itself, seems to be answering MPs’ letters. That is absolutely shocking, but it is therefore unsurprising to learn of the Which? findings. A third of customers who had since had their dryer repaired or replaced said that they were dissatisfied with how the manufacturer had handled the situation. As we heard, a quarter of affected customers have been told that they will have to wait longer than six months, which is shocking. That is not an acceptable way to treat consumers, and it certainly is not a responsible way for the company to handle the situation.

There is also a serious gap between faults that manufacturers and suppliers of electrical goods know about and what consumers are aware of. The product recall system in the UK is complicated and, unfortunately, self-regulated. There is clearly the potential for unsafe products to be left in people’s homes, and that is exactly what is happening. The hon. Member for Bridgend (Mrs Moon) made the good point that many of these tumble dryers may be passed on in house sales and their new owners may not be aware of the major issues with them.

All that has led to the current situation with Whirlpool tumble dryers, of which there are millions in people’s homes. Companies such as Whirlpool do not even know where faulty products are or who owns them. That is shocking. We evidently need a much more efficient product recall system, and it is incumbent on us all to ensure that that happens. We need to put in place a proper system in which manufacturers and retailers co-operate to encourage consumers to register their products at the point of purchase.

The hon. Member for Poplar and Limehouse (Jim Fitzpatrick) mentioned that consumers are put off registering electrical products because they see it for what it often is: a marketing exercise for companies. Product registration must be primarily for safety purposes, and that should be made clear to consumers when they buy a product. Statistics show that 61% of consumers would be more likely to register a product if they knew that they would be contacted only for the purposes of safety. Electrical Safety First advocates the creation of a dedicated Government website similar to that in America, which centralises all information on product recalls, and where consumers can report concerns and obtain advice. The Whirlpool debacle, and the Shepherd’s Bush tower block fire in particular, should serve as the impetus to move on that.

My hon. Friend the Member for Ayr, Carrick and Cumnock shared a shocking story about a family being made homeless after their home was completely destroyed and being offered £175 in compensation—fellow hon. Members gasped at that story. I hope the Minister takes all of this on board. We cannot wait for another serious incident to occur. I have today put on the record these concerns and potential solutions, and hope that the Minister responsible following the general election, whoever that is, will see fit to take them forward. We all want that commitment from the Government today. Failure to act will undoubtedly lead to loss of life in the future. We must do all we can to avoid that eventuality.

3.40 pm

Gill Furniss (Sheffield, Brightside and Hillsborough) (Lab): It is a pleasure to serve under your chairpersonship, Ms Ryan. I congratulate my hon. Friend the Member for Hammersmith (Andy Slaughter) on securing this important debate and on his actions in leading this campaign. I also thank hon. Members present for their thoughtful, eloquent and constructive contributions. We agree that being faced with a fire in one’s own home is a terrifying thought. We have heard some terrible stories—particularly of the deaths of two young men that my hon. Friend the Member for Swansea East (Carolyn Harris) detailed so eloquently.

Overall, I am very disappointed that we are in this situation at all. Whirlpool’s actions have been wholly inadequate—that is the best way I can put it—and the Government have not done nearly enough to remedy the situation. That such a serious failing of consumer protection has happened calls into question the whole product safety regime. That is all the more disappointing because, as other hon. Members outlined, the Government review by Lynn Faulds Wood in 2015, which was published on 18 February 2016. The Government’s response to that review was sadly limited. Where is the interim report that my hon. Friend the Member for Hammersmith mentioned? I hope the Minister can explain.

We have very little certainty over what will happen to consumer protection standards throughout the Brexit process. We have certainly been given little comfort in that regard—it seems at this point that consumers will not be championed during that process. Other hon. Members spoke of the horrendous danger and extremely serious consequences of fires in tumble dryers and other white goods and electricals. That Whirlpool has not issued a full recall at this point in time is staggering. It must fully recall the affected tumble dryer models now, before Parliament dissolves, because lives are still in danger. Peterborough trading standards and the Government should intervene and urge Whirlpool to issue that recall.
[Gill Furniss]

We must also see a serious reform of the consumer protection regime. I hope the Minister will outline the steps she will take in that regard because, when people’s homes are destroyed by fire and their possessions turned to ashes, when people have died due to white goods and electrical fires, and with the state that the product recall and product safety regime is in, it is unconscionable that we should continue as we are. What assessment has the Minister made of an independent national system to monitor and enforce consumer protection?

Organisations such as Which? have done a vast amount of good work in investigating and bringing attention to this issue. The Government would no doubt prefer that work to be done by external organisations, but they have a duty that they are not fulfilling. Statistics from Electrical Safety First show that the success rate of an electrical product recall in the UK is typically below 20%. Will the Minister explain what steps her Department has taken to improve that abysmal recall rate?

The product recall system is not working. Customers do not register because they rightly suspect that they are asked to do that so that they can be spammed by companies about future products. If consumers had confidence that product registration was only for recalls and safety concerns, we might see some change. Electrical Safety First has argued for a centralised website for product registration similar to that in America. Perhaps a similar approach could work here. Many hon. Members asked the same question.

My hon. Friend the Member for Hammersmith described the extent to which Whirlpool has avoided engagement, dialogue and responsibility. Again, it has been left to consumer organisations such as Which? to pursue legal action. While Peterborough trading standards should have enforced the appropriate actions by Whirlpool when the faults became apparent, instead Which? had to take it to court to get it to act. Only then did Whirlpool take the straightforward step of updating its product guidance. Does the Minister find that the actions taken so far by Peterborough trading standards to be sufficient and appropriate?

We need a robust product safety system that is fit for purpose. Anything less will continue to endanger people’s lives. Be assured that a Labour Government, if elected, would prioritise reform of the product safety regime to protect consumers, and to make companies take proper responsibility for their actions. Again, it has been left to Whirlpool to monitor and enforce consumer protection?

However, I see from hon. Members’ remarks, to which I will come back to that question. The Government would no doubt prefer that work to be done by external organisations, but they have a duty that they are not fulfilling. Statistics from Electrical Safety First show that the success rate of an electrical product recall in the UK is typically below 20%. Will the Minister explain what steps her Department has taken to improve that abysmal recall rate?

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We have made considerable progress since I last had the opportunity to engage in a debate on product safety. However, I see from hon. Members’ remarks, to which I have listened carefully, that that has perhaps not been communicated as effectively as it should. Allow me to put that right. I reiterate that the Government take consumer product safety extremely seriously. On the safety issue identified in Whirlpool tumble dryers, I and my officials have been in regular contact with Whirlpool and its management. I must say that I have been shocked to hear the extent to which Whirlpool has not engaged with other hon. Members; I think that it might come to regret that. I hope that, in the new Parliament, it will manage to put that communications issue right.

I met the chief executive of Whirlpool and emphasised the need to resolve the situation quickly and pushed the company hard on meeting its obligations. I have repeatedly pressed it in further correspondence on the need to ensure that consumer safety remains paramount and that consumers have accessible routes to resolve their issues with the company’s products quickly and effectively.

I am concerned about the number of unregistered machines still on the market; as hon. Members have mentioned, second-hand machines and people moving into homes with an existing machine and not realising the safety issues make it a complex situation. I will come back to that when talking about the working group that we have set up.

Mrs Moon: The advice given to one of my constituents was to unplug her tumble dryer, to plug it back in only when she was going to use it and to then watch it. I do not know if the Minister has ever tried to move a tumble dryer or washer dryer when the plug is at the back, but it is not something that can be done. The manufacturers have to take far greater responsibility for keeping our families safe than they do at the moment.

Margot James: I agree with the hon. Lady; that is not practical advice.

Whirlpool has, however, been taking action to address the concerns that we have debated this afternoon. The hon. Member for Swansea East (Carolyn Harris) is the only one among us, apart from myself, who has met Whirlpool. What Whirlpool said to her is largely right, in terms of what it has lived up to following the proposals that its representatives made when they met her some time ago.

Whirlpool has increased its engineer workforce by 50%, allowing it to resolve approximately 100,000 cases per month. It has now exceeded the number of cases that it anticipated resolving when it met the hon. Lady. It has modified more than 1.5 million machines—almost 90% of the total number registered with the company—but, of course, that leaves 10% unresolved, to say nothing of all the other machines out there that nobody knows of. Whirlpool now employs the UK’s largest technician workforce, at 1,700-strong, which is almost three times the size of the next largest one in the country. Whirlpool now employs the UK’s largest technician workforce, at 1,700-strong, which is almost three times the size of the next largest one in the country.

In response to demands for a full recall, I understand the attraction of that proposition, but the key must be to take whatever action is most likely to achieve the outcome we are all aiming for, which is to ensure that consumers are protected from unsafe products. That may be statutory recall in some instances, but other forms of corrective action, including making modifications to products in a consumer’s home, may be more...
 proportionate, appropriate and effective in other cases. It is often better and more effective to encourage a company to accept its responsibilities and take action proactively.

Alberto Costa: I appreciate that time is short, but on that point, will the Minister give way?

Margot James: I will give way to my hon. Friend, who has reappeared.

Alberto Costa: I had important constituency business to attend to. The Minister is correct in saying that modifications at home might be the correct course of action. Indeed, I witnessed a modification to my tumble dryer. However, the issue I have is that Whirlpool is not disclosing to Which? or to any of us the independent expert analysis stating that such modification makes the tumble dryer safe.

Margot James: I am sorry that my hon. Friend has not had satisfaction from Whirlpool on that. Whirlpool wrote to me on 4 November outlining its engineer training programme and auditing programme of the machines that it has modified. I am happy to share that correspondence with him and other hon. Members.

We hear from industry and other experts that recall programmes typically have a success rate of resolving between 10% and 20% of affected products. In this case, Whirlpool’s resolution rate is over 40%, which is well above the industry norm. We can therefore posit that the action taken by Whirlpool in co-ordination with Peterborough trading standards has achieved more in terms of resolving cases than recalls typically achieve, meaning a greater number of consumers have been protected from potential harm.

Jim Shannon: Will the Minister give way?

Margot James: I will give way once more. There is more material that Members will be interested in.

Jim Shannon: We are talking about 5.2 million machines and 120 different models. Is there a timescale for how many years it will take for resolution to be arrived at and all those machines to be repaired or replaced?

Margot James: I can only reiterate what I have already said. Of those machines, 1.5 million have already been modified, and only 10% of cases registered with Whirlpool are outstanding. Whirlpool is modifying machines at roughly the rate of 100,000 per month.

The role of Peterborough trading standards has been discussed. That team has ensured that Whirlpool has taken responsibility for resolving the issue and agreed actions deemed proportionate to the level of risk. The initial risk assessment was peer-reviewed and agreed by two other trading standards departments, at Norfolk County Council and Hertfordshire County Council. As a responsible regulator, it has kept the issue and the evidence under continuous review and made decisions accordingly. It issued enforcement action to ensure that Whirlpool gave clear advice to consumers not to use the product before it had been repaired, and it has been in close contact with Whirlpool to agree and oversee the corrective action programme.

I note hon. Members’ comments about Whirlpool’s motivations and the extent to which it was moved by the threat of judicial review. It is impossible for me to comment on that speculation, but I would point out that Whirlpool had already resolved the majority of those 1.5 million cases prior to the threat of judicial review, which was later removed. As a result of Peterborough’s actions, Whirlpool did not, as Members implied, sit on its hands; it commenced a programme of corrective action back in November 2015. I have covered issues about Whirlpool’s customer service, so I will move on.

I want to acknowledge the remarks of the hon. Member for Merthyr Tydfil and Rhymney (Gerald Jones) about the manufacturing of white goods. I was sorry to hear of the manufacturing losses in his constituency, but I am pleased to report that Whirlpool tumble dryers and some of its other white goods are manufactured not abroad but in Bristol. I will turn to the working group on product recalls and safety. I take to heart the suggestion by the hon. Member for Hammersmith that the Government should look at the safety of all electrical goods and not just tumble dryers. That brief has been given to the working group. An online hub of information on product recalls, known as “Recall Central”, has been developed on gov.uk. That follows up one of Lynn Faulds Wood’s recommendations, cited by the hon. Gentleman.

When I took on the product safety brief, I reviewed the remit of what was then called the recall review steering group. Like the hon. Gentleman, I considered two years far too long to wait for discernible improvements in the system. In October, I rebooted the group and established the working group on product recalls and safety to develop credible options for improving product safety and the recalls system, setting a more challenging timetable of six months. I asked the working group to focus in particular on identifying the causes of fire in white goods and the action needed to reduce that threat.

The group is better resourced than its predecessor. Officials in my Department are supporting the group and are in regular contact with the Home Office about fire prevention. The group consists of experts in the fire services, trading standards, consumer groups and industry, including Electrical Safety First. The chair, Neil Gibbins, has extensive experience of fire safety, as former deputy chief fire officer for Somerset and Devon, and a background in enforcement.

I am grateful to Neil Gibbins and members of the working group for their work. They submitted their initial recommendations in December, which were published on gov.uk. Each meeting has had its notes published on gov.uk, and hon. Members can visit that site. The group submitted its full report to me earlier this month, which might explain why I have not yet published it, in less than the six months given to it. If it had not been for the Easter recess and the calling of the general election, I would now be planning the publication of the report. The group has already commissioned the British Standards Institution to develop a code of practice on corrective actions and recalls to improve consistency and transparency.

The hon. Member for Poplar and Limehouse (Jim Fitzpatrick) raised the issue of consumer behaviour and attitude, which is very important. The working group has commissioned consumer behavioural insights research, which I gather has almost concluded, to help ensure
[Margot James]

that the code of practice, and indeed the whole process of encouraging and motivating consumers to register their appliances, is taken forward in the optimum way.

I must leave time for the hon. Member for Hammersmith to wind up the debate, so I will conclude. In terms of Brexit, I would like to reassure Members that the Government have absolutely no intention of watering down consumer protection and consumer safety. The opposite may well be the case. I would also like to reassure the House generally that the Government take these issues very seriously indeed, and I look forward to the hon. Gentleman’s concluding remarks.

3.59 pm

Andy Slaughter: There is only time, in half a minute, to say a profound thank you to all the Members who have taken part in this debate. I really do appreciate their support and the work they have done. I also want to say to the Minister that the issues of liability, compensation, whether the replacements and repairs are sufficient, what will happen to the unregistered machines and, above all, a robust system of registration and recall, will not go away. I hope she will continue to pursue them. I place that on record so that, whether it is her or someone else responsible, we can pursue those issues in the next Parliament. It is vital that we do so.

Motion lapsed (Standing Order No. 10(6)).
children go to those museums, we found the following. We found that more middle-class children went to them with their parents regularly. Going to them is a wonderful experience. Now, in London and Leeds, there are all-night stays in museums. That is an incredibly innovative and fun thing to do—sleep-ins at the museum, sleeping with dinosaurs. What a wonderful experience. However, all the research showed that more ordinary kids, from more ordinary, less affluent homes, did not go to the free museums—not even the free museums.

If the people from a less privileged background did go to the free museums, they went with their school. All the research showed what we needed to do if we wanted to reach out to all the children in this country, not just the more privileged—and I do not mean 5% or 10%, but something more like 60%. A very high percentage of kids living in this country, in our towns and cities and in the countryside, do not visit those wonderful museums unless their school takes them out of school to do that. They do not do it, or certainly they do it in lesser numbers and on fewer occasions, so I became dedicated to the view that it should happen.

Then I mixed up one passion with another. I do not know whether I should be indiscreet, when we are getting close to the general election, about falling in love with someone—it might get in the popular press—but I fell in love with John Clare, the English poet. He has been dead a long time: he lived from 1793 to 1864. When I went to school, I had the privilege of having a wonderful teacher who loved John Clare and imparted some of that enthusiasm to me, and I became dedicated to John Clare and giving him a wider audience.

When John Clare was alive, he had only 100 poems in print. The special thing about John Clare is that he was not a posh vicar or a Member of the House of Lords, as many poets were. He was an ordinary working man; he was called the Northamptonshire peasant poet. He was a day labourer, a farm labourer, and his father was a farm labourer; they threshed together in the village of Helpston. However, John Clare went to a dame school and learned to read and write, and after he left school at 12, he never stopped reading and writing. He briefly became popular in the Victorian period, when rustic poetry was popular, and 100 of his poems were in print when he died.

Then, in the 1960s, a treasury of wonderful poetry by John Clare was found. We think that his mental challenge was that he was bipolar. He could have been treated and cured. He was a day labourer, a farm labourer, and his father was a farm labourer; they threshed together in the village of Helpston. However, John Clare went to a dame school and learned to read and write, and after he left school at 12, he never stopped reading and writing. He briefly became popular in the Victorian period, when rustic poetry was popular, and 100 of his poems were in print when he died.

Then I had the strange fortune of my eldest daughter marrying an academic who happened to be a John Clare scholar, from Cambridge University. He is now senior tutor at Fitzwilliam College and he has written a book about John Clare. I do not know how this happened, but I became the chairman of the John Clare Trust; I bought John Clare’s house; and we raised £3 million to turn John Clare’s cottage into a centre for children to visit. It is for everyone to visit, but we have a particular campaign called Every Child’s Right to the Countryside. I have seen the work that we and other people in the same field have done transform the lives of children; their lives are transformed by going to the countryside. One does not have to love poetry, art, music or what I often called—all my daughters studied English at famous universities—arty-farty people. They do not like that, but you know what I mean. Mr Paisley. I am a social scientist, trained at the London School of Economics in economics, so I can sometimes be disparaging about some of the more literary pursuits.

However, I know that if we take a child into the countryside and use technology, innovation, science or any subject under the sun, we can transform the experience of that child in that environment. Of course, John Clare writes about the woods and hedgerows and the plants and animals of our country, many of which are now very challenged in terms of their very existence. What we found in our work, which we did in partnership with others, was that if we want our country to have a countryside and our people to love it, they must visit it. Our secret—but not very secret—mission is to get people in this country, especially new generations of young people, to come to the countryside to learn and to really find their spark. I come across so many people in this country, even my own constituents in Huddersfield, who would benefit from that. I am sure that other hon. Members feel the same.

Jim Shannon: It is always nice to serve under your chairmanship, Mr Paisley—I think this may be the second or third time.

The hon. Gentleman raised those who wish young people to see and be involved with the countryside. I am very aware that in Northern Ireland we have under-achievement by Protestant males because they are not academically inclined, but their disposition might be towards the countryside. One organisation that has enabled those people at least to achieve something from a physical point of view is the Prince’s Trust. Has he had any opportunity to work with the Prince’s Trust to enable people who are not academically inclined to look towards the countryside, because they might find a job and perhaps a realisation of what they could do there?

Mr Sheerman: The hon. Gentleman reminds me that we are not talking about an exclusive society of brethren. There are a lot of us, including the Scouts, the Prince’s Trust and lots of other wonderful organisations. The wonderful chief executive of the National Trust came to visit John Clare’s cottage in Helpston only a month ago. We need to work with the National Trust and all the organisations that can offer wonderful destinations to more and more schools. I would be wrong not to mention the Institute for Outdoor Learning, whose chief executive Andy Robinson was very helpful as soon as he heard that I had secured this debate. There are a lot of organisations out there.

All the research shows that it is good for children to come to the countryside. It shows the real improvement in academic subjects, as well as in achievement across the board, from getting children out for a day in the countryside, a museum or somewhere they can get a different perspective on their learning.

Jonathan Lord (Woking) (Con): I congratulate the hon. Gentleman on securing this debate. I absolutely share his passion for outside learning. My most vivid
memories from primary school are of visits to museums and nature walks in the countryside, but I never got to visit a mosque, a synagogue or a Hindu temple. My own children are now at school. What better way to illustrate a religious education lesson about Judaism than with a visit to a synagogue? Does he encourage schools and other organisations to do that for our young people as well?

Mr Sheerman: The hon. Gentleman is absolutely right; I was going to come on to historical places. He is also right about mosques, synagogues and the diversity in our country of religious buildings in which young people can learn and can better understand the lives of other people who live not far from them.

I secured this debate because not only does all the research show that it is good for children to go out into the countryside, but it highlights a problem that still exists for some children, from homes that are better off and have more money, get the chance to go to the countryside regularly, but a very substantial number of young people in this country never get that chance. Many children in our urban centres and in not so urban centres never go off their estate. That is a shame, but the research shows that it is true. There are children in Huddersfield who do not often go even into the centre of Huddersfield, let alone into the lovely, medieval Bradley wood or to the perfect hunting lodges of Henry VIII that are still around. What a wonderful habitat for them to visit if they had the opportunity!

What is the secret? I have a very good proposal for the Minister. I want him, or somebody, to give me a little bit of money—do you know, Mr Paisley, that there is a magic sum of money if you go to a school? In the old days, when we did our first inquiry—the Minister will remember this—people used to say, “No, we don’t want to go.” One of the big teaching unions said things like, “No, we’re not going to co-operate any longer”, “It’s a bit stressful for teachers”, “It’s more than our jobs are worth”, “What about health and safety?”, and all that. Our report put the lid on that. Health and safety has become not such a big issue; the forms to fill in have been made much easier and the guidance is much better.

The real secret of a school that opens itself to adventure and takes children out is having staff who want to do that and who see its value. When schools do it well, it is much easier to get kids to go outside the classroom and learn outside the classroom. There is nothing wrong with a classroom, as long as the teachers in it are good, inspired, well qualified, well motivated and well paid. I will not go into political territory today, but we all know that it is much easier to get kids to go outside the classroom in Maidenhead than in Huddersfield. I am sure that it is very comfortable in the Royal Borough of Windsor and Maidenhead, but I do not represent a constituency in it. Like you, Mr Paisley, I represent a much more diverse constituency, where I look at the schools and want the children in them to have all the same advantages as children who live in the Royal Borough of Windsor and Maidenhead.

Mr Speaker—sorry, Mr Paisley—I want several things. I want every school to dedicate itself to being open to more out-of-school visits. I want every Member of Parliament to be energised to find 10 schools right across their constituency to go into the countryside and learn. I will not be parochial. They do not necessarily have to go to the John Clare cottage, although we always like to see people in Helpston, which is a lovely place just between Peterborough and Stanford, and halfway to Huddersfield. They could come to Huddersfield to see some of our attractions; it has more listed buildings than Bath or York, as I am sure you knew, Mr Paisley.

If children want a day out, they can go to Huddersfield, to the John Clare cottage or to the Minister’s constituency. Let us inspire them. Let us get them thinking in a totally different way about the countryside, about their lives and about their potential. That is the message of my speech and my reason for trying to secure this debate for some time: it is vital that we get children out of the classroom to learn.

Ian Paisley (in the Chair): It is not often that I am addressed as Mr Speaker, so I will savour today as never before.

4.19 pm

The Minister for Vulnerable Children and Families (Edward Timpson): I congratulate the hon. Member for Huddersfield (Mr Sheerman) on securing this debate. I very much enjoyed his passionate contribution. I know how long he has championed learning outside the classroom, all the way back to his chairmanship of the Children, Schools and Families Committee. When I was
Does the Minister agree that, in order to learn outside the classroom, pupils do not need to go miles and miles away? West Byfleet Junior School in my constituency has a tiny patch of woodland in the corner of its site. It has turned it into the Willows forest school—children follow a forest school curriculum during the course of a year. It is like going into another world. The school itself is only 50 or 100 yards away, but in it is a magical place where younger children can explore nature, animals, bugs and science.

Edward Timpson: My hon. Friend is absolutely right. There is so much opportunity out there for children if they are given the permission to experience it. Someone who lives in the countryside and is surrounded by fields of cows might learn where milk comes from, but there are also city farms—there is one just down the road in Vauxhall—as well as forest schools. When I was training for the marathon in Delamere forest near where I live, I passed a forest school for early years—two to five-year-olds—run by the Forestry Commission. There are lots of ways into the subject, but we need to give children the chance, rather than making them feel that they have to stick with the classroom for all of their learning experience.

As the hon. Member for Huddersfield said, seeing original paintings, sculptures and historical artefacts in art galleries and museums is a very different experience from seeing printed images. Attending a live concert can enhance pupils’ understanding and enjoyment of music. Seeing a live performance of a Shakespeare play or—a recital of a John Clare poem, which the hon. Gentleman is clearly taken with, can provide pupils with different insights from studying a play or a poem on paper. We have recently updated the subject content for GCSE drama and A-level theatre studies to try to reflect that, and to ensure that students study those subjects with an entitlement to experience live theatre. I am not sure whether the House of Commons would qualify in that regard, but it is an important step forward.

A key element the hon. Gentleman raised was how disadvantaged children can get that equal opportunity of experience outside the classroom. I think back to one of the first children my family fostered. He was four or five years old and we took him on a holiday to north Wales. As we came over the brow of a hill and he saw the Irish sea for the first time, he looked at it and said, “Is that a big puddle?” He had never seen the sea before and did not know what it was. That is the challenge. Yes, we have free museums and we make sure that teachers feel equipped and confident to use learning outside as an important life-skill approach to enhancing learning, but the challenge is to ensure that no child gets left behind when we provide that opportunity.

That is why we support a museums and schools programme to deliver high-quality opportunities for all school pupils to visit museums that are linked to the national curriculum and support classroom learning. Last year, 72,870 pupils from 1,215 schools took part in that programme, including at the Barnsley Museum, the Great Yarmouth museum, SS Great Britain and many others. The £6 million for the programme since 2012 will be supplemented by a further £1.2 million over the next financial year. We are expanding the National Citizen Service for 16 and 17-year-olds.
Learning outside the Classroom

Upper Catchment Management

4.30 pm

Rachael Maskell (York Central) (Lab/Co-op): I beg to move,

That this House has considered upper catchment management.

It is a pleasure to serve under your chairmanship, Mr Paisley, for what will be the last Westminster Hall debate of this Parliament. Upland catchment management is an important subject to focus on. Many Members in the Chamber today will have experienced flooding in their constituency, as I did in York Central on Boxing day 2015. We know the devastation that came from that. In York, 453 residential homes were flooded and 174 businesses experienced flooding. There are families who are still not back in their homes and businesses that are yet to reopen, such as the Blue Bicycle restaurant on Fossgate, which is still waiting for repairs to begin. Although we celebrate places such as Jorvik, which reopened over the Easter recess with a new exhibition—I encourage all Members to visit and to send their constituents there, as well as to the Merchant Adventurers’ Hall, which has also been restored—there is still so much to do. The insurance systems still are not working, and resilience is still an aspiration, not a reality. We need far tighter flood governance to support people when planning, during flooding and afterwards too.

To make a real difference, we have to look upstream at how we prevent flooding downstream. I am sure all Members present would agree that to address flooding in our country properly, the resource and focus need to switch upstream. With climate change, we know that flooding is a reality in this country, so we have to get on top of the agenda. I have been saddened that the Government have not prioritised climate change in the past couple of years in the way we would want. I know for sure that Labour will ensure we tackle the causes of flooding, as well as flooding itself. That phrase may resonate with people as a commitment, and they will see the actions that we will put behind that.

I know that instigating methods of prevention is always better than having to mop up after a disaster. That was why I was so disappointed by the Government’s “National Flood Resilience Review”. It talked about spending money on defences and moveable defences—it is only a little bit of money, mind, that is being put into that—without getting resource where it is needed upstream. The review also said that would not happen until the next comprehensive spending review. I am pleased to say that after the election, Labour’s comprehensive spending review will address this very issue to ensure we address flooding at source.

Craig Whittaker (Calder Valley) (Con): I fully understand what the hon. Lady says, but we only have to look a few miles to the west of York, to my constituency of Calder Valley, to see what the Government have done. They have done a tremendous job in developing a full catchment plan that looks at how agencies work together, tree planting, leaky dams, grip blocking and the management of reservoirs. Does she not agree that the Government’s focus, particularly since the Boxing day floods, has moved away from the bog standard, “Let’s build a wall”, to having an upper catchment plan, which is exactly what we have in the Calder Valley?
Rachael Maskell: I am sure we will talk about different schemes that have been put in place. The hon. Member for Thirsk and Malton (Kevin Hollinrake), who represents my not-quite-neighbouring constituency, is here, and we will consider what has happened at Pickering. We need to ensure that all such schemes slow the flow, because that is really important in addressing these issues.

I am sure all hon. Members agree that it is important that we build evidence—the hon. Member for Thirsk and Malton is nodding—about what produces the best solutions for addressing upland management, which is why it is deeply disappointing that the Government have cut the research budget. I want to talk about a specific piece of research that I am going to ask the Minister to review. The University of York has carried out research into moorland management. This extensive piece of work, which is the most comprehensive of its kind, has run for five years at a cost of £1 million to the Government. The university is asking for a further five years of research funding—£660,000—to complete that innovative research, which covers 500 different patches across a whole catchment to look at how best to manage the moorlands. The groundwork has been done, so it is nonsensical not to see it through to completion. Doing so would enable us to see the impact over 10 years, which in turn would have a real impact on constituencies such as mine.

I believe it is best for Government to look for opportunities to save spending money. If that research runs for a further five years, it will address issues such as complete management rotation and the impact of the regrowth of vegetation. We will see the impact across the whole catchment, as well as the impact of time, and what 10 years produces, as opposed to just five.

I said that £660,000 is the upper limit for that piece of research, and that £1 million was spent on the first phase. So far, the university has been able to secure £353,000 from other sources, so it needs only £307,000. The Stockholm Environment Institute will put 20% of the research funding—£660,000—to complete that innovative research, which covers 500 different patches across a whole catchment to look at how best to manage the moorlands. The groundwork has been done, so it is nonsensical not to see it through to completion. Doing so would enable us to see the impact over 10 years, which in turn would have a real impact on constituencies such as mine.

There is more that will come from the research. It has excited academics beyond our shores, and has encouraged them to look at what we are doing. They want it to be completed, which is why we have got interest from Sweden. The Moorlands Association also said it is vital, which is why it is willing to put resource into it. Members of the public—it is their taxes and their money—do not want to see future floods. Therefore, they want their money to be spent prudently. At £49,000 a year, we could not get a better investment in something that will be so significant.

The research has concluded that how the uplands are managed has an impact on the amount of water that comes downstream. We had a debate on grouse moor shooting and how to manage the moors in that context. If we look at burning versus mowing the heather, it brings a 10% to 20% reduction in the amount of water coming downstream, which is significant. In a place such as my city of York, we are talking about 40 cm of water, which would have greatly reduced the damage caused on Boxing day 2015. That is significant.

Kevin Hollinrake (Thirsk and Malton) (Con): The hon. Lady is making a good point about burning versus mowing, but does she understand that some locations on the grouse moor cannot be mowed because the terrain is not suitable for mowing? The people who manage the moors mow when they can, but other areas are mowed instead of burning rather than mowing.

Rachael Maskell: The hon. Gentleman has a point, but the research also looks at other management of the moorlands. Some sites, for instance, are left fallow to see what the impact is and there can be absorption. The research looks not only at heathers but at the wider biodiversity that comes from the upland management. That is why a 10-year research programme is so much more significant. Measures arising from the research already conducted would bring flooding down in York by 40 cm. Looking at the regeneration of certain species over 10 years could reduce that level further. If we consider York and the 40 cm, many of the barriers are not being discussed, and how high they are raised, might not need to be in place and could therefore save even more money. If we then reinvest that money into planting trees and, as in Pickering, having leaky dams upstream and other forms of water catchment, we could be talking about significantly more water not coming downstream: perhaps 45 cm or 50 cm, and each centimetre is significant. That proves the research is crucial to drive forward a programme that really addresses the issues.

Craig Whittaker: I want to challenge the 40 cm figure. If my memory serves me correctly about the research that the hon. Lady quotes, there is a line that clearly says the flow is unimpeded. As we know, in the uplands we do not have unimpeded flow, so that is an incredibly worst-case scenario if we had flat moors and the flows came straight down the hill. The evidence quoted is not evidence because it uses unimpeded flow.

Rachael Maskell: I dispute the hon. Gentleman’s point because I sat down with the research scientists and looked through the evidence they produced. They say it is 40 cm, but that could increase beyond that for certain scenarios. They want to carry out a 10-year research project to make sure that the data have even more rigour than the five-year research project carried out to date. Although there are differences in the way in which the water flows, and we want other measures such as filling in the grips and so on, the evidence clearly suggests that a different form of moorland management will make a difference in the amount of water that comes downstream.
We do not get the benefit from only the water flow. There are many other by-products. For instance, different management of the moorlands will produce greater soil resilience, which means that there would be less summer drought in the moorlands, thereby sustaining the bio-habitat over the summer and for a longer period, which is a real benefit, and we would increase the quality of the soil. We know from the debate we had on soil quality how important that is. Improving absorption is also important. On a climate issue, burning puts carbon into the atmosphere, leaving charcoal behind as a by-product as opposed to holding that in the soil.

It is also important to see this matter as part of a wider environmental strategy. I am sure the Minister will remind us that all of that will be discussed in the 25-year environment plan. To her embarrassment, I am sure, the plan was going to be produced before summer 2016, and then we were told we would get the framework before Christmas—so we cannot even use the Brexit argument now—but we are still waiting on that 25-year plan. It is a 25-year plan to write, I am convinced.

The Environmental Audit Committee has also recognised the need for more joined-up thinking about the benefits of such a framework. Bringing in issues such as how we improve planting and planting in the right place is vital in catchment management.

There is recognition that where heather is burned, we get greater germination of the seeds, which then bring heather. However, it has been shown that mowing means we get more shoots coming off the heather. For those who go out grouse shooting and support it, which I do not, mowing is better for that sport—if we can call it a sport; I probably would not. Mowing is also less labour-intensive, so it is good for those managing the moorlands.

Air quality, water quality, soil quality and biodiversity all come together here, and a 10-year study of the impact on all of them is significant. Anyone who is keen on the environment and on seeing environmental measures advanced will want to support that research, which I remind the Minister would cost only £49,000 a year. That study is required. It is long term, and it will improve our environment.

I say to the Minister, on behalf of my constituents who face the devastation, that this is about their money and their future. They have experienced real difficulties during the flooding and still are. Building evidence-based policy, which is surely what the Government want to do, by investing in a little piece of research will make a significant change. I trust that she will commit today to review that piece of research and its second phase and agree to fund the small price that it costs.

4.47 pm

Kevin Hollinrake (Thirsk and Malton) (Con): It is a pleasure to serve under your chairmanship, Mr Paisley. I congratulate the hon. Member for York Central (Rachael Maskell) on securing this very important debate.

As the hon. Lady said, one of the beautiful market towns in my constituency is Pickering. It is not only a beautiful town but a gateway to one of the finest landscapes in this nation—the North York Moors, with its Wimbledon colours of green and purple. On a sunny day, we can enjoy the delights of the North York Moors railway, chugging gently through that wonderful landscape and enjoying the beautiful “Heartbeat” country of places like Goathland.

Beautifully concealed within that landscape is the Pickering “Slowing the Flow” project. It is a pioneering project involving bunds, which are dams—some of them deliberately leaky, and some more substantial; heavy tree planting on riversides, farmland and floodplains; and small-scale ponds and swales. All those things are to slow the flow. There is also some more conventional concrete flood storage, but in my constituency it is almost like modern art; it is beautifully executed.

Pickering has a long history of flood issues, with four significant floods since 2005. One in 2007 flooded 85 homes and businesses in Pickering, causing £7 million-worth of damage. Pickering had a one-in-four chance of flooding. The deep channels of Pickering beck, which are deeper over time, meant that the water could not get away before the “Slowing the Flow” project. Other conventional schemes were considered. In 2004 a concrete scheme was brought forward that I think would have blighted the beautiful town. However, it was seen as too expensive. It would have cost £7 million in 2004, which is probably more like £15 million in today’s money, with inflation and the cost of contracts these days.

The scheme was run by the local community, in partnership with Forest Research, which is part of the Forestry Commission, the Environment Agency, the North York Moors national park, academics from Durham University and Natural England. It was funded by DEFRA—prior to our excellent Minister’s tenure but very important funding nevertheless; perhaps the hon. Lady might recognise that some moneys have been committed to these kinds of projects—but also local authorities, landowners including the Duchy of Lancaster and the community itself. The project was chaired by Jeremy Walker, who has great knowledge of these issues, and it was delivered for £4 million, rather than the £10 million or £15 million it would be in today’s money. It was a completely new, pioneer scheme; I know the Minister is very keen to see these pioneer areas and pioneer schemes.

One simple question is whether it worked. The jury is still out; the scheme was completed only in 2014-15, but we saw significant rainfall in 2015. It was analysed by the Forestry Commission, the Environment Agency and the partnership to see if it actually worked. They looked at not just the rainfall but its intensity and how wet or dry the land was before the rain came. The hon. Lady pointed to the fact that many houses downstream in York were flooded on Boxing day 2015. That also happened in my constituency—in Malton particularly, but also in some smaller villages. However, Pickering did not flood, despite there being similar conditions to previous floods in 2008 and 2009. The research showed that the intensity—the peak flows—were reduced by about 15% to 20% because of those attenuation measures. The researchers are clever academics.

These are very complex schemes; they are not simple schemes to design and implement. The staging of the water flow is critical to making them work. With a high degree of certainty, it was established that that scheme worked; in fact, the comment was “better than expected.” Beck Isle, which is a small area of Pickering and one of those areas that floods every time there is a flood, saw no flooding of any properties, although the flooding
came very close to homes. The dams I talked about earlier impeded the flows, which then pushed back into the backwaters behind and forced the waters out of the banks and into those riverside areas where trees had been planted. Of course, the trees then take up the water and make it less likely to push downstream.

About 50% of the reduction in peak flows was down to natural flood management measures and about 50% was due to flood storage, so the measures have been a real success. One could say, “Okay, that’s great, thank you very much. Let’s move on to Cumbria or Calder Valley or some other part of the country”, but I want the Minister to think of something other than that. There are additional measures that would make perfect sense at this point in time, such as gathering data, which the hon. Lady mentioned. That is one of the key things that we could do now to reinforce and multiply the effects of these measures.

The Yorkshire Derwent Partnership has been formed and, again, is chaired by the excellent Jeremy Walker, who has great knowledge of these areas. It is a catchment-wide project—2,000 sq km across that catchment. The Minister can straight away use that knowledge and experience. It has ready-to-go projects and three key things that it would like to do. It would like to gather data and to see the effects of the projects, particularly when they are brought together across a catchment; the multiplier effect could be profound. There are also more measures for other communities.

Some of the pinewoods in my constituency, including Helmsley, Sinnenning and Thornton Dale, which are stunning, chocolate-box villages, also suffer from these issues. Another project could be done on Thornton Beck that would help Thornton Dale and across that whole catchment area. As the hon. Lady mentioned, such approaches have wider benefits. They do not just prevent flooding but create new habitats, benefit wildlife and improve water quality and management, and they still allow the public to access these beautiful areas.

The Department has allocated £15 million for slow-flow schemes in pioneer areas. I argue on behalf of the Yorkshire Derwent Partnership that the Derwent catchment is unique. It already has two sub-catchment areas with natural flood management projects that are working now. We could multiply those to see how they work, create more data and inform the debate so that such projects can be rolled out across the country where there are similar conditions.

All this can be done for only £175,000. A lot of money has been allocated, but I understand that there is about £1 million still to be allocated. The Environment Agency has the details of the Yorkshire Derwent Partnership’s proposals. Of course, lots of other proposals certainly deserve consideration. I would be neglecting my duties if I did not say that we also need more conventional flood attenuation measures such as dredging—our farmers really want me to say that word—but £175,000 would make a phenomenal difference to my area and the whole catchment area, and I believe that the work would be of national significance.

4.57 pm

John Mc Nally (Falkirk) (SNP): It is a pleasure to serve under your chairmanship, Mr Paisley. I thank the hon. Member for York Central (Rachael Maskell) for securing this debate on a topic in which I think most of us are interested. I heard on Radio 4 this morning that climate change is only going to get worse. I do not know how far north other hon. Members go, but my north is certainly a wee bit further than theirs. I look forward to addressing a topic that is dear to everyone’s hearts.

The hon. Lady made a particularly interesting comment about the £49,000 a year that is required to fund research to help resolve a problem. By anybody’s standards, that is a pitiful amount to find. If that research would help to resolve a problem, the Government should, without any doubt whatever, be able to find that money.

Rachael Maskell: If the Government make that funding commitment, other people may come on board, so that figure could go down even further than £49,000 a year.

John Mc Nally: I appreciate the hon. Lady’s point. She is a vice-chair of the all-party parliamentary group on flood prevention, which I chair, and I am always impressed by her knowledge of and passion for her area and the wider field. I commend her for everything she does. As chair of the APPG, I had plans to visit some areas, but unfortunately a general election has come along in the middle of those plans. The hon. Member for Thirsk and Malton (Kevin Hollinrake) painted a picture of Pickering as a place of modern art, so if we are both re-elected, I will take the opportunity to visit that area, too.

Flooding is the UK’s predominant natural hazard, and a significant increase in properties at risk is projected in the years to come. As we all know, flooding is rarely good business. For small and medium-sized enterprises, it is sometimes a matter of survival. I learned that all too well as a councillor in Falkirk. When the River Carron is in spate, it is the second fastest flowing river in Scotland and, I assume, in the UK. During that time, I found myself helping people and businesses affected by flash flooding and saw first hand the disruption that was caused to traffic and the community.

Getting involved in finding a solution opened my eyes to the value of preventive measures. There is no doubt that an ounce of prevention is worth a pound of cure. Mitigation measures such as widening the banks, increasing the height of bridges, and some hard defences are all needed, and mostly they are planned under the area’s flood risk management strategy. We also introduced fish ladders and a mini-hydro project, which are starting to bring additional benefits to the community. To emphasise what the hon. Member for York Central said, once one person is brought in, that seems to attract another. Groups follow, and are motivated by other people’s initiatives, including the one I am describing.

As chair of the all-party group on flood prevention and a member of the EAC, I took it upon myself recently to visit various areas—Tadcaster, Leeds, Ballater, Newton Stewart and Hoy— and began to put together, to present to the Minister, the evidence about small and medium-sized enterprises and how they are affected. I understand that a lot of good work has been done in Calder Valley. The community is extremely resilient, but there is still a continuing problem for small and medium-sized enterprises. I believe that insurance brokers there formed their own insurance funding, to help to cover such enterprises that could no longer afford to insure their businesses and properties, or, indeed, the excess amounts given to them.
I have heard people identify the need for better catchment level co-ordination between the bodies responsible for flood management in England and I have had an insight, from seeing and hearing things at first hand, into the willingness of communities to take part in flood risk management; but I have also heard their frustration, and I have heard about the reluctance of the Environment Agency, local authorities and other agencies to work with those local groups.

A water body’s catchment is the entire geographical area drained by that water body and its tributaries. Since the system is all connected, flood risk in a given part of the catchment area will be heavily influenced by what is happening above it in the catchment. Traditional flood management has focused on building hard defences and of course, as I have said, they are needed; but upper catchment management treats the catchment area as a single system, and it is vital to use natural flood management measures to slow the flow of water towards vulnerable areas. The approaches complement each other. Slowing the flow of water decreases pressures on hard defences and, most importantly, reduces the maintenance costs and the risk of failure of those already established flood defences.

Natural flood management has already been a lifeline for communities such as Pickering in Yorkshire that are too small for hard defences to be cost-effective. Such measures can have additional benefits, as has been said—trapping sediment and agricultural pollution and providing human amenities such as parklands and habitats for wildlife, including game.

The use of natural flood management at catchment scale is still in its infancy, and measuring the effects of a given flood management measure across something as hydrologically complex as a large catchment is difficult. I am certain that that fact is realised by those employed in the industry. There are risks as well as opportunities. As far as I know there is no conclusive evidence that natural flood management can be used at a catchment scale to reduce flood risk.

Julian Sturdy (York Outer) (Con): The hon. Gentleman is making an important point; does he agree that while hard flood defences are important we must remember that that is only moving the problem further downstream?

A number of villages in my constituency, such as Acaster Malbis and Naburn, south of York, support the flood defences in York; but ultimately those only move the problem elsewhere. That is why upper catchment is so important, and it is why we must look at the whole. That has been well argued in the industry. There are risks as well as opportunities. As far as I know there is no conclusive evidence that natural flood management can be used at a catchment scale to reduce flood risk.

Rachael Maskell: The hon. Gentleman makes a good point about the mapping that the Environment Agency has carried out. It is incredibly frustrated that it cannot get on with putting the schemes in place and with getting the research to show the best mechanisms for slowing the flow. Does that not make a further point about another agency that would benefit from the research by the University of York?

John McNally: Once again, I agree with the hon. Lady. At the last APPG meeting, we could hear that there is an urgency for all people to work together. One of the points emerging, every time we go to a place, is that no one seems able to take a lead. Everyone is waiting on someone else to do it. It is not a lot of money in the scale of things, and it will cost an awful lot more to do it than not to do it—at least I absolutely, totally agree.

We also hear the argument that NFM might not provide protection against the most extreme rainfall events. Those arguments do not seem to take it into account that by taking pressure off hard defences downstream, NFM could decrease the risk that those defences might fail, and reduce their maintenance costs.

The cost of installing and maintaining the measures is very low compared with traditional flood defences. Most use natural materials obtained on site and are easily implemented by landowners or volunteers. If anyone takes some time to look at work that has been carried out, they would be impressed by how little it takes to make these things happen.

For example, in Stroud, Gloucestershire, the local authority designed and implemented a NFM scheme that was credited with sparing the town from flooding in March 2016. The total cost so far has been circa £215,000. Previous flooding in 2007 affected 200 properties. A reservoir built in 2011 to enhance the protection of 350 properties in Gloucester cost £1.5 million. I think that makes the point clearly.

The Government announced in the autumn statement that they will invest £15 million in natural flood management in England, yet they are evasive about its allocation. Thanks to investigations undertaken by Friends of the Earth, we know that before the announcement was made,
the Department for Environment, Food and Rural Affairs was commissioned by the EA to draw up plans for £20 million worth of NFM projects. When pressed about its allocation, the then Secretary of State would only say that the money would be used to test the methods. Given that large studies into the effectiveness of NFM are already under way, it seems to me that the Government need to give communities in flood-prone areas assurance that the money will be spent on implementing NFM, rather than on projects for consultants.

We have probably all heard of the Chinese saying that the best time to plant a tree is 25 years ago, and the second best time is today. Flood Re will run for roughly another 23 years. Either we implement a programme of action, or many of the 350,000 properties eligible for Flood Re will become uninsurable. Given the time that trees and wetlands need to become established, the implementation of upper catchment management has to be made a priority if it is to play a role in meeting the challenge.

Unfortunately, here we are at the end of this Parliament and we are still waiting to see the 25-year plan, which is of little comfort to those who live in areas prone to flooding and who have to face flooding on a regular basis. I personally have never had to face flooding, but I know people whose homes have been flooded, so I know how important it is to get work done in the right way at the right time to alleviate flooding and mitigate its impact. It is of great importance.

Can the Minister say what progress has been made on the Cumbria Pioneer project, which the Government believe will be an important step in understanding the value of catchment management in larger catchment areas, as well as influencing the development of good practice and innovative solutions? Will those solutions include taking local knowledge into account, which would prove invaluable as well as helping to build the confidence of communities, who often feel that the value of their experience of flooding is not taken fully into account?

At the end of this Parliament, I hope that the Minister can give Members and the public more reassurance than has been the case hitherto, especially as the Government have failed to take forward any key recommendations from the EFRA Committee’s report.

In an earlier debate, the shadow Secretary of State, my hon. Friend the Member for Workington (Sue Hayman), who unfortunately cannot be here today to respond to this debate on behalf of Labour, said that “we need to look at the whole river catchment.”

She also said that we need some quick fixes to reassure “nervous” communities, as well as investing in long-term solutions. In addition, she said:

“we need to stop talking about flood prevention. We cannot prevent flooding, but we can manage it and make our communities properly resilient.”—[Official Report, 27 February 2017, Vol. 622, c. 71.]

No one could fail to agree with that and as this is the last Westminster Hall debate of this Parliament, perhaps a good parting gesture from this Government would be for the Minister to agree to the request from my hon. Friend the Member for York Central. I am sure that the Minister will answer my suggestion favourably and I now await her response with eager anticipation.

5.14 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey): It is a pleasure to serve under your chairmanship, Mr Paisley. I congratulate my hon. Friend the Member for York Central (Rachel Maskell), who is also an extremely able former shadow Secretary of State for Environment, Food and Rural Affairs. She has done well in securing such an important debate. Both she and the hon. Member for Thirsk and Malton (Kevin Hollinrake) have shown a great talent for making a pitch, which any salesman would be rightly proud of.

My hon. Friend has highlighted how the lives of families and business people in the beautiful and historical city of York have still not returned to normal after Boxing day 2015, and she made an in-depth case for the Government to support the research by the University of York to improve moorland management.

I do not want to repeat all that my hon. Friend has said, as she spoke with her usual eloquence and passion, and laid out the evidence to back up her argument very clearly; I would say the same of the hon. Member for Thirsk and Malton. Surely, therefore, the Minister can see that the case presented by my hon. Friend makes sense, especially as the Government have already invested £1 million to fund the first phase of the research. I am confident that the Minister can make a case to her Department and the Treasury, particularly because there are so many benefits to be had from the study, perhaps most importantly and immediately for the people of York and the businesses based in that great city.

Following their national flood resilience review, the Government said their 25-year environmental plan would introduce catchment measures to minimise flooding. That was seven months ago. Similarly, in response to the Environment, Food and Rural Affairs Committee’s report, “Future flood prevention”, which was published last November, the Government said they supported a catchment approach, alongside engineered defences, and that such an approach would be at the heart of their 25-year plan. The Government also agreed that it is important to build up more evidence to support the catchment-based approach.

Unfortunately, here we are at the end of this Parliament and we are still waiting to see the 25-year plan, which is of little comfort to those who live in areas prone to flooding and who have to face flooding on a regular basis. I personally have never had to face flooding, but I know people whose homes have been flooded, so I know how important it is to get work done in the right way at the right time to alleviate flooding and mitigate its impact. It is of great importance.

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5.14 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Dr Thérèse Coffey): It is a pleasure to serve under your chairmanship, Mr Paisley, in what will be the last debate in Westminster Hall in this Parliament. I congratulate the hon. Member for York Central (Rachel Maskell) on securing this debate on upper catchment management, and I thank those Members who have joined us today in what is a busy week individually and for Parliament.

I am aware of the impact that flooding can have on a community, as it has happened in my constituency of Suffolk Coastal. I am absolutely committed to reducing the threat of flooding, as well as ensuring that we continue to improve our environment as a whole. The Government have played a key role in improving protection for those at flood risk. By committing to invest £2.5 billion by 2021, we will better protect the country from flooding.

That money will go to more than 1,500 flood defence schemes to protect more than 300,000 homes. We will also increase maintenance spending in real terms to more than £1 billion.
The key change from which local communities have benefited is that we set out a six-year funded plan that will help the Environment Agency to efficiently and properly draw up schemes, rather than having the hand-to-mouth existence caused by annual budgets, which lend themselves to a stop-start approach. York, like many other places, suffered greatly in the 2015-16 floods, which as we all know were somewhat caused by record rainfall that winter. The hon. Lady will be aware that 627 properties were flooded in York alone. The Government made an additional £175 million available to support the worst-affected areas.

York itself received £65 million of that, which will better protect 2,000 properties with ongoing schemes. A further £35 million each is going to Leeds and the Calder valley. Cumbria received £33 million. The York five-year plan, which was published last December, sets out how the investment will build new defences and investigate new ways to reduce flooding in the city and surrounding area, giving priority to areas of the city that currently do not benefit from formal defences. The hon. Lady will be aware of the further £19.4 million being invested to upgrade the Foss barrier. By December 2017, construction will be complete and the barrier will be able to pump flood flows in excess of the record level experienced on Boxing day, thus protecting the heart of York.

Beyond the current plan for the city, and understandably after the general election, the Environment Agency will consult with stakeholders on the first stage of the York long-term plan, which will identify catchment measures to reduce flood risk in the city. Integrated catchment management is integral to our ambitions for the future of our environment, and we remain committed to holistic planning for our water to maximise benefits to people, wildlife and the economy. There is a consensus around the importance of conserving upland moorland habitats for all the benefits they bring, which include: the filtering of an estimated 70% of our drinking water, storing significant amounts of carbon and providing an excellent habitat for grouse and other wildlife.

The hon. Lady referred to the York University study. She will be aware that DEFRA has invested nearly £1 million in that research already, but following a rigorous prioritisation process, the Department will not be funding a second stage of the project. She will be aware that the learnings of the report will be out later this year, and there may be an opportunity to take lessons from that, but nevertheless, peatland restoration continues to be a priority. As announced earlier this month, DEFRA will be investing £10 million into peatland restoration projects over the next five years, recognising their importance.

Rachael Maskell: I have sat down with the academics on this research. Given that the Government have already invested £1 million in the first part of the research and that to complete this groundbreaking research comes at a very small cost of £49,000 a year—as compared with the huge figure of £2.5 billion that the Minister has talked about—surely that investment is worth making. I ask her to go and look at that decision again, for the sake of having a really solid evidence base for policy making.

Dr Coffey: As it stands today, I will not be looking at the matter again. I can assure the hon. Lady that the decision went through a rigorous process within the Department, and the decision was made by appropriately qualified officials. She will recognise that we will continue to invest in peatlands and continue to work on moor owners and stakeholders to further improve practices and conditions.

Catchment management is not restricted to the uplands. Enabling whole catchment management requires bringing together local government, internal drainage boards, landowners, third-sector organisations and communities to identify the issues and solutions that provide the maximum opportunities to manage and mitigate water in that catchment to the benefit of residents, businesses and wildlife. We are proactive in supporting local decision makers in catchments to ensure a co-ordinated approach in a catchment, including for water quality, supply and flood management. We intend to strengthen focus on integrated catchment level planning as we prepare for the next cycles of river basin and flood risk management planning. There are already very good examples of partners coming together to consider whole catchment management, some of which we have heard about today, including the work of the flood action groups and the catchment partnerships around the country, which we encourage all those who use and depend on water to share in its stewardship.

The hon. Member for North Tyneside (Mary Glindon) asked about catchment partnerships. Last month, we announced a £6.3 million investment this year to continue to facilitate and build capacity in catchment partnerships and to fund projects focused on meeting local priorities, building partnership working and securing multiple benefits, consistent with integrated water management.

Actions under the Cumbria and Calderdale flood action plans, to which my hon. Friend the Member for Calder Valley (Craig Whittaker) referred—I visited him in Mytholmroyd to see some of the progress on them—and which were published last year, include an integrated approach to managing catchment areas. Both areas are now considering how those flood plans can be incorporated into a wider catchment-based approach that considers not just flooding, but water quality, supply and environmental improvements. Of course, we must recognise that each catchment is different, so the solutions will be different. We need to encourage more areas to take similar approaches. The Pioneer project we have started in Cumbria will explore that approach, and its learnings will be shared with others, but it is still too early to share any of those learnings.

Natural flood management can play an important role in the management of our catchments, and can have multiple benefits in encouraging biodiversity, habitat creation and improvements to water quality. In York and Yorkshire, the Environment Agency has already worked with consultants to model what and where NFM measures could be introduced into the Foss catchment upstream of York, and in Cumbria the Environment Agency has worked with the Rivers Trust and JBA to model potential natural flood management schemes across four catchments.

Between 2009 and 2015, we invested £4.1 million at Pickering in North Yorkshire—my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) has already referred to that. We also invested money in Holnicote in Somerset and Upper Derwent in Derbyshire. Those projects found that the measures could be effective in helping to manage flood risk when carefully incorporated into a wider suite of catchment measures.
The hon. Member for Falkirk (John McNally) asked about the natural flood management projects. My right hon. Friend the Secretary of State recently announced £15 million of funding for projects across England, £1 million of which has been ring-fenced as a competitive fund for local organisations to bid for. I ensured we set out that £1 million, as it was requested by some members of the National Flood Forum, who wanted the opportunity to have a much wider range of smaller-scale projects. I have also agreed that business cases should be developed for a number of projects across the country, including in Yorkshire and Cumbria, but I cannot give further details of the locations due to purdah. I note the pitch of my hon. Friend the Member for Thirsk and Malton for a Yorkshire and Derwent partnership. I am sure that will be carefully considered, as there is a small amount of money—I am not sure there is £175,000 left, but we will see.

I established the principles and chose the business cases we wanted to progress because I felt that we need schemes of different sizes that can be achieved at a good pace, so that we can gather evidence and take forward the learnings about the benefits of natural flood management of different catchment landscapes. I specifically ruled out some projects that would not be able to start for a few years’ time. We want natural flood management solutions to be fairly assessed and supported where they offer a viable way of reducing the damaging impact of flooding. However, we cannot expect that such measures alone will offer protection in areas of the greatest risk or in the face of the most significant flood events, so good integrated catchment management will consider those, along with more traditional flood protection schemes, as the Environment Agency already does in its capital programme.

The need to gather more data and evidence has been mentioned. The Oxford Martin School recently published a restatement of evidence, which looked at previous research and reviewed findings. It reached the conclusion that NFM can provide support in up to 100 sq km of smaller floods, but more research is needed into the impact on larger floods. The Natural Environment Research Council has provided £4 million of further research for natural flood management, and the Environment Agency and DEFRA are developing a directory of evidence and maps to support future projects.

The hon. Member for York Central invited me to visit York. I am certain that I will take her up on that offer in the next six weeks or will certainly be in Yorkshire. This is an important issue, and I am proud that it is our Government who have invested those funds, which will better protect more than 2,000 properties. I will be making clear which particular Government provided that.

Kevin Hollinrake: When the Minister visits Yorkshire, will she also take the opportunity to come to the jewel in the crown of North Yorkshire—the North York Moors and Pickering—to look at the scheme there and what further measures we might put in place to finish the job?

Dr Coffey: My hon. Friend tempts me. I know that his part of Yorkshire is one of the most beautiful parts of our wonderful British Isles. However, I am sure he recognises that I will have to prioritise my time in the next few weeks. If I am lucky enough to be re-elected to this House and reappointed to this role, I am sure that at some point I will be able to do that. I thought he had already grabbed my right hon. Friend the Secretary of State to visit at some point; he cannot be too greedy.

This has been a very useful opportunity to discuss the benefits of upper catchment management. I am confident that the House agrees that by working closely together across catchments we can make significant improvements. The Government have said that they want to be the first to leave the environment in a better state than we found it. Strong local integrated catchment management can be a way to help to achieve that ambition.

5.26 pm

Rachael Maskell: It is a shame that that ambition will not be met, by the early calling of the general election. Clearly we want to ensure that there is a strong evidence base. The Minister talks about eye-watering sums. To say that we should not go ahead and build a strong evidence base to ensure that money is spent wisely is something I find deeply concerning, especially as she did not state the criteria she was looking at.

The world outside is saying that this research is so groundbreaking that they want to see it continue. That is why we have even seen organisations such as the Moorland Association committing £100,000 to the research. The cost of the research has been reduced. In the light of that reduced cost to the Minister’s Department, I want to know whether she would reconsider the opportunity to build a sound evidence base through a unique piece of research on catchment management, including biodiversity and soil, water and air quality. It could make such a significant difference for such a small spend.

I cannot comprehend not doing so, and nor will my constituents. I have to say that I did not invite the Minister to my constituency. I do not believe she would be very welcome there, because she is not putting funding into an issue that has turned out to be catastrophic for them. I know from meeting my constituents that they really want this research to go ahead.

Rather than being so stubborn, why does the Minister not go back and look at the research? She did not talk about the detail of the research, so I am not even convinced that she has read it. [ Interruption. ] Well, it does not seem, from her gestures, that she has looked at the detail of the research, which is negligent on her part. The research is powerful and says how important it is that we carry out this work. Given what flooding has cost my constituents personally, let alone financially, that we carry out this work. Given what flooding has cost my constituents personally, let alone financially, doing a bit of research to build an evidence base for policy making will make a difference.

When we are talking about looking to the future and building a sound evidence base, this academic research—[ Interruption. ] I am trying to concentrate on what I am saying, but the Minister seems to want to mutter her way through my concluding remarks. The reality is that we need to ensure investment is put into building a strong evidence base.

Dr Coffey: We have invested.

Rachael Maskell: The Minister says that the Government have invested, but the academics—who, with respect, know their field—are saying that this research is absolutely
crucial. They are world leaders in their work. It is crucial that we listen to the experts and ensure that we see this research through to a conclusion.

Public money to the tune of £1 million has been spent on the first phase of the research. To not see it through to the final phases is, some could say, a waste of public money. I ask the Minister once more to take back to her Department the request to look again at funding this research at a reduced sum, due to the generous contributions of other institutions, including the Stockholm Environment Institute, which see how crucial the research is for addressing flooding in our nation.

Question put and agreed to.
Resolved,
That this House has considered upper catchment management.

5.30 pm
Sitting adjourned.
Written Statements

Monday 27 March 2017

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

BEIS Non-departmental Bodies

The Secretary of State for Business, Energy and Industrial Strategy (Greg Clark): I would like to inform the House that the Nuclear Decommissioning Authority (NDA) has today announced its decision to terminate its contract with Cavendish Fluor Partnership (CFP) for the management and decommissioning of 12 redundant Magnox sites (including two research sites) which, together with the Calder Hall reactor on the Sellafield site, formed the UK’s first fleet of nuclear power stations.

The NDA ran a £6.1 billion tender process from April 2012 which resulted in a 14 year contract being awarded in September 2014 to the Cavendish Fluor Partnership—a joint venture between the British firm Cavendish Nuclear, a subsidiary of Babcock International, and the US company Fluor Inc. This decision was approved by the then Department for Energy and Climate Change and HM Treasury.

CFP started work on the Magnox estate on 1 September 2014. There then started a process to ensure that the scope of the contract assumed in the 2012 tender matched the actual status of the decommissioning to be done on each site—a process known as consolidation.

It has become clear to the NDA through this consolidation process that there is a significant mismatch between the work that was specified in the contract as tendered in 2012 and awarded in 2014, and the work that actually needs to be done.

The scale of the additional work is such that the NDA board considers that it would amount to a material change to the specification on which bidders were invited in 2012 to tender.

In the light of this, the NDA board, headed by a new Chair and Chief Executive, has concluded that it should exercise its right to terminate the contract on two years’ notice. The contract will be terminated in September 2019, after five years rather than its full term of 14 years. This termination is made with the agreement of CFP.

Dealing safely with the UK’s nuclear legacy is fundamental and non-negotiable. It is important to emphasise that this termination is no reflection on the performance of Cavendish Nuclear or Fluor, and work on decommissioning at all the sites will continue with the management of CFP for a further two and a half years.

During this period, the NDA will establish arrangements for a replacement contracting structure to be put in place when the current contract ends. This work will be led by the NDA’s new Chief Executive, David Peattie.

I have every confidence that CFP will continue to deliver to high standards during the remainder of the contract.

Although this decision is one made by the board of the NDA, it requires the consent of myself, the Chief Secretary to the Treasury and the Accounting Officer of my Department. That consent has been given.

We have a responsibility to ensure that the NDA’s decisions reflect its legal obligations, including under procurement law, that further risks to taxpayers’ money are contained and that robust arrangements are put in place to deliver this essential decommissioning programme.

In addition I can announce today that the NDA has settled outstanding litigation claims against it by Energy Solutions and Bechtel, in relation to the 2014 Magnox contract award.

The NDA was found by the High Court in its judgment of 29 July 2016 to have wrongly decided the outcome of the procurement process.

As part of the settlements, NDA has withdrawn its appeal against the judgment. While these settlements were made without admission of liability on either side, it is clear that this 2012 tender process, which was for a value of up to £6.1 billion, was flawed. The NDA has agreed settlement payments with Energy Solutions of £76.5 million, plus £8.5 million of costs, and with Bechtel of £14.8 million, plus costs of around £462,000—approximately £12.5 million in total.

These are very substantial costs and had the potential to rise much further if the case had proceeded to trial.

Taxpayers must be able to be confident that public bodies are operating effectively and securing value for money. Where this has not been achieved such bodies should be subject to rigorous scrutiny.

I am therefore establishing today an independent inquiry into the conduct of the 2012 procurement process and the reasons why the 2014 contract proved unsustainable. These are separate issues but both need to be examined thoroughly by an authoritative and independent expert.

I have asked Mr Steve Holliday, the former Chief Executive of National Grid, to lead the inquiry. The inquiry will take a ‘cradle to grave’ approach beginning with the NDA’s procurement and ending with the contract termination.

The inquiry will also review the conduct of the NDA and of Government Departments and make any recommendations it sees fit—including what further investigations or proceedings, for example possible disciplinary proceedings, may be required as a result of its findings.

The terms of reference for Mr Holliday’s inquiry will be placed in the Libraries of both Houses. Mr Holliday will report jointly to me and to the Cabinet Secretary, and his report will be made available to this House, including to the Business, Energy and Industrial Strategy Committee.

This was a defective procurement, with significant financial consequences, and I am determined that the reasons for it should be exposed and understood; that those responsible should properly be held to account; and that it should never happen again.

[HCWS554]
HOME DEPARTMENT

Justice and Home Affairs Pre-Council Statement

The Minister for Policing and the Fire Service (Brandon Lewis): The first formal Justice and Home Affairs Council of the Maltese presidency will take place on 27 and 28 March in Brussels. The Home Secretary, and I will represent the UK.

Interior day (27 March) will begin with a discussion on IT measures related to border management. The presidency will provide a progress update on negotiations on the European Travel and Information Authorisation System (ETIAS) proposal and the Entry/Exit System (EES) proposal. The Government recognise the importance of increasing the security of the EU’s external borders, however as the UK is not part of the border control aspects of the Schengen agreement it will not take part in either proposal. This item will be followed by a progress update from the presidency on the implementation of the European Border and Coast Guard Agency (Frontex). Again, the UK will not take part in the new agency. However, we will continue to provide support to its operations on a voluntary basis, as we have done with its predecessor.

Interior day will continue with a debate on the EU’s returns policy. The Commission will present an action plan to improve the effectiveness of returns from EU member states to third countries, and a recommendation for enhanced implementation of the returns directive. The UK does not participate in the returns directive but welcomes the Commission communications, and the Home Secretary is likely to intervene to share UK experience and best practice in the area of returns to third countries.

Over lunch, Ministers will discuss implementation of the EU migration policy. I expect the presidency to reiterate its calls for member states to meet commitments made under relocation measures, which the UK did not opt in to, and to increase support to the European Asylum Support Agency. The Home Secretary will confirm the UK’s existing commitment to deploying asylum and border experts to support Greece.

The afternoon session will start with a short item to update on the recent activities of the Radicalisation Awareness Network (RAN). The UK is supportive of the work of the RAN to bring together practitioners, civil society and policy makers to help develop tools to tackle radicalisation.

TheCouncil will then discuss external aspects of EU migration policy, including follow up to actions contained in the Malta declaration and the Valetta action plan. The UK supports the Malta declaration and ongoing efforts to stabilise Libya. The Home Secretary will press for concerted action to tackle organised immigration crime into and within the EU, and stress the importance of using regional partnerships, specifically the Khartoum process, to drive forward work under the Malta declaration.

Under ‘Any Other Business’, there will be an update from Austria on the “Managing Migration Challenges Together” Conference. The Commission will update on follow-up to the December 2016 EU-Internet Forum, specifically the outcomes of Commissioner Avramopoulos’ visit to the United States to discuss actions that internet companies are taking to counter terrorist propaganda and extremist content online. The presidency will also provide an update on EU responses to the European Court of Justice’s TELE2-WATSON judgment on data retention, ahead of a substantive discussion on Justice day. The Home Secretary will emphasise the importance of law enforcement experts being engaged in identifying appropriate responses.

The final substantive item of Interior day will cover a progress report from the presidency on negotiations on the reform of the Common European Asylum System (CEAS). The UK has not opted in to the majority of these measures, and is unlikely to intervene on this item.

Justice day (28 March) will begin with an update from the presidency on its proposal to convene a friends of the presidency group to facilitate a common reflection process at EU level on the impact of the TELE2-WATSON judgment on data retention. The UK is committed to working with other member states to understand the potential risks this judgment poses to investigating crime and protecting the public. I will emphasise the need to develop a common understanding on the necessity of data retention in relation to law enforcement and public safety.

On Criminal Justice in Cyberspace, the discussion will focus on strengthening and further aligning the legal frameworks and practical processes that allow access to, and the transfer of, electronic communication data to support the prevention and prosecution of crimes. I will intervene to support efforts to improve and co-ordinate member states’ capabilities in this area.

There will then be a policy debate on the criminal justice response to foreign terrorist fighter returnees. This will involve a discussion about policy recommendations made by the European Counter Terrorism Co-ordinator to tackle the threat from returning foreign fighters. I will highlight the work the Foreign Secretary is leading focused on the collection of evidence that can later be used to convict returning foreign fighters.

On combating financial crime and terrorist financing, the presidency will provide an update on the progress made at the working groups for the directive on countering money laundering by criminal law and the regulation on mutual recognition of freezing and confiscation orders. The UK is currently considering whether or not to participate in these measures.

The morning will end with an update on the progress of the negotiation of the directive on certain aspects concerning contracts for the supply of digital content. The UK is broadly supportive of the objectives of the proposal.

The final agenda item on Justice day will be a lunch discussion on the protections afforded to whistleblowers. The UK will share information on its system for protecting whistleblowers in response to presidency questions on the matter.

[HCWS556]

JUSTICE

Boundary Commission for England: Deputy Chairman

The Lord Chancellor and Secretary of State for Justice (Elizabeth Truss): I should like to inform the House that I have made the following appointment under schedule 1 to the Parliamentary Constituencies Act 1986:
The hon. Mr Justice Nicol has been appointed as Deputy Chairman of the Boundary Commission for England, effective from 27 March 2017 until 26 March 2020.

[HCWS557]

TRANSPORT

Bus Services Bill: EVEL

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): I am pleased to announce the publication of analysis of English Votes for English Laws in relation to Government amendments made at Report stage to the Bus Services Bill.

The English Votes for English Laws process applies to public Bills in the House of Commons. To support the process, the Government have agreed that they will provide information to assist the Speaker in considering whether to certify that Bill or any of its provisions for the purposes of English Votes for English Laws. Bill provisions that relate exclusively to England or to England and Wales, and which have a subject matter within the legislative competence of one or more of the devolved legislatures, can be certified.

This analysis reflects the position should all the Government amendments be accepted.

The memorandum can be found on the Bill documents page of the Parliament website at: http://services.parliament.uk/bills/2016-17/busservices/documents.html and I have deposited a copy in the Libraries of the House.

It is also available online at: http://www.parliament.uk/writtenstatements.

[HCWS555]

Rail Franchising

The Secretary of State for Transport (Chris Grayling): I am pleased to inform the House that following a rigorous competition I intend to award the South Western rail franchise to First MTR South Western Trains Limited pending the successful completion of a standstill period of at least 10 days.

The House will know that this Government are determined to transform the way that the railways work to deliver a revolution in services for passengers. In December 2016, I set out my vision for achieving this through a new era of joined up working between train operators and Network Rail. Earlier this month my Department announced a consultation on the South Eastern franchise which explained our ambition for bringing together the operation of track and train, so that one team of people is focused on providing the best service to passengers. Today's announcement that First MTR South Western Trains Limited has been awarded the South Western franchise means we are a step closer to achieving that ambition.

The new franchise will see closer partnership working between track and train. A railway that is predominantly run by an integrated local team of people with a commitment to the smooth operation of their routes, improving services and performance is at the heart of my vision for the network, and First MTR South Western Trains Limited expects to work even closer with Network Rail with the shared aim of giving passengers exactly that. The joint teams will work to drive higher performance, achieve greater productivity in operations, improve maintenance delivery and infrastructure renewals, and support infrastructure improvement delivery, all for the benefit of passengers across the South Western network.

The new franchise will run for seven years from 20 August 2017 to 18 August 2024, with an extension of 11 railway periods callable at my discretion.

This is the 13th franchise award since 2013: a rapid programme of renewal which represents the Government's determination to transform the travel experience for rail passengers across the country. In the last 12 months alone, new franchise agreements have released private funding for brand new trains in the north and the east of England. The new South Western franchise will also see investment in brand new and refurbished trains.

This Government are funding the biggest investment in rail since Victorian times, and the award of this new franchise is the latest step in making journeys better: simpler, faster and more reliable. Passengers across the South Western network will see improvements to their journeys, whether travelling into central London, or between the towns and cities in the southern and south-western counties of England. The new franchise will support the communities and boost economic growth in the regions it serves.

Passengers, local authorities, businesses and other stakeholders across the area contributed to a highly demanding and challenging specification for the new South Western franchise. Bidders were invited to demonstrate how they would meet this specification, and I am delighted that First MTR South Western Trains Limited set out an exciting plan for the franchise that will not only meet but significantly exceed these expectations.

First MTR South Western Trains Limited will oversee a £1.2 billion investment programme to improve services for passengers on all parts of the network from London to the south west.

There will be 22,000 extra seats into London Waterloo each morning peak and 30,000 extra seats out of Waterloo each evening peak, and a fleet of 90 new trains will provide more space for passengers on Reading, Windsor and London routes.

The plans were designed to make optimum use of our major investment to increase platform capacity at London Waterloo. First MTR South Western Trains Limited will use the experience of one of its major shareholders MTR, who operate the busy Hong Kong metro, to deliver smooth and rapid journeys for passengers travelling around London’s suburban network. Faster journeys will be delivered through a consistent fleet of new suburban trains offering a regular, metro-style service. Passengers can look forward to more space, ensuring that the railway can support London's growth.

The train journey is only one part of the passenger experience, so we were very pleased with First MTR South Western Trains Limited’s plans for significant investment in station improvements. They will deliver at least 1,500 new car park spaces, refurbished waiting
rooms, more seats and new waiting shelters. There will be investment to make Southampton Central station a destination fit for the community it serves, with a new entrance canopy, improved retail, and better facilities for passengers.

The use of smart cards will be expanded, and there will be a new smart card product, automatically offering the cheapest walk-up single or day return fare. A new flexible season ticket will benefit people working fewer than five days a week, there will be a discount offered for people buying 12 consecutive monthly season tickets, and new discounts for student travel. Season, single and return tickets will be made available on smart cards across all of the franchise.

I am pleased to announce also that the new South Western franchise will introduce new Delay Repay compensation, including for delays of 15 minutes or more, and with automatic claims for smart card season tickets and advance purchased tickets bought through their digital channels.

There will be better information for passengers, so that they can make more informed decisions about their journeys. Real time information will be available on screens on trains and at stations, as well as on the website, and through the new customer app. Station staff will also be well informed through innovative use of smart devices so they can better help passengers, especially during times of disruption. There will also be live information about seating availability and crowding levels, so that passengers know the best place to stand to board the train.

Reflecting the Government’s commitment to create 30,000 apprenticeships across all transport modes by 2020, First MTR South Western Trains Limited will offer more than 100 apprenticeships each year. Their plans also include funding to support Community Rail Partnerships, Station Adoption Groups, and to encourage community use and regeneration of available station space. The franchisee will reduce energy use at stations and depots by over 40%, and water use by over 18%.

This Government have set a clear vision for the future of rail travel and is investing to deliver on that vision for passengers across the country. Over the past few years the franchise renewal programme has resulted in significant new investment and exciting innovations for passengers. The new South Western franchise represents the next chapter in that journey and we look forward to working closely with First MTR South Western Trains Limited and Network Rail to ensure that passengers receive the improvements they have demanded as we transform their rail travel experience.

[HCWS553]
Written Statements

Tuesday 28 March 2017

TREASURY

Fourth Anti-money Laundering Directive

The Economic Secretary to the Treasury (Simon Kirby):
The Government have opted in to the Justice and Home Affairs (JHA) provisions within the European Commission's proposal to amend the fourth anti-money laundering directive. These provisions require sharing of data from registers between Financial Intelligence Units and law enforcement authorities, which we consider falls within the scope of Article 87 of the treaty on the functioning of the EU. As such, the Government believe these are JHA obligations and therefore the UK's JHA opt-in is triggered. We have informed Council of that fact.

The Government have decided to opt in to these provisions as they improve data sharing between financial intelligence units. This is an important and necessary part of our anti-money laundering and counter-terrorist financing regime.

[HCWS567]

UK’s Counter-terrorist Asset Freezing Regime

(1 April to 30 June 2016)

The Economic Secretary to the Treasury (Simon Kirby):
Under the Terrorist Asset-Freezing etc. Act 2010 (TAF A 2010), the Treasury is required to report to Parliament, quarterly, on its operation of the UK’s asset freezing regime mandated by UN Security Council resolution 1373.

This report covers the period from 1 April 2016 to 30 June 2016. This report also covers the UK implementation of the UN ISIL (Da’esh) and Al-Qaida organisations asset freezing regime (ISIL-AQ) and the operation of the EU asset freezing regime in the UK under EU regulation (EC) 2580/2001 which implements UNSCR 1373 against external terrorist threats to the EU. Under the ISIL-AQ asset freezing regime, the UN has responsibility for designations and the Treasury has responsibility for licensing and compliance with the regime in the UK under part 1 of TAF A 2010.

Annexes A and B to this statement provide a breakdown, by name, of all those designated by the UK and the EU in pursuance of UN Security Council resolution 1373. The one individual subject to a designation, which has been notified on a restricted and confidential basis, under sections 3 and 10 of TAF A 2010 is denoted by “A”.

The table available as an attachment online sets out the key asset-freezing activity in the UK during the quarter ending 30 June 2016:

Legal proceedings
On 15 June a hearing was held at the Court of Appeal in relation to the Treasury's decision to revoke and not quash the designation of Moazzam BEGG. The hearing was in respect of a protective costs order of the appellant.

Annex A: Designated persons under TAF A 2010 by name

Individuals
1. Hamed ABDOLLAHI
2. Abdelkarim Hussein AL-NASSER
3. Ibrahim Salih AL-YACOUB
4. Manssor ARBABSIAR
5. Usama HAMDAN
6. Hasan IZZ-AL-DIN
7. Mohammed KHALED
8. Mohammed BOUYERI
9. Parviz KHAN
10. Musa Abu MARZOUK
11. Khalid MISHAAL
12. Khalid Sheikh MOHAMMED
13. Abdul Reza SHAHLAI
15. Qasem SOLEIMANI
16. A (restricted designation)

Entities
1. Basque Fatherland and Liberty (ETA)
2. Ejército de Liberación Nacional (ELN)
3. Fuerzas Armadas Revolucionarias de Colombia (FARC)
4. Hizballah Military Wing, including external security organisation
5. Popular Front for the Liberation of Palestine—General Command (PFLP-GC)
6. Popular Front for the Liberation of Palestine—(PFLP)
7. Sendero Luminoso (SL)

Annex B: Persons designated by the EU under Council regulation (EC)2580/2001

Persons
1. Hamed ABDOLLAHI*
2. Abdelkarim Hussein AL-NASSER*
3. Ibrahim Salih AL YACOUB*
4. Manssor ARBABSIAR*
5. Mohammed BOUYERI
6. Hasan IZZ-AL-DIN*
7. Khalid Sheikh MOHAMMED*
8. Abdul Reza SHAHLAI*
9. Ali Gholam SHAKURI*
10. Qasem SOLEIMANI*

Groups and entities
1. Abu Nidal Organisation (ANO)
2. Al-Aqsa E.V.
3. Al-Aqsa Martyrs’ Brigade
4. Babbar Khalsa
5. Communist Party of the Philippines, including New People’s Army (NPA), Philippines
6. Devrimci Halk Kurtulu Partisi-Cephesi—DHKP/C (Revolutionary People's Liberation Army/Front/Party)
7. Ejército de Liberación Nacional (National Liberation Army)*
8. Fuerzas Armadas Revolucionarias de Colombia (FARC)*
9. Gama’a al-Islamiyya (a.k.a. Al-Gama’a al-Islamiyya) (Islamic Group—IG)
10. Hamas, including Hamas-Izz al-Din al-Qassem
11. Hizbullah Military Wing, including external security organisation
12. Hizbul Mujahideen (HM)
13. Hofstadgroep
14. Islami Büyük Doğu Akinçilar Cephesi (IBDA-C) (Great Islamic Eastern Warriors Front)
15. Khalistan Zindabad Force (KZF)
17. Liberation Tigers of Tamil Eelam (LTTE)
18. Palestinian Islamic Jihad (PIJ)
19. Popular Front for the Liberation of Palestine—General Command (PFLP-GC)*
20. Popular Front for the Liberation of Palestine—(PFLP)*
21. Sendero Luminoso (SL) (Shining Path)*
22. Teyrbazen Azadiya Kurdistan (TAK)

1 Financial institutions update HM Treasury on individual account balances annually. The figures in the first row of the table are based on account balances which were last reported to HM Treasury on 30 September 2015. At the end of each quarter HM Treasury will adjust the figures to reflect any accounts that have been frozen or unfrozen in that quarter.
2 For full listing details please refer to https://www.gov.uk/government/publications/current-list-of-designated-persons-terrorism-and-terrorist-financing
3 For full listing details please refer to www.gov.uk

UK’s Counter-terrorism Asset Freezing Regime
(1 July to 30 September 2016)

The Economic Secretary to the Treasury (Simon Kirby): Under the Terrorist Asset-Freezing etc. Act 2010 (TAF A 2010), the Treasury is required to report to Parliament, quarterly, on its operation of the UK’s asset freezing regime mandated by UN Security Council resolutions 1373 and 1452.

This report covers the period from 1 July 2016 to 30 September 2016.1 This report also covers the UK implementation of the UN ISIL (Da’esh) and Al-Qaida asset freezing regime (ISIL-AQ) and the operation of the EU asset freezing regime in the UK under EU regulation (EC) 2580/2001 which implements UNSCR 1373 against external terrorist threats to the EU. Under the ISIL-AQ asset freezing regime, the UN has responsibility for designations and the Treasury has responsibility for licensing and compliance with the regime in the UK under Part 1 of TAF A 2010.

A new EU asset freezing regime under EU regulation (2016/1686) was implemented on 22 September 2016. This permits the EU to make autonomous Al-Qaida and ISIL (Da’esh) listings. Once a designation is made under this regime it will appear in the table below.

Annexes A and B to this statement provide a breakdown, by name, of all those designated by the UK and the EU in pursuance of UN Security Council resolution 1373.

The table available as an attachment online sets out the key asset-freezing activity in the UK during the quarter: 1 July 2016 to 30 September 2016

Legal proceedings

On 8 August 2016, the designation of one individual referred to in previous reports as “A” was lifted by the court with effect from 11 March 2016.

Annex A: Designated persons under TAF A 2010 by name*

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<th>Individuals</th>
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<tbody>
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<td>1. Hamed ABDOLLAHI</td>
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<td>2. Imad Khalil AL-ALAMI</td>
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<td>3. Abdelkarim Hussein AL-NASSER</td>
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<td>4. Ibrahim Salih AL-YACOUB</td>
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<td>13. Ali Gholam SHAKURI</td>
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<td>14. Qasem SOLEIMANI</td>
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Annex B: Persons designated by the EU under Council regulation (EC) 2580/2001

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<tr>
<td>6. Devrimci Halk Kurtulu Partisi-Cephesi—DHKP/C (Revolutionary People’s Liberation Army/Front/Party)</td>
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* EU listing rests on UK designation under TAF A 2010

* Annex B to this statement provides a breakdown, by name, of all those designated by the UK and the EU in pursuance of UN Security Council resolution 1373...
7. Ejército de Liberación Nacional (National Liberation Army)*
8. Fuerzas Armadas Revolucionarias de Colombia (FARC)*
9. Gama’a al-Islamiyya (a.k.a. Al-Gama’a al-Islamiyya) (Islamic Group—IG)
10. Hamas, including Hamas-Izz al-Din al-Qassem
11. Hizballah Military Wing, including external security organisation
12. Hizbul Mujahideen (HM)
13. Hofstadgroep
14. İslami Büyükk Dogu Akincilar Cephesi (IBDA-C) (Great Islamic Eastern Warriors Front)
15. Khalistan Zindabad Force (KZF)
17. Liberation Tigers of Tamil Eelam (LTTE)
18. Palestinian Islamic Jihad (PIJ)
19. Popular Front for the Liberation of Palestine—General Command (PFLP-GC)*
20. Popular Front for the Liberation of Palestine—(PFLP)*
21. Sendero Luminoso (SL) (Shining Path)*
22. Teyrbaazen Azadiya Kurdistan (TAK)

* EU listing rests on UK designation under TAFRA 2010
1 Financial institutions update HM Treasury on individual account balances annually. The figures in the first row of the table are based on account balances which were last reported to HM Treasury on 30 September 2015. At the end of each quarter HM Treasury will adjust the figures to reflect any accounts that have been frozen or unfrozen in that quarter.
2 For full listing details please refer to https://www.gov.uk/government/publications/current-list-of-designated-persons-terrorism-and-terrorist-financing
3 For full listing details please refer to www.gov.uk
4 EU listing rests on UK designation under TAFRA 2010

Attachments can be viewed online at:

[HCWS564]

COMMUNITIES AND LOCAL GOVERNMENT

London Borough of Tower Hamlets

The Secretary of State for Communities and Local Government (Sajid Javid): In line with the statement I made on 16 March 2017, and giving due consideration to representations made by the London Borough of Tower Hamlets on 22 March 2017, I am informing the House that I am exercising my powers under section 15 of the Local Government Act 1999 and revoking the directions of 14 December 2014 in relation to the London Borough of Tower Hamlets.

This will end the role of commissioners in the council and hand back executive functions to the executive Mayor.

From 1 April 2017 I am putting in place a further general direction for a period of 18 months to 30 September 2018. The general direction includes requirements that the council:

- delivers all outstanding actions in their best value action plan and sets up a best value improvement board as outlined in the Mayor’s letter of 1 March 2017;
- provides me with quarterly reports against their best value action plans for a further 12 months;
- carries out an independent review of delivery at the end of this period; and
- abides by the best value duty, as with all councils.

The new direction allows for continued oversight of electoral administration.

I am placing a copy of the documents associated with these announcements in the Library of the House and on my Department’s website.

[HCWS569]

Neighbourhood Planning Bill: Evel

The Minister for Housing and Planning (Gavin Barwell): I am pleased to announce the publication of analysis of English votes for English laws in relation to Government and non-Government amendments made to the Neighbourhood Planning Bill during its passage through the House of Lords.

The English votes for English laws process applies to Public Bills in the House of Commons. To support the process, the Government have agreed that it will provide information to assist the Speaker in considering whether to certify the Bill or any of its provisions for the purposes of English votes for English laws. Bill provisions that relate exclusively to England or to England and Wales, and which have a subject matter within the legislative competence of one or more of the devolved legislatures, can be certified.

The memorandum provides an assessment of Government and non-Government amendments made to the Neighbourhood Planning Bill, for the purposes of English votes for English laws, ahead of Commons consideration of Lords amendments. The Department’s assessment is the amendments do not change the territorial application of the Bill. I have deposited a copy in the Libraries of the House.

[HCWS566]

DEFENCE

Armed Forces’ Pay Review Body 21017

The Secretary of State for Defence (Sir Michael Fallon): The 2017 Report of the Armed Forces’ Pay Review Body (AFPRB) has now been published. I wish to express my thanks to the Chair and members of the Review Body for their report.

The AFPRB recommendations are to be accepted in full and will become effective from 1 April 2017. Copies of the AFPRB report are available in the Vote Office.

[HCWS560]

NATO’s Enhance Forward Presence

The Secretary of State for Defence (Sir Michael Fallon): At the Warsaw summit in 2016, NATO allies agreed to enhance the alliance’s deterrence and defence posture in response to the growing threats the Euro-Atlantic region faces, including Russian belligerence. The UK is leading the work necessary to deliver an alliance that is capable and credible of responding to all threats. We took the decision to provide one of the four defensive, but combat-capable, battlegroups that NATO is now deploying to the Baltic states and Poland to defend NATO. This enhanced forward presence (eFP) demonstrates allies’ solidarity, determination, and ability to act by triggering an immediate allied response to any aggression.
The main body of our fighting forces will arrive in Estonia and Poland in the coming weeks.

We are providing the framework battlegroup of around 800 military personnel in Estonia, with around 200 additional troops from France and Denmark: French forces will join us in 2017 and Danish forces in 2018. The 5 Rifles is providing the majority of the UK military personnel for the first rotation, and we are also deploying armoured infantry equipped with warrior armoured fighting vehicles, artillery, tactical unmanned aerial vehicles, and a small troop of Challenger 2 main battle tanks.

Our battlegroup will contribute to regional defence and security. We will actively support the Estonian defence force’s 1st Infantry Brigade in its role deterring aggression, and we will conduct joint exercising and training with Danish, French, Estonian, and other forces in the region to build a strong multinational battlegroup.

Based on our close bilateral relationship, we are also sending a British light cavalry squadron of 150 Light Dragoons to Poland. This force will fall under the US eFP battlegroup in Poland, and we will work closely with our Polish and US allies to deter aggression against NATO territory.

We are prepared in case our forces are tested by Russia, including through cyber-attacks and false media reports. We are taking all necessary steps to protect our personnel. We will ensure that our forces maintain the highest standards of conduct, and if it is found that a false allegation has been made against an individual or group of British Service personnel, the UK Government will ensure that the matter is publicly refuted and, where possible, provide clear attribution of the originator.

Our forces in Estonia are a proportionate response to the changed security environment in eastern Europe, as demonstrated by Russia’s aggressive actions in Ukraine. The eFP deployments send a strong message of NATO’s strength and unity as well as its commitment to defend Poland and the Baltic states.

The UK has been transparent with Russia about our eFP plans; Vice Chief of Defence Staff General Sir Gordon Messenger discussed them with his counterpart, Colonel General Zhuravlev when they met in Moscow last month, and eFP has also been briefed to Russia at the NATO-Russia Council level.

Creating the ESFA will bring benefits to the individuals and organisations we support as well as to the taxpayer. It will enable a single, joined-up approach to funding and regulation to improve accountability.

We will be working closely with our staff, unions, stakeholders and the education sector to finalise and deliver our plans for the new agency.

[HCWS559]

HEALTH

NHS Pay Review Body

The Secretary of State for Health (Mr Jeremy Hunt): I am responding on behalf of my right hon. Friend the Prime Minister to the 30th Report of the NHS Pay Review Body (NHSPRB). The report has been laid before Parliament today (Cm 9440) and is attached.

We welcome the 30th report of the NHS Pay Review Body.

The Government are pleased to accept its recommendations for a 1% increase to all “Agenda for Change” pay points from 1 April 2017 and the high cost area supplement minimum and maximum payments. This will be in addition to incremental pay for those that are eligible.

The recommendation that Health Departments should ensure that annual pay awards do not have unintended consequences in reducing the take-home pay of staff whose pay award causes them to cross pension contribution thresholds, will be considered as part of the four-yearly valuation of the NHS pension scheme, a process which will determine the appropriate level of employer and employee pension contributions from April 2019.

The Government will consider all the observations and report progress to the NHS Pay Review Body in due course.

Attachments can be viewed online at:
http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2017-03-28/HCWS565/

[HCWS565]

Doctors’ and Dentists’ Remuneration (Review Body)

The Secretary of State for Health (Mr Jeremy Hunt): I am responding on behalf of my right hon. Friend the Prime Minister to the 45th report of the Review Body on Doctors’ and Dentists’ Remuneration (DDRB). The report has been laid before Parliament today (Cm 9441) and is available as an attachment online. I am grateful to the chair and members of the DDRB for their report.

We welcome the 45th report of the DDRB.

The Government are pleased to accept its recommendations for a 1% increase for 2017-18 to:

- national salary scales for salaried doctors and dentists.
- the maximum and minimum of the salary range for salaried general medical practitioners.
- the pay, net of expenses, for independent contractor general medical and dental practitioners.

[HCWS565]
the general medical practitioners trainers' grant;  
the flexible pay premia included in the new junior doctors' contract; and  
the value of the awards for consultants—clinical excellence awards, discretionary points and commitment awards.

The Government also accept the DDRB's recommendations that the supplement payable to general practice specialty registrars should remain at 45% of basic salary for those on the existing UK-wide contract and that the rate for general medical practitioner appraisers should remain at £500.

The Government accept the recommendations to report to the DDRB on doctors and dentists taking early retirement and reasons for this.

The Government note the recommendation for giving further consideration to pay targeting by specialty and geography.

The Government also note the DDRB's observation that there is at present insufficient evidence about aspects of our workforce of salaried general medical practitioners.

Attachments can be viewed online at:  
http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2017-03-28/HCWS568/  
[HCWS568]

HOME DEPARTMENT

Europol Regulation Opt-in

The Minister for Policing and the Fire Service (Brandon Lewis): On 14 November 2016 the Government announced their intention to opt in to the new Europol regulation. After a debate in the House of Commons in December which supported the Government's position, we communicated that decision to the European Commission on 16 December. The European Commission confirmed the participation of the UK in the new Europol regulation via a Commission decision ((EU) 2017/388) dated 6 March 2017.

Opting into the new regulation means that the UK will remain a full member of Europol when the new regulation comes into force on 1 May. It also demonstrates our commitment to work together with our European partners to fight crime and prevent terrorism now and when we leave the EU.

[HCWS558]

JUSTICE

Justice Update

The Parliamentary Under-Secretary of State for Justice (Mr Sam Gyimah): The Ministry of Justice robustly monitors all commercial contracts. In January, officials in my Department notified EMS, the provider of the electronic monitoring service, of an increase in the number of alerts that are raised when the electronic monitoring equipment worn by an offender or suspect is tampered with.

This was investigated by EMS and G4S, the suppliers of straps and tags used to electronically monitor offenders and suspects with a curfew.

At the end of February G4S informed the Ministry of an issue with faulty straps. Ministers were informed of this issue on 14 March.

The monitoring functions of the tags themselves are not affected and the security features within the tags have been working correctly. I can assure the House that there has been no risk to the public.

We understand that the number of affected straps is small. Only straps that have entered the system since October 2016 are affected. This is the point at which the batch of potentially faulty straps entered circulation. G4S has been testing straps. That testing indicates that around 1% (115) of the 11,500 straps in use today are faulty.

If no tampering with the tag has been registered, they have operated as normal. Where a strap is faulty, however, there is a risk that it could incorrectly register that somebody has tampered with it.

There is a small chance that some enforcement action may have been taken against an offender or suspect in response to a false report of a tamper. It does not mean an individual will have been automatically sent to custody. A single tamper alert without any additional evidence of an escalation of risk is likely to result in an alternative outcome, such as a warning letter. So it is unlikely that a first tamper on its own will result in an offender being recalled. The Ministry is working with G4S and EMS to investigate that further. The issue is also being brought to the attention of the courts.

As a result of this issue, all potentially faulty straps will either be removed or replaced. This process is underway. In the interim, we will continue to monitor and respond to tamper alerts ensuring that where it is appropriate to do so enforcement action is taken.

G4S has introduced further quality checks with the strap manufacturer to ensure that no more faulty straps enter the supply chain. The taxpayer will bear no cost for the faults.

[HCWS561]
Written Statements

Wednesday 29 March 2017

CULTURE, MEDIA AND SPORT

Archives Unlocked

The Minister for Digital and Culture (Matt Hancock): I am delighted to announce the publication of “Archives Unlocked”, a new strategic vision for archives across England. It is available online at www.nationalarchives.gov.uk.

The National Archives leads 2,500 archives in England, a diverse landscape of national regional and local archives. Together they form a unique network of rich archival collections. Archives Unlocked is an ambitious vision that recognises and celebrates the value of archives within the wider culture sector, and across our society. At its heart is a recognition of the opportunities provided by new technologies and digital transformation—opening up our collections to all like never before and encouraging innovation across creative industries and businesses. As the UK strives to take its place as a world-leading digital economy, Archives Unlocked will help drive the digital transformation needed across the archives sector.

Accompanying the strategic vision is an action plan focused on building digital capacity; engineering resilience; and demonstrating impact. I believe that by working together with The National Archives, partners and funders, Britain’s brilliant archives will be able to thrive and contribute fully to the nation’s cultural, intellectual and economic future.

The consultation will be published in the coming weeks.

[HCWS572]

FOREIGN AND COMMONWEALTH OFFICE

Foreign Affairs Council (3 April)

The Minister for Europe and the Americas (Sir Alan Duncan): My right hon. Friend the Secretary of State for Foreign and Commonwealth Affairs will attend the Foreign Affairs Council on 3 April. The Foreign Affairs Council will be chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Federica Mogherini. The meeting will be held in Luxembourg.

The agenda for the Foreign Affairs Council (FAC) is expected to include Syria, Libya and Yemen. There will also be a session with the Secretary-General of the Arab League, Ahmed Aboul Gheit.

Syria

At the Foreign Affairs Council, Ministers will discuss the forthcoming conference on “Supporting the future of Syria and the region” in Brussels on 4 and 5 April, along with Council conclusions on Syria including the joint communication on the EU-Syria strategy published by the EU External Action Service on 14 March. The UK will co-host the conference along with the EU, Germany, Kuwait, Norway, Qatar and the UN. The conference is an opportunity for the international community to come together and take stock of the humanitarian situation in Syria; build support for the refugee-hosting countries in the region; reconfirm multi-year commitments made in London; and raise vital new funding for 2017 and beyond.

Libya

Discussions will cover the latest developments in the Libyan political process. The EU has formed a new quartet on Libya with the UN, the League of Arab States and the African Union. Ms Mogherini will debrief Ministers on the quartet’s first meeting on Libya and outline next steps.
Yemen

Ministers will discuss the appalling humanitarian situation in Yemen and the need for progress towards a political settlement. The UK will update EU member states on recent diplomatic activity in support of the UN special envoy for Yemen, following the meeting of Foreign Ministers of the UK, US, Saudi Arabia, UAE and Oman which took place on 16 February in Bonn. The discussion will be an opportunity to explore ways in which the EU can further support the work of the UN special envoy and respond to the humanitarian crisis.

[HCWS573]

TRANSPORT

Dartford-Thurrock Crossing Charging Scheme

The Minister of State, Department for Transport (Mr John Hayes): The Dartford-Thurrock crossing charging scheme account for 2015-16 is published today under section 3(1)(d) of the Trunk Road Charging Schemes (Bridges and Tunnels) (Keeping of Accounts) (England) Regulations 2003. A copy of the accounts will be placed in the Libraries of both Houses.

Attachments can be viewed online at: http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2017-03-29/HCWS570/.

[HCWS570]
Written Statements
Thursday 30 March 2017

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

Companies House Public Targets 2017-18

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Margot James): My noble Friend, the Parliamentary Under Secretary of State for Business, Energy and Industrial Strategy (Lord Prior), has made the following written statement:

I have set Companies House the following targets for the year 2017-18:

- To digitally enable 99% of all possible accounts filings
- To achieve an 87% take-up of our digital filing services
- To maintain an availability of our digital services of 99.9%
- To reach a compliance level of 75% of confirmation statements filed early or on time
- To reach a compliance level of 95% of accounts filed early or on time
- To reduce the costs of our baseline activities by 3.5%
- To achieve a customer satisfaction score of at least 88%

These targets reflect the key priorities for Companies House in the coming year, with a focus on moving customers away from paper to digital channels, and ensuring the register is up to date.

[HCWS576]

Intellectual Property Office: Performance Targets

The Minister for Universities, Science, Research and Innovation (Joseph Johnson): As an Executive agency and trading fund of the Department for Business, Energy and Industrial Strategy, we set targets which are agreed by Ministers and laid before Parliament. For 2017-18 our targets are:

- We will have ratified the Geneva Act of the Hague Agreement for international registration of designs by 31 March 2018 and be in a position to launch the service on 6 April 2018 (the common commencement date).
- We will publish 90% of acceptable applications for national trade marks for opposition within 90 days of filing.
- We will offer faster handling of patent applications, by providing an examination report with a search report when both are requested at the application date, and meeting at least 90% of requests for an accelerated two-month turnaround for search, publication and examination.
- We will ensure that overall customer satisfaction is at least 80%.
- We will work with industry and enforcement partners to build a co-ordinated response to the growth of illicit streaming, including robust analysis of current legal sanctions and developing proposals for change as appropriate.
- We will increase the number of businesses that better understand how to manage their IP: at least 35% of an expected 100,000 businesses we reach will make an informed decision regarding management of their IP.
- We will provide market-specific IP advice to 5000 current and prospective British exporters. As part of this work, we will deliver bespoke one-to-one business support activity to at least 200 companies annually.
- We will demonstrate our commitment to diversity by securing external validation for our approach to inclusion for under-represented groups.
- We will achieve return of capital employed of at least 4%.
- We will deliver an efficiency gain of 3.5%.

[HCWS575]

CABINET OFFICE

Cabinet Committees

The Minister for the Cabinet Office and Paymaster General (Ben Gummer): Today the Government are publishing an updated list of Cabinet Committees and implementation taskforces. As part of the changes, the Prime Minister will chair two new Sub-Committees of the European Union Exit and Trade Committee.

The two new Sub-Committees are as follows:

- European Union Exit and Trade (Negotiations) Sub-Committee: to oversee the negotiations on the UK’s withdrawal from, and future relationship with, the European Union.
- European Union Exit and Trade (International Trade) Sub-Committee: to focus on issues relating to the UK’s trading arrangements with non-European Union countries.

Copies of the associated documents will be placed in the Library of House and published on gov.uk.

[HCWS587]

TREASURY

Convergence Programme

The Chief Secretary to the Treasury (Mr David Gauke): Article 121 of the treaty on the functioning of the European Union (TFEU) requires the UK to send an annual convergence programme to the European Commission reporting upon its fiscal situation and policies. The UK’s convergence programme will be sent to the European Commission by 30 April. This deadline was set in accordance with the European semester timetable for both convergence and national reform programmes. The UK will continue to have all of the rights, obligations and benefits that membership brings up until the point we leave the EU, and as such the Government will continue to submit the UK’s convergence programme until that time.

Section 5 of the European Communities (Amendment) Act 1993 requires that the content of the convergence programme must be drawn from an assessment of the UK’s economic and budgetary position which has been presented to Parliament by the Government for its approval. This assessment is based on the Budget 2017 report and the most recent Office for Budget Responsibility’s economic and fiscal outlook and it is this content, not the convergence programme itself, which requires the approval of the House for the purposes of the Act.
Article 121, along with Article 126 of the TFEU, is the legal basis for the stability and growth pact, which is the co-ordination mechanism for EU fiscal policies and requires member states to avoid excessive Government deficits. Although the UK participates in the stability and growth pact, by virtue of its protocol to the treaty opting out of the euro, it is only required to “endeavour to avoid” excessive deficits. Unlike the euro area member states, the UK is not subject to sanctions at any stage of the European semester process.

Subject to the progress of parliamentary business, debates will be held soon in both the House of Commons and the House of Lords, In order for both Houses to approve this assessment before the convergence programme is sent to the Commission. While the convergence programme itself is not subject to parliamentary approval or amendment, I will deposit advanced copies of the document in the Libraries of both Houses and copies will be available through the Vote Office and Printed Paper Office.

The UK’s convergence programme will be available electronically via HM Treasury’s website prior to it being sent to the European Commission.

[HCWS582]

COMMUNITIES AND LOCAL GOVERNMENT

Business Rates: Plant Nurseries

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones): Since at least 1928, plant nursery grounds have been treated by the Valuation Office Agency as exempt from business rates as part of the general exemption for agriculture. However, following a recent Court of Appeal decision, the Valuation Office Agency has started to bring into business rates buildings at nursery grounds including structures such as polytunnels.

The exemption for agricultural properties is an important part of the rating system. It ensures that large areas of agricultural land and buildings are not liable to a property tax which could have a significant impact on the cost of farming. I can confirm to the House that the Government’s policy is that land and buildings at plant nursery grounds should benefit from the agricultural exemption for business rates.

Therefore, we intend at the soonest opportunity to amend the Local Government Finance Act 1988 to ensure both agricultural land and buildings at plant nursery grounds are exempt from business rates. This will return the law to align with the practice followed by the Valuation Office Agency before the decision in the Court of Appeal.

[HCWS585]

Architects Registration Board Review

The Minister for Housing and Planning (Gavin Barwell): The UK has a reputation for the high quality of its architectural profession. To maintain that reputation it is important that anyone who hires an architect can be assured of their competence. This is partly why we have a system of regulation under the Architects Act where nobody can use the title of architect unless they are registered with the Architects Registration Board (ARB). However, it is critical that the board conducts its regulatory function in a way that is proportionate, cost-effective and transparent and does not impose unnecessary burdens on those wishing to practice as architects.

The ARB has been the subject of a periodic review, in line with Cabinet Office guidance for reviews of arm’s length bodies. I am today publishing the report of that review. This confirms the decision taken by the last Government to continue light-touch regulation of architects based on protection of title to provide protection for home owners, businesses, builders and others commissioning work from architects.

The ARB also acts as the UK competent authority role for architects under the mutual recognition of professional qualifications directive. While the UK remains a member of the European Union, ARB will continue to play that role but this will be kept under review in the light of any arrangements made as the UK leaves the EU.

We have been grateful for suggestions about how to modernise the operation of the board and the review has identified a number of opportunities to reduce costs and improve services. These include strengthening the board’s governance and accountability and improving the complaints handling and disciplinary processes. It is the Government’s intention to implement these recommendations.

The review also made a number of recommendations relating to the way in which qualifications are set which entitle people to register as architects. These recommendations could lead to extensive change for UK architects and architectural education but also relate directly to UK compliance with the EU mutual recognition of professional qualifications directive. The Government have decided that it would be premature to take forward these recommendations at this time, but as the UK leaves the EU, we recognise these will need to be addressed. This will minimise disruption and cost to business, architects and the educational sector.

The Government are grateful for the work of the board in delivering its role. The recommendations of the review will enable the board to serve both architects and their clients even more effectively and the Government look forward to working with the board on implementing them.

I am placing a copy of the review report in the Library of both Houses.

[HCWS583]

CULTURE, MEDIA AND SPORT

UK Anti-Doping Tailored Review

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Tracey Crouch): I am announcing today the start of a tailored review of UK Anti-Doping (UKAD).
The principal aims of tailored reviews are to ensure public bodies remain fit for purpose, are well governed and properly accountable for what they do. [https://www.gov.uk/government/publications/tailored-reviews-of-public-bodies-guidance]

UK Anti-Doping is the UK’s national anti-doping organisation responsible for ensuring sports in the UK are compliant with the world anti-doping code. UKAD is sponsored by the Department for Culture, Media and Sport, and implements and manages the Government’s national anti-doping policy.

The review will consider UKAD’s position and its status as a DCMS-sponsored non-departmental public body (NDPB), and if the functions of UKAD are appropriate. If they are found to be, then the review will go on to consider UKAD’s efficiency, effectiveness and governance; and how it is preparing for the future.

The review process and findings will be examined by a challenge group, chaired by DCMS non-executive director, Matthew Campbell-Hill.

In conducting the review, officials will engage with a broad range of stakeholders across the UK (and further afield) in sport, science, medicine, law enforcement and education, and they will explore best practice in the public and private sectors. The review will follow guidance published in 2016 by the Cabinet Office: “Tailored Reviews: Guidance on Reviews of Public Bodies”. The terms of reference for the review and a public survey consultation about the work of UKAD can be found on gov.uk.

I will inform the House of the outcome of the review when it is completed and copies of the report of the review will be placed in the Libraries of both Houses. [HCWS586]

EDUCATION

Primary Assessment in England

The Secretary of State for Education (Justine Greening): Last October, I made a statement to Parliament about the primary assessment and accountability system in England. In that statement, I reaffirmed the importance of a good primary education, and particularly the importance of mastering the basics of literacy and numeracy, to ensure that every child is given the best chance to succeed in life, whatever their background. I also recognised that we must move to a settled system which is ambitious, supports teachers to help every child to reach their potential, allows schools to benchmark their own performance, and enables them to be held to account in a way that is fair and accurate.

Since then, we have taken a number of steps to improve the operation of the assessment system. We have worked with the teaching profession to produce new guidance for the moderation of teacher assessment, to improve the quality and consistency of that moderation, and we have provided additional training for local authority moderators. We have also taken steps to improve the test experience for pupils this year.

We have also talked to headteachers, teachers and others about the longer-term issues that need to be resolved to establish a settled, sustainable system. We are today launching a public consultation on the primary assessment system in England. Our consultation document, “Primary Assessment in England”, sets out wide-ranging proposals for improving our primary assessment system. These include how the system can help to prepare children to succeed at school, the starting point from which to measure the progress that children make in primary school, how we can ensure that the primary assessment system is proportionate, and how end of key stage assessment can be improved, particularly in the case of the statutory teacher assessment frameworks.

It is important that our assessment system can assess the progress and attainment of children of all abilities. The report of the independent Rochford review, also published last October, set out a number of recommendations to improve the way that the attainment and progress of children working below the level of the national curriculum tests is assessed in primary schools. The recommendations, if adopted, would result in significant changes and it is important that we hear the views of those who would be affected, and particularly teachers and others working with children who have special educational needs. That is why we are today also publishing a consultation document on the Rochford proposals and their possible implementation.

During the consultation period, which will last for 12 weeks, we want to hear from as many headteachers and teachers as possible to gather their views and feed them into our final decisions. I would encourage all those with an interest in primary education to engage with these consultation exercises and to share their opinions and insights.

Copies of these consultation documents have been placed in the Libraries of both Houses of Parliament. [HCWS584]

JUSTICE

Justice Update

The Lord Chancellor and Secretary of State for Justice (Elizabeth Truss): As I committed on 27 February, when I set the new discount rate, I am today launching a six-week consultation on how the personal injury discount rate, used to help calculate lump sum payments of damages in personal injury claims, should be set in the future. The consultation document is available at: https://consult.justice.gov.uk/digital-communications/personal-injury-discount-rate/.

It is a long-standing principle under our system that people who suffer injuries wrongfully at the hands of others should be compensated fully, and put in the financial position they would have had had the injury not happened. Where damages are awarded for future loss in the form of a lump sum, that award is adjusted to take account of the effect of the injured person being able to invest the money before the loss or expense for which it is awarded has actually occurred. The factor by which the award is adjusted is determined by the discount rate.

Under the Damages Act 1996, the Lord Chancellor has the power to set the discount rate from time to time. The rate must be set in accordance with the Act and the
applicable legal principles set out in case law, particularly the 1998 House of Lords case of Wells v. Wells. The principles in Wells v. Wells lead to the conclusion that the discount rate should be based on investment portfolio that offers the least risk to personal injury claimant investors in protecting an award of damages against inflation and against market risk. A change to the current legal framework would need primary legislation.

The power to set the discount rate was used first in 2001, when Lord Irvine set the rate at 2.5% by reference to a three-year average of real yields on index-linked gilts (ILGs). Following a review, I announced a change to the rate on 27 February this year to minus 0.75%, which came into force on 20 March. In doing so, I pledged to review the current law to consider: whether the rate should in future be set by an independent body; whether more frequent reviews would improve predictability and certainty for all parties; and whether the methodology—which in effect assumes that claimants would invest only in virtually risk-free ILGs—is appropriate for the future.

The consultation document I am publishing today covers these points, and includes a call for evidence on how investors in the position of personal injury claimants are likely to invest. The consultation document explores what an appropriate investment risk profile could look like for such investors, and what the effect would be of moving from the current virtually risk-free model, to a low-risk model. While my responsibility extends only to England and Wales, the principles and method for setting the rate have read-across to all jurisdictions in the UK, and the consultation is produced in partnership with the Scottish Government.

We must have a justice system that works for all. I fully recognise the impact that the discount rate has, not just on claimants—including some of the most vulnerable in society—but also on defendants in both the public and private sectors, and the further impact this has on consumers’ insurance premiums and taxpayers. The consultation I am launching today will look at the way the rate is set in future, and I am inviting anyone with evidence and expertise to take part. The consultation will close on 11 May.

I am pleased to announce the publication of the Government’s report following the technical review. The Government report also responds to three parliamentary Select Committees which have led inquiries into English votes for English laws over the past 12 months. The publication can be found through the following link:


TRANSPORT

Light Dues 2017-18

The Minister of State, Department for Transport (Mr John Hayes): A strong and growing maritime industry is vital to the economy of the United Kingdom and it is critical that we treasure and protect this vital artery if we are to remain a world-leading maritime centre.

The work of the general lighthouse authorities, which provide and maintain marine aids to navigation and respond to new wrecks and navigation dangers in some of the busiest waters in the world, is crucial to underpinning that vision while maintaining our vigorous safety record and continuously improving standards of safety.

Reductions in the three general lighthouse authorities’ running costs has already enabled the UK to reduce light dues for three successive years.

For 2017-18 I intend to cut light dues by a further half a penny to 37½p per net registered tonne. This will mean that light dues will have fallen by 25% in real terms since 2010.

Light dues rates will continue to be reviewed on an annual basis to ensure that the general lighthouse authorities are challenged to provide an effective and efficient service which offers value for money to light dues payers while maintaining the highest levels of safety for mariners.

MCA Business Plans

The Minister of State, Department for Transport (Mr John Hayes): I am proud to announce the publication of the Maritime and Coastguard Agency’s (MCA) business plan for 2017-18. The MCA does vital work to save lives at sea, regulate ship standards and protect the marine environment. The agency affects not just those working on the coast or at sea, it upholds the legacy of our great maritime nation.

The business plan sets out:

The services that the agency will deliver and any significant changes it plans to make;

The resources the agency requires; and

The key performance indicators, by which its performance will be assessed.

This plan allows service users and members of the public to assess how the agency is performing in operating its key services, managing reforms and the agency finances.
The business plan will be available electronically on gov.uk and copies will be placed in the Libraries of both Houses.

The business plan can also be viewed online at: http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2017-03-30/HCWS577/.

[HCWS577]

Motoring Agencies Business Plans

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): I am pleased to announce the publication of the 2017-18 business plans for the Department for Transport’s motoring agencies—the Driver and Vehicle Standards Agency (DVSA), the Driver and Vehicle Licensing Agency (DVLA) and the Vehicle Certification Agency (VCA).

The business plans set out:
- the services each agency will deliver and any significant changes they plan to make;
- the resources they require; and,
- the key performance indicators, by which their performance will be assessed.

These plans allow service users and members of the public to assess how the agencies are performing in operating their key services, managing reforms and the agency finances.

The business plans will be available electronically on gov.uk and copies will be placed in the Libraries of both Houses.

Attachments can be viewed online at:

http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2017-03-30/HCWS580/

[HCWS580]

WORK AND PENSIONS

Personal Independence Payment

The Minister for Disabled People, Health and Work (Penny Mordaunt): The second independent review of the personal independence payment assessment by Paul Gray is being published today. This is the second of the two independent reviews as required by the Welfare Reform Act 2012.

Building on the recommendations from the first independent review, Paul Gray has explored how closely the ongoing implementation of the personal independence payment reflects the policy intent. He has considered:

- How effectively further evidence is being used to assist the correct claim decision, and the speed and effectiveness of information gathering;
- The degree of claimant confidence and transparency in the claim process; and
- How to further promote quality and consistency to produce fair outcomes for all.

The Government welcome the publication of the review and will consider its findings and issue a detailed response in due course.

[HCWS574]
The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Margot James): My noble Friend Lord Prior of Brampton has made the following statement:

On 5 April, we published a call for evidence seeking views on a new register that will show who owns and controls overseas companies and other legal entities that own UK property or participate in UK Government procurement.

The intention to create this register was announced at the International Anti-Corruption summit held in the UK last May. In providing greater transparency, the register will play a vital role in helping to combat corruption and money laundering. Greater transparency will also enhance the UK’s reputation as an open and stable place to invest.

Last year the UK became the first country in the G20 to introduce a register of UK company beneficial ownership. The new register will impose similar requirements on overseas companies and other legal entities that choose to invest in property in the UK or bid to provide central Government contracts here. The creation of this register will ensure that the UK continues to be at the forefront of the corporate transparency and anti-corruption agenda.

[HCWS588]

COMMUNITIES AND LOCAL GOVERNMENT

Troubled Families

The Secretary of State for Communities and Local Government (Sajid Javid): As required by the Welfare Reform and Work Act 2016, section 3(1) and (11), my Department published the first annual report on Tuesday 4 April, setting out how the current Troubled Families programme (2015-2020) has been supporting the most disadvantaged families. We will lay this report on 24 April 2017 when both Houses have returned from recess.

This notice details what the report will cover, for the period up to end of March 2017, as well as for the next financial year, including setting out which families are eligible for the programme and how the progress of families supported will be measured.

Families classified as ‘relevant households’ on the programme, as defined by section 3 of the Welfare Reform and Work Act 2016, have at least two of the following problems:

- Parents or children involved in crime or anti-social behaviour.
- Children who are not attending school regularly.
- Children who need help; that is children of all ages, who need help, are identified as in need or are subject to a child protection plan.
- Adults out of work or at risk of financial exclusion or young people at risk of worklessness.
- Families affected by domestic violence or abuse.
- Parents or children with a range of physical and mental health problems.

The rationale for these eligibility criteria and how local authorities should identify families using a range of indicators, suggested referral routes and information sources was set out in the “Financial framework for the expanded Troubled Families programme: April 2015 onwards” published on 5 March 2015. The financial framework also sets out how the progress of families supported will be measured.

‘Supporting disadvantaged families, Troubled Families programme 2015-2020: progress so far’ sets out how the programme is changing the way councils work to be more effective in supporting those in need, including through a whole family approach and co-ordinated practical support. It also includes considerations for the next phase of the programme including which families are eligible for support, and how their progress will be measured.

The programme will continue support for disadvantaged families with complex problems and will work with up to 400,000 families by 2020.

The next phase of the Troubled Families programme supports the Government’s paper, “Improving Lives: Helping Workless Families”. This sets out new evidence on the multiple and overlapping disadvantages experienced by workless families - including parental conflict and problem debt.

As part of the next phase of the programme, the Government will be conducting a review of the current payment-by-results funding model. This is to make sure that this model continues to help the programme meet its objectives, and to strengthen the programme’s funding requirements.

[HCWS594]

EDUCATION

Contingent Liability Notification

The Secretary of State for Education (Justine Greening): There will be no statement today on a contingent liability notification.

[HCWS597]

Schools Capital Allocations

The Secretary of State for Education (Justine Greening): My hon. Friend the Parliamentary Under Secretary of State for the School System (Lord Nash) made the following written statement on 3 April 2017.

Today, I am announcing £2.4 billion of capital funding to create new school places needed by September 2020 and to maintain and improve the condition of school buildings. This forms part of our wider plan to invest more than £24 billion in the school estate by 2021.

We want to build a country that works for everyone—and that means providing a good school place for every child, one that offers them the opportunity to fulfil their potential. Investing in our school buildings and creating a sufficient amount of school places are key parts of the Government’s plan to ensure that every child has the opportunity of a place at a good school, whatever their background.

We are committed to investing £7 billion in this Parliament to create new school places. Together with our further investment in free schools we expect this to deliver 600,000 new school places over the course of the Parliament. We have already announced £4.8 billion of funding to local authorities for 2015-19, and today we are announcing a further £980 million for 2019-20, taking
total investment so far through this Parliament to £5.8 billion. In doing so, we continue to recognise that good investment decisions require certainty. Announcing allocations for 2019-20 today means local authorities can plan years ahead with confidence, and make good strategic investment decisions to ensure they deliver good school places for every child who needs one.

Alongside this new funding we are publishing data from the 2016 School Capacity Survey, which highlights the progress made by local authorities to date in providing new school places using our previous investment. By May 2016, our investment had already helped to create nearly 735,000 additional school places since 2010, with 136,000 delivered in 2015-16 alone.

Alongside this investment in new school places, we are committing more than £10 billion over 2016-21 to maintain and improve the condition of the school estate. As part of this, I am today confirming allocations of £1.2 billion for local authorities, voluntary aided partnerships, multi-academy trusts and academy sponsors to invest in their own condition priorities, and a further £0.2 billion of devolved formula capital directly to schools in the financial year 2017-18. This allocation includes the Condition Improvement Fund which is providing funding of £466 million for 1,435 projects across 1,184 academies and sixth-form colleges. These projects will help to ensure that children across the country have access to a good school place, further supporting them to reach their full potential.

This funding will help improve the quality of school buildings across the country, targeting schools with the highest need. It can also help schools reduce their running costs, by replacing outdated facilities with buildings that are more efficient to run. So I want schools, local authorities and academy trusts to look carefully at how they can achieve the best value from this investment.

Details of today’s announcement will be published on the gov.uk website, and copies will be placed in the Libraries of both Houses.

TREASURY

Contingent Liability Notification

The Economic Secretary to the Treasury (Simon Kirby): I can today confirm that I have laid a Treasury Minute informing the House of the contingent liability that HM Treasury has taken on in authorising the sale of a portfolio of Bradford & Bingley loans acquired during the financial crisis under the last Labour Government.

This includes certain remote fundamental market-standard warranties which are capped at 100% of the final sale price. The maximum contingent liability arising from these remote warranties is capped at the total consideration received, giving a maximum contingent liability of £11.9 billion. These fundamental warranties are considered to be so remote that they do not meet the definition of a contingent liability requiring disclosure under International Financial Reporting Standards. However, they are disclosed as remote contingent liabilities under principles of parliamentary accountability.

Further market-standard time and valued capped warranties and indemnities confirming regulatory, legislative, and contractual compliance have been provided to the purchasers. The maximum contingent liability arising is approximately £0.79 billion.

I will update the House of any further changes to Bradford & Bingley as necessary.
The findings of the report and the recommendations made will now be considered in detail, and a formal response to the ombudsman will follow once that work is complete.

NORTHERN IRELAND

Political Update

The Secretary of State for Northern Ireland (James Brokenshire): Since the Northern Ireland Assembly election on 2 March I have been engaged in talks with the political parties and the Irish Government, in accordance with the well-established three-stranded approach. These talks have had one clear purpose: to re-establish an inclusive, devolved Administration in line with the 1998 Belfast Agreement and its successors. Throughout this process the UK Government have played an active role in working with the parties and putting forward proposals to build consensus.

The first phase of talks, led by the parties, concluded without an agreement on 27 March. Following consultation with the parties and the Irish Government, I then invited the parties to a further phase of intensive roundtable talks to help resolve the key outstanding issues. The second phase of talks were paused shortly before Easter. All the parties were actively engaged and some further progress was made, including on the formation of an Executive and on legacy. There are, however, a defined number of outstanding issues where there is a lack of agreement between the parties particularly those surrounding culture and identity. Work also remains to be done to address issues of trust and confidence in Executive working. The Prime Minister has spoken to the leaders of the two main parties and I have been keeping her updated throughout.

While recent discussions have not resolved these matters, they have helped to distil them and identify possible areas for consensus. The parties will now have a final opportunity to reach agreement, building on the discussions which have taken place over the past six weeks. On 2 March, the people of Northern Ireland voted clearly for devolved government. The parties mandated by that election still have a duty to provide the government for which they campaigned. Discussions between the parties, and the UK and Irish Governments, will continue, in accordance with the three-stranded approach. The prospect of a forthcoming UK general election does not change this approach.

It remains my intention to introduce legislation into Parliament to address immediate requirements. I have already indicated that I will legislate to set this year’s regional rate to address the urgent need for rates bills to be issued by councils. In addition, I believe it is also right to introduce provisions that would enable an Executive to be formed in early May should agreement be reached. To have this legislation in force in time, I will be requesting that its progress through Parliament be fast-tracked.

[HCWS593]
We will break down our evidence to a local level, to enable local partners to understand and identify the needs of their community. We will continue to work with local agencies and partners on a range of tools, including our family evidence resource, to help them use our new evidence to commission and deliver effective interventions for workless families.

The analysis and evidence we have developed—in conjunction with leading academics and experts, as well as other Government Departments—takes us further than ever before in understanding the root causes of disadvantage.

The indicators and evidence base we are introducing form a framework for action—and in doing so, help to drive improvements in children and families’ lives, now and over time. By targeting services on the issues that prevent parents moving into work and cause instability in family life, Government, working with local authorities and other partners, can help workless families and their children overcome their problems and improve their lives.

[HCWS589]
Written Statement

Wednesday 19 April 2017

EDUCATION

Technical and Further Education Bill:
English Votes for English Laws

The Minister for Apprenticeships and Skills (Robert Halfon): I am pleased to announce the publication of analysis of English votes for English laws in relation to amendments to the Technical and Further Education Bill during its passage through the House of Lords.

The English votes for English laws process applies to public Bills in the House of Commons. To support the process, the Government have agreed that they will provide information to assist the Speaker in considering whether to certify that Bill or any of its provisions for the purposes of English votes for English laws. Bill provisions that relate exclusively to England or to England and Wales, and which have a subject matter within the legislative competence of one or more of the devolved legislatures, can be certified.

The memorandum provides an assessment of tabled amendments to the Technical and Further Education Bill, for the purposes of English votes for English laws, ahead of Commons consideration of Lords amendments (CCLA).

This analysis reflects the position should all the amendments from the House of Lords be accepted.

The memorandum can be found on the Bill documents page of the Parliament website at: http://services.parliament.uk/bills/2016-17/technicalandfurthereducation/documents.html

I have also deposited a copy in the Libraries of both Houses.

[HCWS598]
Written Statements

Thursday 20 April 2017

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

BEIS Arm’s Length Body

The Minister for Climate Change and Industry (Mr Nick Hurd): The Government are announcing today the sale of the UK Green Investment Bank plc (GIB) to Macquarie Group Ltd (Macquarie), with a £2.3 billion deal which secures a profit on the Government’s investment in the bank, provides value for taxpayers and ensures GIB continues its green mission, in the private sector.

GIB has been a real success story since it was created in 2012—the world’s first dedicated green investment bank, established to accelerate private sector investment into the UK green economy. It has fulfilled that mission, supporting almost 100 green infrastructure projects in the UK so far, and attracting £3 of third-party funding for every £1 it invests. It has shown, as it set out to do, that green investment can be both green and profitable. Having demonstrated its success, the Government decided to move GIB into the private sector where it can continue its success on an even greater scale.

The deal, secured through a competitive process as set out in a report to Parliament on 3 March 2016, will meet the objectives outlined by Government of securing value for money for the taxpayer while ensuring GIB continues its green mission, free from the constraints of public sector ownership. It has the backing of GIB’s independent board.

Under the ownership of Macquarie, one of the largest infrastructure investors in the world, GIB will invest more into the green economy than ever before, with £3 billion of new investment targeted over the next three years, exceeding GIB’s track record of committing £3.4 billion of investment over the four and a half years since it was founded. GIB will become the primary vehicle for Macquarie’s renewable energy investment in the UK and Europe, allowing GIB to expand internationally.

Macquarie has today published a series of commitments over the future of GIB under their ownership, including that GIB’s green purpose and green objectives will be maintained. This is in line with the “special share” in GIB to safeguard GIB’s green purposes, which will be held by five independent trustees who will have the power to approve or reject any proposed change to GIB’s green mission.

Macquarie has also committed to continue GIB’s investment approach, targeting investments across all areas of the green economy and across all stages of the project lifecycle, including the critical phases of development and construction. This will ensure GIB remains a specialist green investor supporting renewable energy investment and emissions reduction in the UK.

Macquarie is committed to maintain the GIB platform and brand, and to utilise the skills and experience of GIB employees in Edinburgh and London. GIB’s Edinburgh office will be home to a new revenue generating project delivery business providing services to the green energy portfolios of GIB and Macquarie in the UK.

The transaction value of around £2.3 billion ensures that on completion, all taxpayer funding invested in GIB has been returned with a substantial profit. This comprises proceeds from the sale of around £1.7 billion, with a further £0.6 billion of GIB’s current outstanding commitments which will be met by Macquarie and its partners, rather than by taxpayers.

As part of the transaction, a number of GIB’s offshore wind assets will be moved into a new offshore wind investment vehicle, which GIB will manage and hold a 25% stake. Investors in this investment vehicle will be long-term institutional investors Macquarie European Infrastructure Fund 5 (MEIF5) and the universities superannuation scheme (USS). This type of transaction structure matches GIB’s existing approach to asset ownership, providing a mechanism for long-term institutional investors to invest in low-carbon projects while ensuring GIB can recycle its capital into new green investments.

The Government will continue to hold a £130 million portfolio of a small number of GIB’s existing investments. This portfolio will continue to be managed by GIB until these investments can be sold on in a way which returns best value for taxpayers’ money.

The Government would like to put on record their gratitude to GIB management and staff, who have all played a key role in GIB’s success, and who have worked tirelessly and professionally to support the sale process while continuing to source and finance green projects across the UK.

The sale proceeds will be received on completion of the transaction, which is expected to take around two months. The transaction is conditional on certain regulatory approvals including EU merger clearance. Under the Enterprise Act 2016, the Government are required to provide a full report to Parliament on completion of the transaction.

[HCWS600]

CABINET OFFICE

Conduct Guidance for General Election

The Minister for the Cabinet Office and Paymaster General (Ben Gummer): The Prime Minister will write to ministerial colleagues providing guidance on the conduct of Government business during the general election period. The Cabinet Secretary has issued parallel guidance to civil servants on their conduct during this period. The guidance comes into force on 22 April 2017.

Copies of the documents have been placed in the Libraries of both Houses and on the Cabinet Office website at gov.uk.

[HCWS605]
CULTURE, MEDIA AND SPORT

Digital Economy Bill

The Minister for Digital and Culture (Matt Hancock):
I have placed in the Library of the House the Department’s analysis on the application of Standing Order No. 83 O of the Standing Orders of the House of Commons relating to public business in respect of the Lords amendments to the Digital Economy Bill. [HCWS601]

DEFENCE

Contingent Liability

The Parliamentary Under-Secretary of State for Defence (Harriett Baldwin): I have retrospectively laid before Parliament a Ministry of Defence (MOD) departmental minute describing the contingent liabilities within the Astute boat 5 and 6 whole boat contracts with BAE Systems Marine Ltd.

The departmental minute describes the contingent liability that the MOD will hold as a result of placing the Astute boats 5 and 6 whole boat contracts, which will provide production, test and commissioning of the fifth and sixth Astute class submarines, HMS Anson and HMS Agamemnon. The maximum contingent liability against the MOD is unquantifiable and will remain until the respective out of service date of the submarine.

It is usual to allow a period of 14 sitting days prior to accepting a contingent liability, to provide Members of Parliament an opportunity to raise any objections. I apologise, but on this occasion, it was not possible to do so.

For boat 6 the Department was faced with exceptional sequencing from the completion of difficult negotiations. The Department faced the prospect of losing the deal and its associated £110 million savings, due to new changes to single source contract regulations introduced on 1 April 2017. As such the Secretary of State for Defence decided to proceed with the agreement, following scrutiny of the contract by the Department’s investment approvals committee which confirmed that the contract offered best value for money for the taxpayer, and subsequent approval by HM Treasury.

As a result of detailed work in connection with the boat 6 contract it has been recognised that contingent liabilities arising from the boat 5 contract, which has hitherto been considered not to require notification to Parliament, are in fact the same as those for boat 6 and should therefore have been notified, notwithstanding the fact that no credible scenario has been identified in which a claim could exceed contractual limits.

Within both the boat 5 and 6 contracts, BAE Systems Marine Ltd limited their exposure to product liability to £1 billion per incident and £300 million in any 12-month period. This limits the contractor’s exposure for claims by the MOD for losses associated with the product being defective or deficient, and creates an exposure for the MOD for third party claims against the contractor for losses associated with the product being defective or deficient. It is the view of the Department that the likelihood of any claim is remote. [HCWS602]

INTERNATIONAL DEVELOPMENT

International Development

The Secretary of State for International Development (Priti Patel): In a world of serious threats to UK and global stability, Britain’s leadership on the world stage is more important than ever. When we look around the world today, people are drowning on perilous migration routes. Children are dying from preventable diseases while drug-resistant infections are brewing that threaten us here at home. Violence and conflict are pulling people back into poverty.

As we exit the EU, Britain will be more, not less, outward-looking and engaged on the world stage. Intensifying our efforts as a global leader in international development is a crucial part of this. A safer and more prosperous world, supported by our international development work, is firmly in the UK’s interest.

Our humanitarian leadership helps Britain stand tall in the world. Since the beginning of the year we have faced the largest humanitarian crisis since the creation of the United Nations. Now, more than 20 million people across four countries face starvation and famine.
The UK is a world leader on humanitarian responses and today I am announcing that the UK will increase funding to tackle humanitarian crises in both Yemen and Nigeria for this coming year. We will lead the world in supporting famine stricken areas by stepping up our emergency assistance.

The UN has described the situation in Yemen as “the largest food security emergency in the world” and last month declared that the country is now on the brink of famine. We will provide £139 million for Yemen for financial year 2017-18, an increase of £27 million on the £112 million delivered by the UK last year.

UK support will provide life-saving aid to hundreds of thousands of desperate people, in recognition of the scale of the current crisis which has left some 19 million Yemenis—two thirds of the population—in urgent need of humanitarian aid.

Nigeria is one of the world’s largest humanitarian crises. More than 20,000 people have been killed there since the start of Boko Haram’s violent insurgency in 2009 and millions more are in need of food, water and shelter. The UK was one of the first on the ground to respond to the humanitarian crisis in north-east Nigeria.

Last year alone we reached over a million people with food and provided 34,000 children suffering from malnutrition with life-saving treatment.

We continue to lead this challenge by increasing our support this year to £100 million, making the UK the largest donor in 2017. Last year (2016), we provided around £70 million for emergency food, shelter and health care for hundreds of thousands of people displaced by Boko Haram’s violent insurgency. The funding will assist the UN, the International Committee of the Red Cross and international NGOs to reach the most vulnerable people displaced by Boko Haram:

- Over 1 million people will receive food assistance.

- 60,000 children will be treated for severe acute malnutrition.

- Clean water will be provided for over 530,000 people.

- At least 100,000 children will gain access to education.

The humanitarian needs in 2017 are unprecedented. More than 20 million people across four countries face starvation and famine. In Syria, Iraq and elsewhere, we see ambulances being used as car-bombs; girls stolen as sex slaves; children made to conduct executions; barrel bombs being dropped among civilians. The UK will continue to speak out against these outrages, and stand up for respect for the rules of war and for basic humanitarian principles.

This is why Britain pledged £110 million of UK aid to provide up to 1 million people in Somalia with emergency food assistance, over 600,000 starving children and pregnant and breastfeeding women with nutritional help, 1 million people with safe drinking water, and more than 1.1 million people with emergency health services. In South Sudan, where 7.5 million people are in need of assistance after famine was declared, the UK was one of the first major donors to confirm our response to a UN appeal, announcing £100 million of support less than 24 hours after the appeal was launched. This will provide food for over 500,000 people; life-saving nutritional support to more than 27,500 children, and safe drinking water for over 300,000 people.

The UK is at the forefront of the humanitarian response to the Syria crisis, providing life-saving support to millions, supporting refugees to remain in countries in the region and enabling their hosts to accommodate them. The crisis in Syria is the UK’s largest ever response to a single humanitarian crisis.

The £2.46 billion provided to Syria and the region since 2012 has provided nearly 25 million food rations, over 9.5 million relief packages and over 7 million health consultations.

We co-hosted the “Supporting Syria and the Region” conference in London in February 2016, which secured the largest amount of pledges ever in one day for a humanitarian crisis. On 4 and 5 April this year, we co-hosted the Brussels conference on the “Future of Syria and the Region”, which secured pledges of $9.7 billion.

I am pleased to announce the UK will pledge an additional £75 million, as part of our Brussels commitment, to help kick start economic growth and create jobs in Lebanon and Jordan over the next three years. These funds will leverage up to £250 million of concessional finance from multilateral development banks, including through the global concessional financing facility.

As the global migration crisis has made clear, the challenges facing the international development system in the 21st century go beyond anything witnessed before. More than ever, the world needs strong global institutions and leadership for today and for the future. The UK is a founding member of many of the world’s leading international organisations and we remain deeply committed to the spirit and values of the international system.

The UK will continue to champion an open, modern and innovative approach to development and will use our leading position to build a coalition for reform of the global aid system so that it is ready for the challenges of the 21st century. We are promoting investment in the poorest countries, helping them to get on the road to industrialisation. We are driving progress on economic development and working with businesses to stimulate investment in the world’s most difficult frontier markets, where jobs and economic opportunities are desperately needed. In the long run, it is sustainable growth, trade and investment that will provide a sustainable route to poverty reduction. Defeating poverty is a joined-up effort across the whole of Government including using the opportunity of leaving the EU to free up trade with the world’s poorest.

I also would like to update the House on how we are reforming UK aid to maximise its impact by driving new standards and outcomes. DFID’s economic development strategy sets out how Britain will establish new trade, investment and economic links and end global poverty. The multilateral development review spells out how we are raising the bar, requiring more of our partners, by following the money, people and outcomes. The bilateral development review confirms how DFID is reforming the entire global development system to tackle the global challenges of our time.

As a key part of this, my ministerial team and I have conducted a detailed line-by-line review of every programme in DFID’s portfolio, either already approved or in design phase. Each of these programmes has been scrutinised on the basis of their value for money and their strategic fit with the Government’s priorities for global Britain.

The savings from programmes which will not continue will be recycled to fund better value programmes aligned to our priorities, while still delivering our planned results and commitments.
In the 2015 spending review the Government announced plans to make over £400 million of efficiency savings by 2019-20, DFID will save closer to £500 million in this period, through reform of procurement and commercial practices, estates, IT and departmental pay. These changes are included in the Department’s ambitious new value for money “Agenda for Action”.

In addition, a comprehensive review of DFID’s management and relationship with suppliers is under way. This review will drive greater transparency and efficiencies from DFID’s suppliers through new codes of practice and contractual obligations; more competition, innovation and choice in our supplier market; and increased transparency of fees and costs throughout our supply chain.

These bold measures will drive value for money without compromising our commitment to being a global leader in international development. In 2015-16, it is estimated that DFID supported:

- The immunisation of approximately 20 million children, saving 250,000 lives; we are on track to meet DFID’s commitment of immunising 76 million and saving 1.4 million lives.
- Reaching 13.3 million children under 5, women of childbearing age and adolescent girls through our nutrition-relevant programmes; on track to meet DFID’s commitment of 50 million.
- 5.9 million women from 2012 to 2015, and 1 million women in 2015-16, to use modern methods of family planning. This gives a total of 6.9 million for the period 2012-16; on track to meet DFID’s commitment of 24 million between 2012 and 2020.
- 3.1 million children to gain a decent education; on track to meet DFID’s commitment of 11 million.
- 11.3 million people to access clean water and/or better sanitation; on track to meet DFID’s commitment of 60 million.
- UK taxpayers can be equally proud of our record on humanitarian response: in 2015-16 we reached 5.1 million people, including 1.6 million women and girls.

Our support has been life-saving and life-changing, as shown by DFID’s leadership of the international response to Ebola in Sierra Leone. The British response to Ebola in 2015 was an example of Britain’s development impact and influence. Experts from DFID co-ordinated a joined-up effort across Government, bringing together the best of British expertise to defeat that disease.

UK aid is being focused on where the need is greatest—from fragile and conflict-riven states that need help the most urgently, to protecting lives, reducing poverty, and working with Governments who receive our aid to get them to step up and take responsibility for investing in their own people. When we invest in stability, jobs and livelihoods, and sound governance, we address the root causes of problems that affect us here in the UK. It is not in our national interest to simply sit on our hands and wait until these problems reach breaking point or find their way to our doorstep.

This is where our aid budget, along with our world-class defence and diplomacy, acts not only in the interests of the world’s poorest, but also in Britain’s long-term national interest.

WORK AND PENSIONS

Disability

The Minister for Disabled People, Health and Work (Penny Mordaunt):  
Extending the Motability lease (following reassessment from disability living allowance (DLA) to personal independence payment (PIP))

The Motability scheme plays a vital role in the lives of many disabled people and their families in supporting their mobility through the provision of a car, scooter or powered wheelchair. Motability has no role in determining who should receive disability living allowance or personal independence payment.

In September 2013, the charity put in place a transitional support package, which includes up to £2,000 as a lump sum for those disabled people who are not entitled to the enhanced rate of the mobility component of personal independence payment following reassessment from disability living allowance to personal independence payment in order to help them remain mobile.

Over the last few months, DWP and Motability have been working closely together to explore further ways of helping disabled people.

A key focus of this work has been how best to support Motability customers who are in the process of any reconsideration or appeal.

Today I am able to announce that Motability has kindly offered to enhance their disability living allowance-personal independence payment transitional support package to allow scheme customers to retain the car for up to eight weeks after their disability living allowance payments end, a significant increase from the three weeks they are allowed today.

In addition customers who are eligible for a transitional support payment will be able to retain their car for up to six months, including during the processes of reconsideration or appeal. For those who take advantage of this option, the level of transitional support payment will be reduced.

Once the full guidance for claimants is available, I will place a copy in the Library of the House.

PIP rapid reclaim

Currently, entitlement to personal independence payment ends after 13 weeks for most claimants when they go abroad. On returning to the UK they must make a new claim from scratch and may need to undergo a face-to-face assessment. We will shortly be implementing a new, rapid reclaim process that will enable eligible former personal independence payment claimants who are returning to the country to start receiving their personal independence payment payments much more quickly.

Eligible claimants will be those who:
- were in receipt of personal independence payment prior to their absence abroad;
- were out of the country for more than 13 weeks but returned within 12 months of when they left;
- have not reached their claim end date; and
- can confirm that their needs have not changed since before their absence abroad.

[HCWS606]
This new process will be implemented within the next two months. We estimate that eligible claimants will be able to access the benefit within two weeks of making a new claim on their return. By accessing financial support more quickly, where relevant, claimants will have faster access to the Motability scheme.

[HCWS603]

Labour Market

The Secretary of State for Work and Pensions (Damian Green): The UK labour market is a great success story for this country. The latest labour market statistics have shown that the UK employment level has risen to a near record high of 31.84 million, with the employment rate achieving a joint record high of 74.6%. In particular, the female employment rate is at a near record high of 69.9% while for older workers (50-64) the employment rate has reached a joint record high of 70.9%. The overall unemployment rate has fallen to 4.7%, the lowest rate in over a decade, alongside inactivity which is at a near record low of 21.6%. The employment rate of 16-to-24s who are not in full-time education is at 75.4%, the highest in over 12 years. The proportion of 16 to 24-year-olds year olds who are not in full-time education or employment is down to 5.1%, a joint record low.

Two planks of our approach to continuing to support people into work have been to enable older people to stay in the labour market for longer, and to support disabled people and people with long-term health conditions to move into and stay in work.

In February this year the Government published “Fuller Working Lives: A Partnership Approach”, which set out the ambition to support individuals aged 50 and over to remain in and return to the labour market and tackle the barriers to doing so. Through a combination of headline measures, Government will continue to monitor progress on “Fuller Working Lives”.

In October last year we published “Improving Lives: The Work, Health and Disability Green Paper”. This set out the action we intend to take to bring about change across welfare, employers and health systems and invited views on a 10-year strategy for reform. Since publication we have run a 15-week national consultation, which closed in February 2017. We received a great response to the consultation from a wide range of disabled people and people with long-term health conditions, and organisations with an interest.

[HCWS604]
Written Statements

Monday 24 April 2017

TREASURY

Cross-Government Prosperity Fund

The Chief Secretary to the Treasury (Mr David Gauke):

I wish to update the House on how the Prosperity Fund has supported global and UK prosperity in its first year and its plans for future years. As we leave the European Union the Prosperity Fund is a vital part of how the UK will be a global, outward-looking nation that is confident on the world stage and has strong, fruitful relationships with countries around the world.

On 21 July 2016 I informed the House of the aims and objectives of the £1.3 billion Prosperity Fund (HCWS104) and a short paper was published on gov.uk that details how the fund operates. The fund uses primarily Official Development Assistance (ODA) resources to promote economic reform in ODA-eligible middle income countries, which are home to 70% of the world’s poor, contributing to a reduction in poverty. Shared prosperity is a key part of the UK aid strategy. The fund has a secondary benefit of opening up opportunities for international, including UK, business.

Projects are focused on countries and sectors identified through cross-Whitehall economic analysis as being those areas with large numbers of people living in poverty, potential for inclusive growth and where UK expertise can make a real difference.

As set out in the fund’s spending round 2015 settlement letter, the fund is 97% ODA with a small non-ODA allocation. ODA projects must meet the primary purpose to support poverty reduction and promote sustainable economic growth.

The strategic direction for the fund is set by a cross-Government Ministerial Board supported by a director level portfolio board composed of representatives from key departments. This structure reflects the cross-Government nature of the fund and ensures that programmes deliver value for money and support Government objectives. Accounting Officers remain responsible for ensuring the value for money of programmes funded by the Prosperity Fund.

The Ministerial Board has met nine times since January 2016. These regular meetings have allowed it to respond promptly and flexibly to changing circumstances—for example endorsing increased funds to trade related projects after the EU referendum.

The Prosperity Fund has continued to refine its systems and processes throughout the first year in order to ensure that it succeeds. It has acted on positive feedback and helpful advice from the Infrastructure and Projects Authority, the National Audit Office, and, most recently, the Independent Commission for Aid Impact (ICAI).

We welcome this external scrutiny as an opportunity to test the portfolio and management systems with independent experts. As stated in our formal management response to the ICAI review, the Prosperity Fund accepts and is implementing their recommendations, many of which it had already identified through its own internal reviews.

Year one of the Prosperity Fund was designed as a transition year. The Ministerial Board allocated £55 million of ODA to projects in a range of ODA eligible countries including China, India, Brazil, Mexico, Colombia, Indonesia, Nigeria and South Africa and in areas such as financial services, infrastructure, business environment, energy, and trade and regulation. It also allocated £5 million of non-ODA in support of Government prosperity objectives in both ODA-eligible countries and developed markets.

In South Africa, electricity shortages have cut GDP by 2% in recent years. The Prosperity Fund piloted an innovative British technology to help address this, enabling local government, universities, businesses and utilities to save a minimum of 15% on their electricity consumption.

In Brazil, the work of the Prosperity Fund has been recently celebrated in national media as an example of the importance of international co-operation to tackle transnational bribery and reduce corruption, and has helped to shape the recently approved “10 Measures against Corruption” law in Brazil.

The Prosperity Fund financed the former Prime Minister’s anti-corruption summit in May 2016 which brought together world leaders, business and civil society to agree measures to reduce corruption. The fund has also placed the UK at the forefront of delivering international commitments to tackle corruption such as setting up the International Anti-Corruption Co-ordination Centre, financed by the Prosperity Fund and hosted by the UK’s National Crime Agency.

The fund is committed to meeting the UK Government transparency commitments on ODA spend. Details of all year one programmes will be released on gov.uk in mid 2017 and an annual report on the first year will be issued by autumn 2017.

The majority of the Prosperity Fund will be allocated to large, high impact, multi-year programmes. To date 18 such programmes have been endorsed by the Ministerial Board and are now being developed by UK Government Departments including HM Treasury, the Department for International Development and the Foreign and Commonwealth Office. Many other Government Departments are involved in the design and delivery of individual programmes.

These programmes include country specific work in South America and Asia, regional programmes in South East Asia, and multi-country, sector specific programmes on trade reform, insurance, education and anti-corruption. The focus of all programmes is high impact and value for money. We expect the first of these to launch later in the year.

We will refresh our gov.uk page with more information on the fund following this update and will continue to develop these pages as the fund progresses, including with information on programmes as they launch.

[HCWS608]
CULTURE, MEDIA AND SPORT

Tailored Review of Arts Council England

The Minister for Digital and Culture (Matt Hancock): I am today publishing the report of the tailored review of Arts Council England. The review was first announced in the culture White Paper in March 2016, and was officially launched on 9 August 2016.

The review’s purpose was to challenge and seek assurance of the continuing need, efficiency and good governance of Arts Council England. The review concluded that the functions of Arts Council England are necessary and should continue to be delivered by Arts Council England in its current form as a non-departmental public body.

The review found Arts Council England to be an efficient and well governed organisation that was highly regarded across the arts and culture sectors. The review made a number of recommendations for further improving the effectiveness of Arts Council England, for example through further integrating museums and libraries; further supporting skills capability and financial resilience; developing more local partnerships and strengthening the use of cultural investment as regeneration capital; strengthening the assessment of the impact of its funding; and ensuring that its funding is fully accessible in order to benefit everyone and not just the privileged few. There are recommendations too for DCMS, on providing stronger assurance that the Arts Council is investing public money effectively, and reviewing the cultural property and export licence functions.

The review was carried out by DCMS, and an independent challenge panel was appointed to assure its robustness and impartiality. The review was carried out with the full participation of Arts Council England, and gathered evidence from a range of stakeholders from across Government and the arts and culture sectors and through a public consultation. I would like to thank all those who contributed to the review.

The report will be placed in the Libraries of both Houses and is available at: https://www.gov.uk/government/publications/tailored-review-of-arts-council-england

Sky/Fox Merger

The Secretary of State for Culture, Media and Sport (Karen Bradley): On Thursday 16 March I intervened in the proposed acquisition of Sky by 21st Century Fox on the media public interest grounds of media plurality and commitment to broadcasting standards by issuing a European Intervention Notice (EIN).

The EIN triggered the requirement for Ofcom to assess and report to me on the public interest grounds specified and for the Competition and Markets Authority (CMA) to report to me on jurisdiction. I required Ofcom and the CMA to provide their reports to me in response to the EIN by Tuesday 16 May. Once I receive these reports, my decision-making role in this process would resume.

Given the proximity of this decision to the forthcoming general election and following discussions with the parties, Ofcom, the CMA and the Cabinet Office Propriety and Ethics team I wrote to Ofcom and the CMA on Friday 21 April to extend the period by which these reports should be submitted to Tuesday 20 June.

EXITING THE EUROPEAN UNION

General Affairs Council

The Minister of State, Department for Exiting the European Union (Mr David Jones): The General Affairs Council (GAC) on 25 April 2017 is expected to focus on: modification of the Commons provisions regulation; bringing cohesion policy closer to our citizens; and implementation of EU macro-regional strategies; followed by a working lunch.

Modification of the Commons provisions regulation

The presidency will provide an update on proposed changes to the legislation which governs the common provisions regulation, the overarching EU regulation which governs the European structural and investment funds. These are expected to be in place before our withdrawal from the EU and were proposed by the Commission as part of the mid-term review of the Multiannual Financial Framework (MFF) in order to simplify and harmonise existing regulations.

Bringing cohesion policy closer to our citizens

The Council will adopt conclusions which: assess the EU’s cohesion policy in recent years; recognise the need for greater visibility in its implementation; and call for further simplification and flexibility in the period beyond 2020. A discussion between member states on the themes raised during the negotiation of the conclusions is expected.

Implementation of EU macro-regional strategies

The Council will adopt conclusions on ‘EU macro-regional strategies’, the frameworks for co-operation between member states and non-member states in tackling common challenges by better using existing EU initiatives and sources of funding.

Working lunch

Following the meeting there will be a working lunch, at which Ministers will have the opportunity to exchange views on the role of cohesion policy post 2020 with Corina Cretu, European Commissioner for Regional Policy. This is expected to be an informal discussion.

FOREIGN AND COMMONWEALTH OFFICE

Law and Order Trust Fund Afghanistan

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alok Sharma): On 23 December 2016 the Foreign and Commonwealth
Office fulfilled the promise given by the former Prime Minister at the NATO Chicago summit in 2012 to commit £70 million for each of the calendar years 2015 to 2017 towards Afghan National Defence and Security Force (ANDSF) sustainment. At the NATO summit in Warsaw in 2016, the UK committed a further £210 million to sustain its commitment of £70 million per year until 2020.

The UK’s 2016 contribution, funded from the Conflict, Stability and Security Fund (CSSF), has been channelled through the United Nations development programme’s Law and Order Trust Fund Afghanistan (LOTFA) to support payroll management, Afghan National Police (ANP) salaries and Ministry of Interior (MoI) and ANP development.

The development of a capable, accountable and responsive MoI and ANP, committed to delivering rule of law, is essential to long term stability and security in Afghanistan. The ANP play a fundamental role in providing security; rule of law and public order; as well as helping to build trust in the legitimacy of the state. Due to the challenging security environment international support for Afghan policing continues to be required. The UK remains committed to supporting the development of security institutions in Afghanistan, including the ANP and MoI.

[NHCWS607]

NORTHERN IRELAND

Northern Ireland Finances

The Secretary of State for Northern Ireland (James Brokenshire): At the point when the Assembly dissolved in January, there had been no budget set for the Northern Ireland Executive for the 2017-18 financial year. As a result, since the end of March it has fallen to the Permanent Secretary of the Department of Finance to allocate cash to Northern Ireland Departments under powers provided by section 59 of the Northern Ireland Act 1998. Since that point, consistent with the UK Government’s ultimate responsibility for political stability in Northern Ireland, I have been working closely with the Head of the Northern Ireland Civil Service (NICS), in conjunction with the NICS Board, to explore the most appropriate means by which to provide further assurance around the budget for Northern Ireland Departments in the absence of an executive.

I outline in the tables on the attachments, an indicative budget position and set of departmental allocations, based on advice from the Head of the NICS in conjunction with the NICS Board. These allocations seek to reflect, as far as possible, their assessment as to the priorities of the political parties prior to the dissolution of the Assembly and the further allocations they consider are required within the budget available. By so doing I intend to give clarity to Northern Ireland Departments as to the basis for departmental allocations in the absence of an executive, so that Permanent Secretaries can plan and prepare to take more detailed decisions in that light.

Alongside that, I wish to make it clear—as I shall also do in proceedings on the Northern Ireland (Ministerial Appointments and Regional Rates) Bill—that this Government, if returned and efforts to secure the resumption of devolved Government do not succeed, would ultimately be prepared to provide legislative authority for the expenditure of Northern Ireland Departments for 2017-18.

The totals I set out would not constrain the future ability of an incoming Executive to adjust its priorities during the course of the year. Any future UK Government would similarly need to reflect upon the final shape of allocations in the light of the circumstances at the appropriate time.

Resource - Departmental Expenditure Limits

The resource positions begin from the indicative departmental totals set by the Permanent Secretary of the NI Department of Finance under his s59 powers. From there further allocations have been made in the light of the assessment made by the Head of the Civil Service, in conjunction with the Northern Ireland Civil Service Board, as to pressures to be addressed. These totals do not include the £42 million of resource provided in the March Budget, as that extra funding was allocated after the last Executive dissolved. This is in order to maintain flexibility for the any new Executive to allocate resources to meet further priorities as they deem appropriate.

Capital - Departmental Expenditure Limits

The capital position has been determined by the Head of the NICS, in conjunction with the NICS Board, based on engagement with individual departments, again reflecting the decisions and priorities of the last Executive. It includes the allocation of £114 million of Financial Transactions Capital. It would make available funding for projects which were announced by the Executive as part of their 2016-17 Budget. These include the A5 and A6 road projects, the Belfast Transport Hub, and the Mother and Children’s Hospital. However it would be for individual departments to prioritise and allocate their capital budgets. As with the resource totals above, this does not include the £7 million of capital provided in the March Budget.

It can also be viewed, with the attachments, online at: http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statements/Commons/2017-04-24/HCWS612/.

[HCWS612]
**Written Statements**

*Tuesday 25 April 2017*

**TREASURY**

ECOFIN: 21 March 2017

The Chief Secretary to the Treasury (Mr David Gauke):
A meeting of the Economic and Financial Affairs Council (ECOFIN) was held in Brussels on 21 March 2017. EU Finance Ministers discussed the following items:

*Early morning session*

The Eurogroup president briefed Ministers on the outcomes of the 20 March meeting of the Eurogroup. Ministers discussed the current economic situation. The European Commission presented its review of national provisions adopted in compliance with the treaty on stability, co-ordination and governance in the economic and monetary union (the fiscal compact) conducted in accordance with article 8 of the fiscal compact, which was followed by an exchange of views by Ministers. Austrian Finance Minister Schelling explained his views as regard a proposed fine for the manipulation of debt statistics in Austrian land of Salzburg, and the Polish delegation, on behalf of the Chairman of the EIB’s board of governors, outlined the suggested process for the upcoming election of the EIB president.

*ECOFIN: 21 March 2017*

Follow-up to the G20 meeting of Finance Ministers and Central Bank Governors on 17-18 March 2017 in Baden-Baden

The presidency and the Commission informed Ministers on the outcomes of the G20 meeting.

*Any other business*

  * **a) European Defence Fund**

The Commission informed Ministers about its European defence action plan, focusing in particular on the launch of a European defence fund. This item was delayed from February ECOFIN.

  * **b) Status of implementation of financial services legislation**

The Commission informed Ministers on the status of implementation of financial services legislation.

ECOFIN: 7-8 April 2017

The Chancellor of the Exchequer (Mr Philip Hammond):
An informal meeting of the European and Financial Affairs Council (ECOFIN) was held in Valletta, Malta on 7-8 April 2017. EU Finance Ministers discussed the following items:

*Working Lunch*

The Eurogroup president briefed Ministers on the outcomes of the 7 April meeting of the Eurogroup. Ministers discussed the challenges and opportunities faced by the Economic and Monetary Union (EMU), on the basis of the progress made with respect to the Five Presidents’ report, and the Commission’s White Paper on the future of Europe.

*Working Session I: Non-performing loans*

Ministers were joined by Central Bank Governors to discuss the current situation of non-performing loans (NPLs) in European banks.

*Working Session II: Boosting private investment in North Africa and beyond—What role for the EU institutions?*

Ministers discussed ways to encourage further private investment in North Africa and beyond, given the importance of these neighbouring regions to the EU. The discussion drew on analysis by Bruegel and included participation from a number of actors in the region including the European Investment Bank (EIB), the World Bank and the European Bank for Reconstruction and Development (EBRD).

*Working Session III: Tax certainty in a changing environment*

In the context of rapid changes in the international tax system and work being conducted by the OECD and the IMF, Ministers reflected on ways to improve tax certainty in support of the EU’s attractiveness as a place for doing business.

*Any Other Business: IMF and G20 issues*

Ahead of the April spring meetings in Washington DC, Ministers agreed the EU terms of reference for the G20 meeting of Finance Ministers and Central Bank Governors to be held on 20-21 April, the EU statement to the IMFC, and an updated agreement on EU co-ordination in the IMF.

[HCWS614]

[HCWS613]
WORK AND PENSIONS

Employment, Social Policy, Health and Consumer Affairs Council: Informal Meeting

The Minister for Employment (Damian Hinds): The Employment, Social Policy, Health and Consumer Affairs Council met for the informal meeting of Ministers on 3 and 4 April 2017 in Valletta, Malta; I represented the UK. The informal meeting does not tend to include legislative matters, but provides an opportunity for in-depth policy debates. The subjects for discussion are determined by the presidency, who hosts the meeting.

The European Commission presented an EU road map for “making work pay”, which was the theme of the informal meeting. The Commission set out details of the White Paper on the future of Europe as well as an update on expected proposals for the European pillar of social rights.

The presidency led a discussion on skills, emphasising how poor skills lead to social exclusion. Member state interventions highlighted the importance of investing to raise skill levels and improve the quality of jobs.

A plenary discussion was held on the subject of addressing inequalities in the labour market, with a focus on the challenges of responding to digitalisation, the rise in self-employment, new types of employment, and demographic change.

The presidency gave a presentation on “moving away from benefit dependency—a Maltese perspective”, setting out how work has to be incentivised over benefits and how activation is critical. The Social Protection Committee chair outlined a framework of six key themes, including the balance between activation and income support; the provision of individualised support; and the availability of affordable services.

The final plenary of the informal meeting considered the labour market as a vehicle for social inclusion. Member states emphasised the importance of activation for the long-term unemployed, as well as the role of access to child and social care.

[HCWS615]
Written Statements

Wednesday 26 April 2017

EDUCATION

Higher Education and Research Bill: EVEL Analysis


The English votes for English laws process applies to Public Bills in the House of Commons. To support the process, the Government have agreed that they will provide information to assist the Speaker in considering whether to certify a Bill or any of its provisions for the purposes of English votes for English laws. Bill provisions that relate exclusively to England or to England and Wales, and which have a subject matter within the legislative competence of one or more of the devolved legislatures, can be certified.

The memorandum also provides an assessment of Government amendments tabled in lieu of Lords amendments, for the purposes of English votes for English laws. The Department’s assessment is that the amendments do not change the territorial application of the Bill.

This analysis reflects the position should all the Government amendments be accepted.

The memorandum can be found on the Bill documents page of the Parliament website at: http://services.parliament.uk/bills/2016-17/highereducationandresearch.html and I have deposited a copy in the Libraries of both Houses. [HCWS616]

FOREIGN AND COMMONWEALTH OFFICE

Syria: Provision of Equipment

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): The situation in Syria remains extremely fragile. An estimated 400,000 people have been killed since the war began six years ago, many of them innocent civilians. The Assad regime continues to use the most barbaric military methods and tactics available, including the use of indiscriminate artillery fire, chemical weapons and barrel bombs. The UK remains committed to doing all it can to promote a political settlement to end the conflict, to alleviate the humanitarian suffering, and to protect UK national security through countering terrorist and extremist threats.

In November 2015, my predecessor, my right hon. Friend the Member for Runnymede and Weybridge (Mr Hammond), issued written statements setting out our plans to give equipment and training to groups selected from the moderate armed opposition’s (MAO) southern front, creating a border force and casualty evacuation capability in opposition-controlled areas of southern Syria. The Southern Front border force (SF-BFOR) working together with other MAO groups and in co-ordination with the Jordanian authorities, has interdicted Jordanian citizens illegally entering Syria. They have also stopped smugglers carrying money, weapons and narcotics from Syria to Jordan, and Daesh fighters attempting to carry weapons, explosives and money in and out of the besieged area of the Yarmouk basin. The Southern Front casualty evacuation capability (CASEVAC) is designed to provide vital medical support to the MAO and has, to date, established and equipped three medical teams with a command and control element attached to each. Primarily designed to support MAO fighters, they have provided treatment to over 100 injured MAO personnel in recent fighting in Dera’a city. These teams have also provided treatment to civilians wounded in the fighting often working alongside the Syrian Civil Defence. Other international donors have contributed to both initiatives.

The UK intends to continue its support to these programmes by providing targeted operational equipment—for patrolling and observation, and for provision of medical care to wounded fighters—as well as building the command and control capacity. We will give £3,438,338.54 in equipment to SF-BFOR and £2,779,970.30 in equipment to the CASEVAC medical units. For SF-BFOR the list of equipment includes vehicles; day/night observation aids; communications equipment; metal and line detecting equipment to find and avoid improvised explosive devices; uniforms; and combined load carrying/protective vests. The list of equipment for the CASEVAC medical units includes vehicles; communications equipment; medical treatment equipment; uniforms; and load-carrying/protective vests. We expect to spend a total of £10 million this financial year on both programmes of support.

The use of these funds to cover the costs of the programme has been approved by the Syria conflict, stability and security fund (CSSF) board, the middle east and north Africa CSSF regional board and operations committee. The equipment has been scrutinised to ensure that the provision of this equipment is consistent with export controls and complies with our international obligations. Recipients have been carefully selected and vetted to prevent equipment being given to those involved in extremist activities or human rights abuses. All equipment transfers are approved by HMG immediately before delivery. All our assistance is carefully calibrated and legal, is aimed at alleviating human suffering and supporting moderate groups and is regularly monitored and evaluated. We monitor the situation on the ground carefully. [HCWS617]
In June 2016, my predecessor, the right hon. Member for Runnymede and Weybridge (Mr. Hammond), issued written statements setting out our plans to give equipment to Syria Civil Defence and the Free Syrian Police teams operating in opposition-controlled areas of Syria. The UK subsequently distributed the equipment to both teams along with comprehensive training packages. Syria Civil Defence teams have now saved over 70,000 lives by rescuing civilians trapped in damaged buildings, fighting fires and providing emergency first aid. The Free Syrian Police continues its valuable work to prevent looting and to support the distribution of humanitarian aid. Other international donors have contributed to both initiatives.

The UK intends to continue its support to these programmes by increasing their communications capability and mobility of the teams, providing more targeted operational equipment—whether for search and rescue, or tracing explosives—as well as building up the capacity of these organisations to deliver on the ground. We intend to give £2 million in equipment to Syria Civil Defence and £4 million in equipment to the Free Syrian Police. For Syria Civil Defence, the list of equipment includes cutting and rescue tools; personal protective gear including helmets; uniforms; communications equipment; medical supplies; equipment for the disposal of unexploded ordnance; office supplies; vehicles; and fire-fighting equipment. For the Free Syrian Police, the list of equipment includes vehicles; communications kit; traffic signs and cones; uniforms; and generators. We expect to spend £19 million this financial year on both programmes of support.

The use of these funds to cover the costs of the equipment has been approved by members of the middle east and north Africa conflict, stability and security fund (CSSF) regional board. The list of equipment has been scrutinised to ensure that the provision of this equipment is consistent with export controls and complies with our international obligations. Recipients have been carefully selected to prevent equipment being given to those involved in extremist activities or human rights abuses. All equipment transfers are approved by HMG immediately before delivery. All our assistance is carefully monitored and evaluated. We monitor the situation on the ground carefully.

[HCWS618]

HOME DEPARTMENT

Immigration

The Minister for Immigration (Mr Robert Goodwill): In 2016, the UK granted asylum or another form of leave to over 8,000 children. By the end of 2016, the UK had resettled more than 5,000 people under the Syrian vulnerable persons’ resettlement scheme and the vulnerable children’s resettlement scheme, as part of our commitment to taking 23,000 people by 2020. Our resettlement schemes allow children to be resettled with their family members, thereby discouraging them from making perilous journeys to Europe alone. In 2016, we transferred over 900 unaccompanied asylum-seeking children from within Europe to the UK, including more than 750 from France as part of the UK’s comprehensive support for the Calais camp clearance. And over 200 children have already arrived in the UK under section 67 of the Immigration Act 2016. The UK has pledged over £2.3 billion in aid in response to the events in Syria and the region—our largest ever humanitarian response to a single crisis. Within Europe, the UK has also established a £10 million refugee children’s fund to support the needs of vulnerable refugee and migrant children arriving in Europe. The fund includes targeted support to meet the specific needs of unaccompanied and separated children.

In my written statement of 8 February 2017 I announced that, following consultation with local authorities, the Government would transfer the specified number of 350 unaccompanied children from Europe to the UK under section 67 of the Immigration Act 2016.

The Government have very recently become aware that, due to an administrative error as part of collating the figures, one region pledged 130 places which were not accounted for in setting the specified number. As part of the consultation local authorities were asked to let their strategic migration partnerships know how many places they could offer, and then the strategic migration partnerships provided the regional number to the Home Office. The Home Office continued to work with the strategic migration partnerships throughout the consultation process, and believed that two regions in England had not provided responses after the consultation closed. Both of these regions had already stepped up to take a number of children from over-burdened councils elsewhere in the country so it was assumed they would continue to support the national transfer scheme as and when they could, but were not able to provide specific numbers which the Home Office could then allocate to section 67 cases. The Home Office recently discovered that one of the regions had sent a return and we are now including their pledges in the specified number for the purposes of section 67 of the Immigration Act 2016.

In order to ensure the specified number of children to be transferred is a true reflection of the responses to that consultation, I am today announcing that, in accordance with section 67 of the Immigration Act, the Government are increasing the specified number from 350 to 480. As outlined in my original statement, the specified number includes over 200 children already transferred from France as part of the Calais camp clearance. And over 750 from France as part of the UK’s comprehensive support for the Calais camp clearance. And over 200 children have already arrived in the UK under section 67 of the Immigration Act 2016. The UK has pledged over £2.3 billion in aid in response to the events in Syria and the region—our largest ever humanitarian response to a single crisis. Within Europe, the UK has also established a £10 million refugee children’s fund to support the needs of vulnerable refugee and migrant children arriving in Europe. The fund includes targeted support to meet the specific needs of unaccompanied and separated children.

The Government remain fully committed to the implementation of our commitment under section 67 to transfer unaccompanied children to the UK from Europe and no eligible child has been refused transfer to the UK as a result of this error. The Home Secretary has written to her counterparts in France, Greece and Italy and we are working closely with member states, as well as the UN High Commissioner for Refugees (UNHCR), the International Organisation for Migration (IOM) and NGO partners so we can identify and transfer children to the UK as soon as possible. Home Office officials have met with their counterparts in each of the countries in the past few weeks to plan future transfers. We have secondees in Greece and Italy working on transfers of unaccompanied children to the UK.
under both the Dublin III regulation and section 67 and we published the criteria for future transfers on 10 March.

Over the coming months, the Government will continue to work with EU member states and partners to implement section 67.

[HCWS619]
Written Statement

Thursday 27 April 2017

EXITING THE EUROPEAN UNION

General Affairs Council: April 2017

The Minister of State, Department for Exiting the European Union (Mr David Jones): I attended the General Affairs Council on 25 April 2017. The meeting was held in Luxembourg and chaired by the Maltese presidency.

The meeting was dedicated to cohesion policy and the agenda items included modification of the common provisions regulation; bringing cohesion policy closer to citizens; and Council conclusions on macro-regional strategies.

A provisional report of the meeting and the conclusions adopted can be found on the Council of the European Union’s website at:

Modification of the common provisions regulation

The presidency provided an update on the proposed revision of the common provisions regulation, which sought to provide a higher level of EU cohesion funding in response to natural disasters. The Committee of Permanent Representatives has agreed a compromise and a discussion between the European Parliament, the Council and European Commission was scheduled for 3 May.

The presidency also provided an update on the “omnibus” regulation proposed by the European Commission to simplify cohesion funding and announced that it would begin discussions with the European Parliament on this matter as soon as possible.

Council conclusions on bringing cohesion policy closer to citizens

The presidency reiterated their views on the benefits of cohesion policy but recognised that funding pressures continued and that a lack of awareness of the EU’s contributions towards cohesion policy remained. I intervened to welcome the improvements to cohesion funding during the current period but recognised that further innovation should be encouraged. I also recalled the Prime Minister’s commitment that the UK would seek a fair settlement of its rights and obligations during the negotiations on the UK’s departure from the EU.

Council conclusions on macro-regional strategies

The presidency highlighted progress in developing macro-regional strategies. Discussions on the conclusions were agreed.

[HCWS620]
Petitions

Monday 27 March 2017

OBSERVATIONS

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

Post office in Westcliffe, Scunthorpe

The petition of residents of Scunthorpe County,
Declares that residents are opposed to the closure of
the Post Office branch on the Westcliff Estate in Scunthorpe.
The petitioners therefore request that the House of
Commons urges North Lincolnshire Council to work
with residents of the Westcliff Estate in Scunthorpe to
try and stop the closure of the Post Office.
And the petitioners remain, etc.—[Presented by
Nic Dakin, Official Report, 08 February 2017; Vol. 621,
c. 574.]

Observations from the Parliamentary Under-Secretary of
State for Business, Energy and Industrial Strategy (Margot
James):

The Government recognise the value of Post Office
services to local communities across the country and
understands that any potential change to service provision
can cause concern for the community affected.
The Post Office operates as an independent business
and the Government and local authorities do not play a
role in day to day operational responsibilities of the
company, which includes decisions on the provision and
location of individual Post Office services.
Government understand that a planned redevelopment
of the local shopping precinct may result in the current
Westcliffe Post Office closing. The Post Office appreciates
how important its services are to local communities and
is committed to maintaining access to services wherever
possible. Unplanned closures can occur as a result of a
situation beyond the control of the Post Office, as may
be the case with the Westcliffe Post Office. Where this
happens, the Post Office works hard to try to maintain
services to the community, though this is not always
possible.
Government understand that the current position is
that the Westcliffe Post Office service remains open,
operating from the Co-op. If the community has further
concerns regarding the provision of local Post Office
services it should raise these direct with the Post Office.
The British Bankers’ Association appointed Professor Russel Griggs to carry out an independent “one year on” review of the Protocol. The review was published in November 2016 and made a number of recommendations to improve how the Protocol operates. The Government welcome the review and are pleased to see the industry commit to further improvements to protect those affected by closures. While the decision to close a branch remains a commercial judgement for banks, the impact on communities must be understood, considered and mitigated where possible.

Residents may find it helpful to know that, in January 2017, the Post Office announced that it had reached an agreement with the banks that will allow more banking customers to access a wider range of services at the Post Office than ever before. The new arrangement allows individual and small business customers to withdraw money, deposit cash and cheques and check balances at all 11,500 Post Office branches in the UK. While the range of services offered by the Post Office may be more limited than that offered in a traditional bank branch, the services provided through the Post Office’s extensive network ensures that essential banking facilities remain available in as many communities as possible. The Post Office estimates that 99% of personal and 75% of business customers will be able to carry out their day to day banking at a Post Office as a result of the new agreement.

If other banks in the wider local area have more extensive facilities, the people of North East Hampshire and St Austell and Newquay may wish to consider moving to an alternative bank; if so, they may be interested in using the Current Account Switch Service (CASS). The switch service is free to use, comes with a guarantee to protect customers from financial loss if something goes wrong, and redirects any payments mistakenly sent to the old account, providing further assurance for customers. This means that customers are more able than ever to hold their banks to account by voting with their feet, and that banks are incentivised to work hard to retain their existing customers and attract new ones. More information about CASS is available at: www.currentaccountswitch.co.uk.

The petition of residents of Mevagissey, to call upon Lloyds to reverse its decision or put alternative provision in place for those who need it most.

Residents may find it helpful to know that, in January 2017, the Post Office announced that it had reached an agreement with the banks that will allow more banking customers to access a wider range of services at the Post Office than ever before. The new arrangement allows individual and small business customers to withdraw money, deposit cash and cheques and check balances at all 11,500 Post Office branches in the UK. While the range of services offered by the Post Office may be more limited than that offered in a traditional bank branch, the services provided through the Post Office’s extensive network ensures that essential banking facilities remain available in as many communities as possible. The Post Office estimates that 99% of personal and 75% of business customers will be able to carry out their day to day banking at a Post Office as a result of the new agreement.

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If other banks in the wider local area have more extensive facilities, the people of North East Hampshire and St Austell and Newquay may wish to consider moving to an alternative bank; if so, they may be interested in using the Current Account Switch Service (CASS). The switch service is free to use, comes with a guarantee to protect customers from financial loss if something goes wrong, and redirects any payments mistakenly sent to the old account, providing further assurance for customers. This means that customers are more able than ever to hold their banks to account by voting with their feet, and that banks are incentivised to work hard to retain their existing customers and attract new ones. More information about CASS is available at: www.currentaccountswitch.co.uk.

The petition of residents of Mevagissey, to call upon Lloyds to reverse its decision or put alternative provision in place for those who need it most.

Residents may find it helpful to know that, in January 2017, the Post Office announced that it had reached an agreement with the banks that will allow more banking customers to access a wider range of services at the Post Office than ever before. The new arrangement allows individual and small business customers to withdraw money, deposit cash and cheques and check balances at all 11,500 Post Office branches in the UK. While the range of services offered by the Post Office may be more limited than that offered in a traditional bank branch, the services provided through the Post Office’s extensive network ensures that essential banking facilities remain available in as many communities as possible. The Post Office estimates that 99% of personal and 75% of business customers will be able to carry out their day to day banking at a Post Office as a result of the new agreement.

If other banks in the wider local area have more extensive facilities, the people of North East Hampshire and St Austell and Newquay may wish to consider moving to an alternative bank; if so, they may be interested in using the Current Account Switch Service (CASS). The switch service is free to use, comes with a guarantee to protect customers from financial loss if something goes wrong, and redirects any payments mistakenly sent to the old account, providing further assurance for customers. This means that customers are more able than ever to hold their banks to account by voting with their feet, and that banks are incentivised to work hard to retain their existing customers and attract new ones. More information about CASS is available at: www.currentaccountswitch.co.uk.
The Government are sorry to hear about the disappointment of the residents of Mevagissey, St Blazey and Odiham at the closure of the Lloyds branches. Although the Government can understand their concerns, decisions on opening and closing agencies are taken by the management team of each bank on a commercial basis. Banking service providers will need to balance customer interests, market competition, and other commercial factors when considering their strategies and the Government does not seek to intervene in these decisions.

In March 2015, the major high street banks, consumer groups and the Government signed up to an industry-wide agreement to work with customers and communities to minimise the impact of branch closures and put in place alternative banking services.

This agreement—the Access to Banking Protocol—commits the banks to:

- work with local communities to establish the impact of the branch closure, prior to its closure
- find suitable alternative provision to suit individual communities
- put satisfactory alternative banking services in place before a branch is closed. Options for this will include free to use cash machines, the proximity of alternative branches, and Post Office branches and mobile banking arrangements.

The British Bankers’ Association appointed Professor Russell Griggs to carry out an independent “one year on” review of the Protocol. The review was published in November 2016 and made a number of recommendations to improve how the Protocol operates. The Government welcome the review and are pleased to see the industry commit to further improvements to protect those affected by closures. While the decision to close a branch remains a commercial judgement for banks, the impact on communities must be understood, considered and mitigated where possible.

Residents may find it helpful to know that, in January 2017, the Post Office announced that it had reached an agreement with the banks that will allow more banking customers to access a wider range of services at the Post Office than ever before. The new arrangement allows individual and small business customers to withdraw money, deposit cash and cheques and check balances at all 11,500 Post Office branches in the UK. While the range of services offered by the Post Office may be more limited than that offered in a traditional bank branch, the services provided through the Post Office’s extensive network ensures that essential banking facilities remain available in as many communities as possible. The Post Office estimates that 99% of personal and 75% of business customers will be able to carry out their day to day banking at a Post Office as a result of the new agreement.

If other banks in the wider local area have more extensive facilities, the people of North East Hampshire and St Austell and Newquay may wish to consider moving to an alternative bank; if so, they may be interested in using the Current Account Switch Service (CASS). The switch service is free to use, comes with a guarantee to protect customers from financial loss if something goes wrong, and redirects any payments mistakenly sent to the old account, providing further assurance for customers. This means that customers are more able than ever to hold their banks to account by voting with their feet, and that banks are incentivised to work hard to retain their existing customers and attract new ones. More information about CASS is available at: www.currentaccountswitch.co.uk.

**Closure of Lloyds bank in St Blazey**

*The petition of residents of St Blazey*

Declares that on 10 November 2016 Lloyds announced it will be closing its branch in St Blazey; and further that this is a very well-established, much used branch, with many elderly or vulnerable customers who would have no alternative if this last bank in the village were to close.

The petitioners therefore request the House of Commons to call upon Lloyds to reverse its decision or put alternative provision in place for those who need it most.

And the petitioners remain, etc.[/Presented by Steve Double, Official Report, 28 February 2017; Vol. 622, c. 268.] [P002018]

**Observation from the Economic Secretary to the Treasury (Simon Kirby):**

The Government thank the hon. Member for North East Hampshire (Ranil Jayawardena) for his petition on the closure of the Lloyds Bank branch in Odiham and the hon. Member for St Austell and Newquay (Steve Double) for his petitions on the closure of the Lloyds Bank branches in Mevagissey and St Blazey.

The Government are sorry to hear about the disappointment of the residents of Mevagissey, St Blazey and Odiham at the closure of the Lloyds branches. Although the Government can understand their concerns, decisions on opening and closing agencies are taken by the management team of each bank on a commercial basis. Banking service providers will need to balance customer interests, market competition, and other commercial factors when considering their strategies and the Government does not seek to intervene in these decisions.

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This agreement—the Access to Banking Protocol—commits the banks to:

- work with local communities to establish the impact of the branch closure, prior to its closure
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If other banks in the wider local area have more extensive facilities, the people of North East Hampshire and St Austell and Newquay may wish to consider moving to an alternative bank; if so, they may be interested in using the Current Account Switch Service (CASS). The switch service is free to use, comes with a guarantee to protect customers from financial loss if something goes wrong, and redirects any payments mistakenly sent to the old account, providing further assurance for customers. This means that customers are more able than ever to hold their banks to account by voting with their feet, and that banks are incentivised to work hard to retain their existing customers and attract new ones. More information about CASS is available at: www.currentaccountswitch.co.uk.
Petitions

Tuesday 18 April 2017

OBSERVATIONS

TRANSPORT

No. 31 bus service to Cheadle from Hanley

The petition of residents of the constituency of Stone in Staffordshire,

Declares that the No. 31 bus service to Cheadle from Hanley should not be withdrawn.

The petitioners therefore request that the House of Commons urges the Government to ensure that the No. 31 bus service to Cheadle from Hanley is not withdrawn.

And the petitioners remain, etc.—[Presented by Sir William Cash, Official Report, 15 March 2017; Vol. 623, c. 459.]

Observations from the Parliamentary Under-Secretary of State for Transport (Andrew Jones):—

I recognise the importance of public transport for both the sustainability and independence of communities, and its valuable role in preventing isolation.

Three-quarters of bus services outside London are provided on a commercial basis by private operators and decisions on service provision are mainly a matter for the operator concerned. However, where there is not enough demand for a bus route to be commercially viable in its own right, all local authorities in England have powers to subsidise bus services which they consider socially necessary.

The Government provide around £200 million to bus operators in England via Bus Service Operators Grant (BSOG), around £40 million of which goes direct to the local authorities who tender those services.

It is also worth noting that the Bus Services Bill, currently progressing through Parliament, will provide local authorities with new tools to improve bus services. This includes future powers to request commercial information from bus operators who withdraw, or reduce significantly, local bus services.

I therefore strongly encourage bus operators and local authorities to work together, in consultation with local communities, to identify the right transport solutions that meet the economic and environmental challenges faced in the area and deliver the greatest benefits for residents.

WALES

Unfinished Dwellings in Heol Berwyn, Cefn Mawr

The petition of residents of Cefn Mawr in the constituency of Clywd South,

Declares that the petitioners believe that it is unacceptable that Harron Homes has only part finished the construction of residential dwellings in Heol Berwyn, Cefn Mawr; further declares that part finished construction sites may become magnets for anti-social behaviour and infestations of rats due to partially constructed sewers; and further that such part finished construction sights are a blight upon communities.

The petitioners therefore request that the House of Commons urges the Government to declare and enforce that part finished construction sites be completed, sold outright, part sold or gifted to the Local Authority or a Housing Association.

And the petitioners remain, etc.—[Presented by Susan Elan Jones, Official Report, 8 March 2017; Vol. 622, c. 910.]

Observations from the Parliamentary Under-Secretary of State for Wales (Alun Cairns):—

Housing policy and the decision-making process for planning applications for housing developments in Wales are devolved and the responsibility of the relevant Local Authorities, the Welsh Government and their agencies.

WORK AND PENSIONS

Closure of Jobcentres

Closure of Jobcentres

The petition of residents of the UK,

Declares that the closure of the two remaining Jobcentres in Wavertree should not take place; and further that meaningful consultations should take place on proposals that consider the delivery of services to the public.

The petitioners therefore request that the House of Commons urges the Government to stop the closure of two remaining Jobcentres in Wavertree; and further that the Government should immediately halt all DWP Jobcentre/office closure proposals, undertake immediate Equality Impact Assessments, and enter into proper meaningful consultation on all proposals that affect communities and the delivery of services to the public.

And the petitioners remain, etc.—[Presented by Luciana Berger, Official Report, 28 February 2017; Vol. 622, c. 267.]

Observations from the Parliamentary Under-Secretary of State for Work and Pensions (Damian Green):—

On 31 March 2018 DWP’s PFI PRIME (Private Resource Initiative for the Management of the Estate) contract with Telereal Trillium expires. This 20 year contract covers the majority of DWP’s current property portfolio of over 900 sites. This has given us a unique opportunity to review which offices we will need in the future, taking account of the increased use of our online services, the impact of Universal Credit and the anticipated demand on our services.

The falling claimant count and the increased use of our online services in recent years means that 20% of rent is going toward space we are not using. As a result we expect to save an estimated £180 million per year for 10 years as a result of our proposals for estate rationalisation.

We have sought to redesign our estate in a way which will continue to meet the needs of customers across Liverpool, and this includes maintaining local staffing levels across our Jobcentre Plus network. All of our customer facing staff at Wavertree and Edge Hill jobcentres will be relocated to our proposed site at Toxteth, with our back of house staff relocating to Huyton jobcentre. They will continue to offer the same support and services to our claimants and will maintain the relationships they have built up over time. In fact we are recruiting and expect to have more Work Coaches in every nation and region in March 2018 compared to today.

The Government provide around £200 million to bus operators in England via Bus Service Operators Grant (BSOG), around £40 million of which goes direct to the local authorities who tender those services.

Three-quarters of bus services outside London are provided on a commercial basis by private operators and decisions on service provision are mainly a matter for the operator concerned. However, where there is not enough demand for a bus route to be commercially viable in its own right, all local authorities in England have powers to subsidise bus services which they consider socially necessary.

The Government provide around £200 million to bus operators in England via Bus Service Operators Grant (BSOG), around £40 million of which goes direct to the local authorities who tender those services.

It is also worth noting that the Bus Services Bill, currently progressing through Parliament, will provide local authorities with new tools to improve bus services. This includes future powers to request commercial information from bus operators who withdraw, or reduce significantly, local bus services.

I therefore strongly encourage bus operators and local authorities to work together, in consultation with local communities, to identify the right transport solutions that meet the economic and environmental challenges faced in the area and deliver the greatest benefits for residents.
Our plan has always been to reduce the amount of space we occupy nationally by 20% and we have announced similar proposals across England, Scotland, and Wales in line with this plan. As Jobcentres vary in size this 20% figure does not relate directly to the number of Jobcentres in a specific area.

We have carefully considered the wider impacts on local communities as part of review of our estate and the sites we intend to keep were identified based on a wide range of factors, including geographical coverage and accessibility. Where we are proposing to close a jobcentre we are taking all possible precautions to minimise disruption for customers and vulnerable people. This includes using face to face, e-mail, telephone and postal contact and, where none of those routes is appropriate, home visits.

We believe that it is a reasonable expectation that a customer travels to a new location which is within three miles or 20 minutes by public transport of their existing jobcentre. Where we propose moving a Jobcentre to a location which is further away than this we have consulted publicly. This included our proposals for moving the services currently based at Wavertree and Edge Hill.

The Department has been mindful of its duties under the Equality Act 2010 throughout the development of these proposals. Statistical analysis of the potential impact of the proposals on people with the protected characteristics has informed high-level decision-making so far. We are now collecting local, site-specific information and will be conducting Equality Analysis which will be reflected in our final business decisions.
Petition

Thursday 20 April 2017

OBSERVATIONS

WORK AND PENSIONS

Proposed closure of Annesley DWP office

The petition of staff of Annesley DWP office, and their families,

Declares that the Department for Work and Pensions (DWP) are proposing to close Annesley DWP office within the next year (2017/18); further that the DWP are proposing to do this without consideration of the potential loss of 100 plus jobs by compulsory redundancies; further that there has been no consideration of the disproportionate impact on those who work at Annesley by not conducting an Equality Impact Assessment; and further that there has been no consideration of the economic hit on the area because the closure could mean a loss of £1 million and this loss will inevitably impact on a number of businesses in the area.

The petitioners therefore request that the House of Commons urges the Government to ensure that Annesley is kept open, so that there are no job losses.

And the petitioners remain, etc.—[Presented by Gloria De Piero, Official Report, 28 March 2017; Vol. 624, c. 220.]

Observations from the Secretary of State for Work and Pensions (Damian Green):

On 31 March 2018 DWP’s PFI PRIME (Private Resource Initiative for the Management of the Estate) contract with Telereal Trillium expires. This 20 year contract covers the majority of DWP’s current property portfolio of over 900 sites including Waterfront House, Annesley. This has given us a unique opportunity to review which offices we will need in the future, taking account of the increased use of our online services, the impact of Universal Credit and the anticipated demand on our services.

Waterfront House is a small back-of-house processing office currently housing 131 highly skilled and dedicated staff who deliver important services to the vulnerable and those in need. The site is currently 28% underutilised based on the number of full time equivalent staff.

We have a clear set of requirements for our future back-of-house estate which focuses on larger, high quality offices supporting new ways of working and enabling increased use of digital services. While our colleagues at Waterfront House are delivering important services for customers across the UK, the building itself, being small, does not meet our strategic requirements.

We carefully considered the wider impacts on the local community that this proposal, which is part of the department’s continued drive to deliver public services in more innovative and cost effective ways, would have. However, while we fully understand and appreciate the potential local impact of this proposal, we must ensure that the estate from which we operate continues to meet the changing needs of our business and our claimants while delivering value for money for the taxpayer.

We would also add that the back-of-house services undertaken at Waterfront House are not specifically linked to claims made by people in the surrounding area and is part of a national network of processing sites. Therefore, there would be no impact on face to face services to claimants as a result of this proposal.

While we appreciate that this is an unsettling time for our colleagues, we are fully committed to supporting them. Our first priority is our people and the need to minimise the risk of redundancies. We will be identifying options for relocation in the local area, to other DWP offices and other Government Departments within Nottinghamshire and Derbyshire.

Our track record on previous redeployments suggests that we will be able to relocate or offer alternative roles to the vast majority of those potentially affected. However, we do recognise that in a small number of cases relocation and redeployment will not be reasonable or achievable and exits may be required.

With regards to undertaking an Equality Analysis, throughout the development of these proposals, the Department has been mindful of its duties under section 149 of the Equality Act 2010. Consideration of the potential impact on colleagues and customers has been informed by statistical analysis of population data, local knowledge and consultation. The consultation, including a recently completed Equality Analysis, is being undertaken with colleagues and trade unions to consider any changes with those who may be impacted by future proposals to discuss their individual circumstances.

In addition to gathering information about their personal circumstances and individual needs such as caring responsibilities, these discussions also provide an important opportunity to discuss where people can travel to and potential travel costs they may incur.

Should the final decision be to proceed with the proposal, colleagues will, depending on their employment terms and conditions, have access to assistance under the department’s excess fares policy.

We would also point out that DWP will continue to be a very significant employer in Nottinghamshire with excellent opportunities in both jobcentres and back-of-house functions.
We received over 25,000 responses to the consultation, which we are analysing in detail. We are grateful to all those who expressed their views on school funding and the proposed formula as part of this process. We will publish the Government’s response in due course.

HEALTH

Walk-in Services at the Merlyn Vaz Health and Social Care Centre, Leicester

The petition of residents of Leicester East,

Declarations that Leicester City Clinical Commissioning Group plans to remove the existing walk-in element of the service from Merlyn Vaz Health and Social Care Centre which would have a detrimental effect on the local community and other members of the public who use the “out of hours” facility, especially on the elderly and vulnerable people who do not have easy access to transport but are able to walk to the Merlyn Vaz Health and Social Care Centre.

The petitioners therefore request that the House of Commons urges the Government to encourage Leicester City Clinical Commissioning Group to reconsider their decision to remove the existing walk-in element of the service from the Merlyn Vaz Health and Social Care Centre.

And the petitioners remain, etc.—[Presented by Keith Vaz, Official Report, 01 March 2017; Vol. 622, c. 392.]

Observations from the Parliamentary Under-Secretary of State for Health (David Mowat):

The reconfiguration of health services is a matter for the NHS locally. Any changes to local services should be led by clinicians and patients, not from the top down. It is for NHS commissioners and service providers to work together with patients and the public in bringing forward proposals that will improve the quality and sustainability of healthcare services.

Although this is a local responsibility, the Government have set out strengthened criteria that it expects NHS service changes to meet. Namely, they should have support from commissioners, focus on improving patient outcomes, consider patient choice, and be based on sound clinical evidence.

Leicester City Clinical Commissioning Group (CCG) advises that the contract for the walk-in centre at the Merlyn Vaz Health and Social Care Centre is due to expire on 30 September 2017. The CCG has recently engaged with the public on proposals to replace the service with a community healthcare hub, located at either the Merlyn Vaz Centre or on the Leicester General Hospital site.

On 7 April 2017, following review of the consultation responses received, the CCG announced that the community healthcare hub will be based at the Merlyn Vaz Health and Social Care Centre for at least the next three years.

The CCG further advises that there are already three healthcare hubs in the city that have been in place as a pilot service since September 2015; these became permanent services from 1 April 2017.

From 1 October 2017 the new service at the Merlyn Vaz Health and Social Care Centre will offer urgent GP and nurse appointments from 8am to 8pm, 365 days a year. Both pre-bookable and walk-in appointments will
be offered, although the CCG and service provider will encourage as many patients as possible to book into guaranteed slots. It is hoped this will help reduce waiting times and make maximum use of available GP and nurse time.

The contract, which is subject to procurement, will be for an initial period of three years with an option to extend for up to two further years. The existing provider of the walk-in service will continue to offer unchanged services for patients until its contract ends on 30 September 2017.

TRANSPORT
Traffic enforcement measures along the A52

The petition of residents of Broxtowe;

Declares that as a result of the lack of traffic enforcement measures along the A52 road between the roundabouts known locally as Bardill’s Island, which crosses with the B6003, and Priory Island, which is at a junction with the A6464, there is excessive speeding and as such the road is unsafe.

The petitioners therefore request that the House of Commons urges the Government to install traffic enforcement measures along the A52 between the two roundabouts known locally as Bardill’s Island, which crosses with the B6003, and Priory Island, which is at a junction with the A6464.

And the petitioners remain, etc.—[Presented by Anna Soubry, Official Report, 28 February 2017; Vol. 622, c. 268.]

Observations from The Minister of State, Department for Transport (Mr John Hayes):

This observation supersedes the observation made on 23 March 2017

Observations by the Minister of State for Transport (John Hayes) on the Petition from the hon. Member for Broxtowe (Anna Soubry) declaring that members of the community in Broxtowe are concerned about excessive speeding on the A52 between Bardill’s Island roundabout and Priory Island roundabout. The petitioners therefore request that the House of Commons urges the Government to install traffic enforcement measures along the A52 between the two roundabouts known locally as Bardill’s Island, which crosses with the B6003, and Priory Island, which is at a junction with the A6464.

Highways England is undertaking an assessment of collisions on a section of the A52 and will share findings with the MP in due course. Any concerns should be taken up with Highways England.

The Department for Transport (DfT) would like to thank the petitioners for taking this positive action to bring this matter to its attention and the Minister will write to Highways England to make it aware of the concerns of Parliament.

The Department for Transport (DfT) is responsible for setting legislation and for guidance to traffic authorities on how to provide various traffic management measures. Highways England was created by the infrastructure Act 2014 chapter 7 and has a statutory right to provide road management schemes for their roads, of which the A52 is part.

http://www.legislation.gov.uk/ukpga/2015/7/enacted

Speed Limits for the Strategic Road Network including the A52 were set by the Road Traffic Regulation Act 1984 part 7 section 84. Highways England can introduce a number of measures such as traffic calming or road reconfiguration.

The decisions on the type of measures that might be most suitable are matters for DfT and Highways England in consultation with local communities.
COMMUNITIES AND LOCAL GOVERNMENT

Proposed development of two distribution buildings on land South of Meadow Lane, Raunds

The petition of residents of the UK,

Declares that residents of Raunds and Stanwick wish to oppose the planning application Ref.16/02119/FUL for a proposed development of two distribution buildings, on land South of Meadow Lane; further that at a meeting in the town and at the town Council there was very strong support for refusal of this development; further notes that the grounds for refusal include that this is a protected open space listed in the proposed Neighbourhood Plan; further that the plans are contrary to the aims of the Nene Valley Nature Improvement Plan recently adopted by East Northamptonshire Council; further that the proposed development is close to a designated Site of Special Scientific Interest; further that the transport assessment calculated has there will be daily just under 800 HGV movements as well as employees' cars, including during the night with significant pollution effects and that the increase in traffic to the site and along the A45 will have a detrimental effect upon local air conditions; further that reversing alarms, loading and unloading and vehicle movements will cause significant noise pollution day and night; further that the light pollution will inevitably increase especially with a 24 hour operation; further that there is a considerable hydrology and flood risk; further that the development will create an industrial feel to anyone walking down Meadow Lane, which could not be mitigated by any planting due to the height of the proposed building and earth formed platform approaching 29 metres above ground level; further that as employees at the current site near Northampton are to be given inducements to move their work place to Raunds there would be minimal employment opportunities for local people; further that the proposed large visually solid buildings will have a detrimental effect on the setting for Stanwick Lakes as they will be clearly visible from this country park and will also have considerable impact on the setting for Raunds and Stanwick; further declares that the submitted Neighbourhood Plan seeks to protect this area of land from development, to protect the rural character of the area and those who regularly use Meadow Lane to connect to Stanwick Lakes; further that allowing this development will seriously undermine the Neighbourhood Plan objectives and will be against the wishes of the local community.

The petitioners therefore request that the House of Commons urges the Government to urge East Northamptonshire Council to refuse the planning application Ref.16/02119/FUL for a proposed development of two distribution buildings, on land South of Meadow Lane.

And the petitioners remain, etc.—[Presented by Tom Pursglove, Official Report, 8 March 2017; Vol. 622, c. 911.]
Act 1995. This was necessary to meet the UK’s obligations under EU law to eliminate gender inequalities in social security provision.

The increase of the State Pension age to 66 was set out in the Pensions Act 2007 and due to increasing life expectancy the Pensions Act 2011 accelerated this process to allow for a rise to 66 by 2020 for both genders and provided for the equalisation of the State Pension age to 65 by November 2018.

During the 2011 Pensions Act the Government made a concession which slowed down the increase of the state pension age for women so no one would face an increase of more than 18 months compared to the increase as part of the Pensions Act 1995. Transitional arrangements at a cost of £1.1 billion were made in order to lessen the impact of these changes for those worst affected, and for 81% of these women the increase will be no more than 12 months. This concession benefited almost a quarter of a million women who would otherwise have experienced delays of up to two years.

Reversing the 1995 Act would be unaffordable—costing a minimum estimate of £77 billion. Without equalisation, and in 2010, women would spend on average 41% of their lives in retirement with a State Pension age of 60.

These changes were fully debated and voted on in 2011 when legislation was before Parliament, and all those affected by increases in State Pension age by the 2011 Act were written to in the period between January 2012 and November 2013.

The Department for Work and Pensions provided a range of additional information in order for all individuals to find out their State Pension age and the conditions of their benefits. Since April 2000, the Department has provided more than 14 million personalised State Pension estimates to people who requested them either online, via telephone or post, and encourages people to request these State Pension estimates as part of ongoing communications.

In addition, employment maximises people’s opportunities to build up savings, helps to maintain social networks, and is beneficial to health provided the employment takes into account the person’s broader circumstances. For most people work is beneficial not only because it provides an income, but also because it also gives individuals greater control over their own lives, and independent analysis by the Institute for Fiscal Studies has shown that the rise in women’s State Pension age since 2010 has been accompanied by increases in employment rates for the women affected.

For those who struggle to find employment and where people need it, there is a safety net in place through the welfare system.

Supporting individuals aged 50 years and over to remain in the labour market and tackling the barriers to them doing so is a key priority for this Government. By the mid-2030s the number of individuals aged 50 and over will represent over half of the UK adult population and employers increasingly need to employ and retain the skills and experience of older workers. To support these individuals the Default Retirement Age was abolished, so individuals can retire when it is right for them, and the right to request flexible working was extended.

This Government are deeply committed to ensuring that employers are aware of the wealth of skills and experience that older workers bring to the workplace, and on 4 October the Government announced the appointment of the Business in the Community Age at Work leadership team led by Andy Briggs, CEO of Aviva UK and Ireland Life, as Business Champion for Older Workers. Mr Briggs and this team of employers will spearhead the Government’s work to support employers to retain, retrain, and recruit older workers.

Jobcentre Plus Work Coaches have the flexibility to offer all claimants, including older people, a comprehensive menu of help which includes skills provision and job search support. Work Coaches undertake extensive training before taking up the post, and build up a wide range of skills and in-depth labour market knowledge, and additional training modules are available for Work Coaches when they deal with older claimants to support them more effectively and in understanding the challenges older claimants face.

Older Claimant Champions were introduced, in April 2015, in the seven Jobcentre Plus Regional Groups to tackle the barriers faced by older claimants in getting back to work. Older Claimant Champions work with Jobcentre Work Coaches—and other staff—to emphasise the importance of supporting older claimants, share best practice and challenge out of date perceptions to support this group of people.

Where there are health conditions or disabilities, the Department has published the Work, Health and Disability Green Paper which looks at ways of better joining up the health, welfare and employment systems to support those seeking work as well as those in work. A Carers in Employment pilot has been established across nine Local Authorities to explore how businesses can give employees with caring responsibilities more help, for example promoting flexible working patterns and setting up carers surgeries to help carers manage their caring responsibilities alongside their paid work.

In addition to increasing employment prospects for women above the age of 60, this Government have introduced the New State Pension. The system in place for people who reached their State Pension age before 6 April 2016 was extremely complex and the new State Pension brings greater clarity by helping people to understand their State Pension more easily. It is also much more generous for many women who have been historically worse off under the old system. On average, women reaching State Pension age last year get a higher state pension over their lifetimes than women who reached State Pension age at any point before them, even when the acceleration of State Pension age is taken into account. And, by 2030, over 3 million women stand to gain an average of £550 extra per year as a result of these changes.

The New State Pension works hand in hand with Automatic Enrolment, enabling many more people to save in a workplace pension. And, combined with reviews of the State Pension age, these measures are designed to form the main elements of a sustainable basis of retirement income in the decades to come.

The Government have already made transitional arrangements for those most affected by changes to their State Pension age and introducing further concessions cannot be justified given the imperative to focus public resources on helping those most in need.
Ministerial Correction

Thursday 20 April 2017

WORK AND PENSIONS
Child Maintenance Service

The following is an extract from the winding-up speech given by the Parliamentary Under-Secretary of State for Welfare Delivery on 18 April 2017 in the Westminster Hall debate on the Child Maintenance Service.

Caroline Nokes: I am very conscious that some non-resident parents hide assets and income within the bank accounts of other family members. We desperately need to address such abuses, which will form part of our arrears strategy, which we will publish later in the year, notwithstanding my earlier comment about this morning’s announcement.


Letter of correction from Caroline Nokes:

An error has been identified in my closing speech. The correct statement should have been:

Caroline Nokes: I am very conscious that some non-resident parents hide assets and income within the bank accounts of other family members. We desperately need to address such abuses, which will form part of our arrears strategy, which we will publish later in the year, notwithstanding my earlier comment about this morning’s announcement.
INDEX TO THE
HOUSE OF COMMONS
PARLIAMENTARY DEBATES
(HANSARD)

SESSION 2016–17

27th March, 2017—27th April, 2017
INDEX TO THE
PARLIAMENTARY DEBATES

SIXTH SERIES
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SESSION 2016–17
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27th March, 2017—27th April, 2017

SCOPE
The index is derived from the headings that appear in Hansard.
The index includes entries covering the names of all Members contributing to the Parliamentary business recorded in Hansard, including Divisions.

REFERENCES
• References in the indexes are to columns rather than pages.
• There are separate sequences in Hansard for the material taken on the floor of the House, Westminster Hall sittings, written statements, written questions, ministerial corrections and petitions
  • References consisting of a number by itself indicate material taken on the floor of the House.
  • References ending in ‘wh’ indicate Westminster Hall sittings.
  • References ending in ‘ws’ indicate written statements.
  • References ending in ‘w’ indicate written questions.
  • References ending in ‘p’ indicate written petitions.
  • References ending in ‘mc’ indicate ministerial corrections.
• References under all headings except the names of Members contributing to Parliamentary business and the titles of legislation are listed in one numerical sequence irrespective of whether the material is taken on the floor of the House, is discussed at a Westminster Hall sitting, is a written statement or is a written question.
• References under the names of Members contributing to Parliamentary business are listed in numerical sequence under the following headings-
  • Chamber Debates (which includes interventions and points of order as well as significant contributions to debates);
  • Westminster Hall Debates (covering all debates held as part of the Westminster Hall sittings);
  • Written Statements (consisting of ministerial statements issued in writing);
  • Questions (which includes all written, oral and urgent questions); and
  • Petitions (which includes all oral and written petitions).
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Amess, Sir David—continued
Regional Infrastructure Development 532
Religious Dress and Symbols, Workplace 775-6

Anderson, Mr David
Chamber Debates
Northern Ireland (Ministerial Appointments and Regional Rates) Bill 923-31, 939, 959, 968-9, 974
Northern Ireland, Political Developments 128-30
Questions
Joint Ministerial Committee 659
Leaving the EU, Private Sector 662

Andrew, Stuart
Questions
Bilateral Relations, India 120
Local Housing Provision 890
UK Single Market 662-3

Anglo-American Relations 114

Animal Welfare 446

Ansell, Caroline
Westminster Hall
Breathing Space Scheme 187-8wh
Grandparents’ Rights, Access to Grandchildren 493wh
Questions
Bilateral Relations, Poland 108-9
Personal Independence Payments 6
Topical Questions 1002

Architects Registration Board Review 25ws

Argar, Edward
Chamber Debates
Magnox, Early Contract Terminations 28
Questions
East Midlands Rail Franchise 393

Arkless, Richard
Chamber Debates
Criminal Finances Bill (26.04.2017) 1154-7
Questions
Topical Questions 240
United Nations (Aid Programmes) 237

Armed Forces’ Pay Review Body 21017 14ws

Article 50 251

Assured Shorthold Tenancies 880

Atkins, Victoria
Chamber Debates
Finance (No. 2) Bill 581, 621, 625-7
Questions
Engagements 242-3
Food and Drink Sector 765
Topical Questions 1217

Backbench Business 194
446, 827

Bacon, Mr Richard
Chamber Debates
Points of Order 1009
Westminster Hall
Post Office Closures 442-3wh
Questions
Topical Questions 1222-3

Badger Culling (27.03.2017) 1wh

Bailey, Mr Adrian
Chamber Debates
Neighbourhood Planning Bill 158
Westminster Hall
Royal Institution of Chartered Surveyors, Property Act Receiverships 299-300wh, 302wh
Questions
Exiting the EU, Alternative Trade Agreements 536-7

Bailey, Rebecca Long
Chamber Debates
Magnox, Early Contract Terminations 25-6

Baker, Mr Steve
Chamber Debates
Article 50 266
Finance (No. 2) Bill 617
Questions
Economic Growth Outside London/South-East 525
Financial Services Industry 1202

Baldwin, Harriett, Parliamentary Under-Secretary of State for Defence Written Statements
Contingent Liability 45-6ws

Ballydugan Four 745

Bardell, Hannah
Chamber Debates
Business of the House 810
Employment and Support Allowance (18.04.2017) 648-9
Mining, Health and Safety 221-5, 229
Persecution and Detention of LGBT Citizens, Chechnya 785
Points of Order 1226-7
Questions
Regional Infrastructure Development 533
Tax 660
Topical Questions 895, 1222

Baron, Mr John
Chamber Debates
Article 50 265

Barwell, Gavin, Minister for Housing and Planning
Chamber Debates
Hyde Housing (Lambeth) 376-8
Neighbourhood Planning Bill 151-5, 172-85, 189-93
Westminster Hall
Joint Spatial Plan (Thornbury and Yate) (29.03.2017) 176-80wh
Written Statements
Architects Registration Board Review 25-6ws
Neighbourhood Planning Bill, EVEL 14ws
Questions
Affordable Homes 885-7
Assured Shorthold Tenancies 880-1
Construction Industry 891-2
Local Housing Provision 890
Park Homes 891
Social Housing Rent Arrears 883-4
Topical Questions 893-8

Bebb, Guto, Parliamentary Under-Secretary of State for Wales
Questions
Industrial Strategy 1096-9
Leaving the EU, Effect on Wales 1092-3
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Bryant, Chris—continued
Business of the House 418, 547, 793, 795, 802, 805-6
Legislating for UK Withdrawal from the EU 437
Persecution and Detention of LGBT Citizens, Chechnya 786
Points of Order 33, 1113, 1117
Transitional state pension arrangements for women born in the 1950s 20-2p

Back, Ms Karen
Questions
Rough Sleeping 876

Buckland, Robert, The Solicitor General
Westminster Hall
Serious Fraud Office 255-8wh

Borden, Richard
Questions
Israel Settlement Goods 107
Leaving the EU, Cabotage 380

Burgon, Richard
Chamber Debates
Prison Reform, Governor Empowerment 824
Questions
Cammell Laird 993-4
Topical Questions 1000

Burnham, Andy
Chamber Debates
Bus Services Bill [Lords] 37, 41-4, 46, 64-5, 73, 79-80, 90-3
Contaminated Blood 1071-83, 1085-6
Early Parliamentary General Election 683
Public Authority (Accountability) 304-7

Burns, Sir Simon
Chamber Debates
Personal Independence Payment, Regulations 335
Questions
Engagements 1114
Prison Staffing 990

Burrowes, Mr David
Chamber Debates
Child Maintenance (Assessment of Parents’ Income) 677-80
Westminster Hall
Child Maintenance Service 227wh, 240-3wh
School Funding (London) (29.03.2017) 123-5wh
Questions
Personal Independence Payments 9

Burt, Alistair
Chamber Debates
Article 50 267
Syria and North Korea 560
Questions
Topical Questions 1221

Burt, Ms Karen
Questions
Rough Sleeping 876

Butler, Dawn
Chamber Debates
Early Parliamentary General Election 686
Points of Order 814

Cabinet Committees
24ws

Cabinet Office
24ws, 36ws, 44ws

Cadbury, Ruth
Chamber Debates
Air Quality Strategy 906
Easter Adjournment (30.03.2017) 494-6
Questions
Heathrow, Noise Monitoring 390
Topical Questions 1006

Cairns, Alun, Secretary of State for Wales
Questions
Great Repeal Bill 1094-6
Hendry Review 1098
Leaving the EU, Effect on Wales 1089-91

Cameron, Dr Lisa
Chamber Debates
Animal Welfare 460-2, 467
Article 50 297
Legislating for UK Withdrawal from the EU 442
Westminster Hall
Preventing Avoidable Sight Loss (28.03.2017) 42-3wh
Questions
Zimbabwe 106

Cammell Laird
992

Campbell, Mr Alan
Chamber Debates
Tyne Marine Office 97
Westminster Hall
Royal Institution of Chartered Surveyors, Property Act Receiverships 300-1wh

Campbell, Mr Gregory
Chamber Debates
Northern Ireland (Ministerial Appointments and Regional Rates) Bill 943-4, 954
Westminster Hall
Diesel Vehicle Scrappage Scheme (19.04.2017) 314wh
Questions
Developing Countries (Extreme Poverty) 232
Prison Staffing 991

Campbell, Mr Ronnie
Chamber Debates
Coty Manufacturing Plant (Seaton Delaval) 871-3

Cancer Drugs
Funding 774

Capital Gains Tax
94
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Cherry, Joanna—continued
Legislating for UK Withdrawal from the EU 441
Questions
European Convention on Human Rights 996
Topical Questions 1218

Child Arrangement Orders 997
Child Maintenance (Assessment of Parents’ Income) 677
Child Maintenance Service 1-2mc 227wh
Children’s Health Access to Milk 57wh

Chishti, Rehman—Chamber Debates
Article 50 290 Questions
Extremism in Prisons 986

Chope, Mr Christopher—Chamber Debates
Legislating for UK Withdrawal from the EU 435
Middle Level Bill 354-5, 357, 365-9 Westminster Hall
Diesel Vehicle Scrappage Scheme (19.04.2017) 309wh, 322wh, 333wh Questions
Devolved Matters 1209

Christian Communities Africa 779
Church Commissioners 775, 777
Churchill, Jo Westminster Hall
Long-term Health Problems and Work Outcomes 285wh, 290wh

Clark, Greg, Secretary of State for Business, Energy and Industrial Strategy
Chamber Debates
Magnox, Early Contract Terminations 25-30
Written Statements
BEIS Non-departmental Bodies 1-2ws

Clegg, Mr Nick Chamber Debates
Legislating for UK Withdrawal from the EU 434

Cleverly, James Chamber Debates
Northern Ireland, Political Developments 135

Clifton-Brown, Geoffrey—continued
Questions
Financial Services Industry 1203
Zimbabwe 106

Closure of Bank in Odiham 3p
Closure of Jobcentres 10p
Closure of King George Hospital Accident and Emergency Department 1185
Closure of Lloyds Bank in Mevagissey 4p
Closure of Lloyds Bank in St Blazey 6p
Closure of Marske Medical Centre 1068

Clwyd, Ann Chamber Debates
Animal Welfare 452
Article 50 275
Syria and North Korea 559

Cocker, Vernon Chamber Debates
Animal Welfare 474
Business of the House 415, 798
Northern Ireland, Political Developments 135

Coffey, Dr Thérèse Chamber Debates
Diesel Fumes, Islwyn (26.04.2017) 1190
Middle Level Bill 360-1 Westminster Hall
Upper Catchment Management 580-4wh Questions
Ivory Trade Ban 768-9
Leaving the EU, Environmental Standards Regulations 761-3
Microbeads 763
Topical Questions 773-4

Collins, Damian Chamber Debates
Digital Economy Bill 1133-4, 1136

Colne to Skipton Railway 528wh

Colville, Oliver Chamber Debates
Animal Welfare 449, 464, 470-1, 473 Questions
Topical Questions 539

Communities and Local Government 875, 13ws, 25ws, 33ws, 19p 644

Companies House Public Targets 2017-18 23ws

Conduct Guidance for Elections (4 May) 36ws

Conduct Guidance for General Election 44ws

Congestion Oxfordshire 391

Construction Industry 891

Construction Industry (Protection of Cash Retentions) 1118

Contaminated Blood 1071
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Cryer, John
Questions
Topical Questions 125

Culture, Media and Sport
19ws, 26ws, 45ws, 55ws

Cummins, Judith
Chamber Debates
Animal Welfare 450
Bus Services Bill [Lords] 35
Business of the House 419
Sanitary Products 512
Questions
Northern Powerhouse Rail 381

Cunningham, Alex
Chamber Debates
Air Quality Strategy 905
State Pensions, UK Expatriates 843-6, 849-8, 851
Westminster Hall
Post Office Closures 451-2wh, 456wh
School Funding, North-east of England (26.04.2017) 509wh, 515-6wh, 525wh, 527wh
Questions
Pension Investments 3
State Pension Age, Women 17
Topical Questions 19
Trade and Customs Agreement 1212

Cunningham, Mr Jim
Chamber Debates
Animal Welfare 447
Contaminated Blood 1077
Health Service Medical Supplies (Costs) Bill 1065
Higher Education and Research Bill 1176, 1178
Neighbourhood Planning Bill 161
Personal Independence Payment, Regulations 325
State Pensions, UK Expatriates 831
Yemen 200
Westminster Hall
Dog Attacks on Dogs 461-2wh, 465wh
Preventing Avoidable Sight Loss (28.03.2017) 36-7wh
Questions
Sudan and South Sudan 117-8
Topical Questions 1223

Dakin, Nic
Questions
High Streets 892
Petitions
Post office in Westcliffe, Scunthorpe 1p

Dartford-Thurrock Crossing Charging Scheme
22ws

David, Wayne
Chamber Debates
Diesel Fumes, Islwyn (26.04.2017) 1188

Davies, Byron
Questions
Engagements 1107

Davies, Chris
Chamber Debates
Animal Welfare 452, 466-8
Business of the House 416
Questions
Leaving the EU, Effect on Wales 1090
North Wales-England Transport Links 393
Tax 659
Topical Questions 398

Davies, David T. C.
Westminster Hall
European Arrest Warrant 406-9wh, 411-2wh, 420wh, 423-4wh

Davies, David T. C.—continued
Questions
Engagements 247

Davies, Dr James
Chamber Debates
Finance (No. 2) Bill 596-601
Questions
Great Repeal Bill 1095
Leaving the EU, Private Sector 660-1
Topical Questions 123

Davies, Geraint
Chamber Debates
Early Parliamentary General Election 684
Westminster Hall
Diesel Vehicle Scrappage Scheme (19.04.2017) 310wh, 315-9wh, 322-3wh, 330-1wh

Davies, Mims
Chamber Debates
Parish Council Governance (Principles of Public Life) 567-9
Westminster Hall
National Spitfire Project 75wh
Questions
Anglo-American Relations 114
Topical Questions 897
Tourism 1198-9

Davies, Philip
Chamber Debates
Business of the House 800
Westminster Hall
Hereditary Peers 86wh
Questions
Topical Questions 771

Davis, Mr David,
Secretary of State for Exiting the European Union
Chamber Debates
Legislating for UK Withdrawal from the EU 427-45
Questions
Employment and Workers’ Rights 1204-6
Topical Questions 1216-24

Day, Martyn
Westminster Hall
HIV Treatment 163-4wh
Rare Diseases Strategy 105-7wh

De Piero, Gloria
Chamber Debates
Proposed closure of Annesley DWP office 220
Petitions
Proposed closure of Annesley DWP office 13-4p

Death Penalty
United Arab Emirates 120

Dehbonaire, Thangam
Chamber Debates
Digital Economy Bill 1145-6
Westminster Hall
HIV Treatment 161wh, 166wh, 169wh
Questions
Topical Questions 22, 1005

Declarations of Interest
31

Defence
14ws, 36ws, 45ws

Delegated Legislation
219, 370, 975, 1066

Delegated Legislation (Committees)
510
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Double, Steve
Chamber Debates
Early Parliamentary General Election 700, 702-3
Questions
Construction Industry 891
Tourism, VAT Reduction 534
Petitions
Closure of Lloyds bank in Mevagissey 4-6p
Closure of Lloyds bank in St Blazey 6-8p

Doughty, Stephen
Chamber Debates
Business of the House 806
Persecution and Detention of LGBT Citizens, Chechnya 781-2
Yemen 194, 199-200
Westminster Hall
Badger Culling (27.03.2017) 1-2wh, 7-8wh
Cavity Wall Insulation, Wales 367wh
Questions
East Africa (Food Security) 235
Sudan and South Sudan 118

Dowd, Jim
Chamber Debates
Early Parliamentary General Election 701-2

Dowden, Oliver
Chamber Debates
Article 50 290

Drax, Richard
Chamber Debates
Article 50 287

Dudbridge, James
Chamber Debates
Questions
East Africa (Food Security) 235
Money Laundering 527
Tourism 1197
Zimbabwe 106

Duncan, Sir Alan, Minister for Europe and the Americas
Chamber Debates
Persecution and Detention of LGBT Citizens, Chechnya 781-90
Written Statements
Foreign Affairs Council (3 April) 20-1ws

Duncan, Sir Alan—continued
Questions
Belarus 119
Bilateral Relations, Poland 108-10
Topical Questions 124

Duncan Smith, Mr Iain
Westminster Hall
Post Office Closures 440-1wh

Dunne, Mr Philip, Minister of State, Department of Health
Chamber Debates
Health Service Medical Supplies (Costs) Bill 1060-1, 1065
Westminster Hall
Rare Diseases Strategy 109-12wh
Written Statements
Department of Health Arm’s Length Bodies 46ws

Durkan, Mark
Chamber Debates
Article 50 290-1
Business of the House 423, 548
Contaminated Blood 1086
Early Parliamentary General Election 703-5
Legislating for UK Withdrawal from the EU 444
Northern Ireland (Ministerial Appointments and Regional Rates) Bill 922-3, 940, 949-55, 962
Northern Ireland, Political Developments 141-2

Eagle, Ms Angela
Chamber Debates
Business of the House 545
Questions
Cammell Laird 992-3
Topical Questions 1001, 1003

Early Parliamentary General Election 681

East Africa (Food Security) 234

East Midlands Rail Franchise 393

Easter Adjournment (30.03.2017) 484

Eastern Ukraine 116

ECOFIN
21 March 2017 59ws
7-8 April 2017 60ws

Economic Growth 535

Economic Growth Outside London/South-East 524

Economic Growth (South-east Coast of England) 531

Education 15ws, 27ws, 34ws, 41ws, 63ws, 15p

Edwards, Jonathan
Chamber Debates
Business of the House 549
Finance (No. 2) Bill 570-1
Legislating for UK Withdrawal from the EU 437
Questions
Leaving the EU, Effect on Wales 1090

ECC, EC and the EU
UK Financial Contributions 334wh
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Elphicke, Charlie—continued
Westminster Hall
Diesel Vehicle Scrappage Scheme (19.04.2017) 311wh, 320wh, 323-4wh, 332wh
Emissions and Vehicle Type Approval (20.04.2017) 385wh
Employment
94
Mental Health 10
Employment and Support Allowance (29.03.2017) 302 645
Employment and Training
94
Employment and Workers’ Rights 1204
Employment, Social Policy, Health and Consumer Affairs Council
Informal Meeting 61ws
Engagements
240, 246, 664, 671, 1100
English Regions
1207
Environment, Food and Rural Affairs 759
Esterson, Bill
Chamber Debates
Business of the House 808 Westminster Hall
Royal Institution of Chartered Surveyors, Property Act Receiverships 302-4wh
Questions
Engagements 244
Switch Island, Sefton 382
EU Referendum
Lessons Learned 815
European Arrest Warrant 406wh
European Convention on Human Rights 996
European Transport and Safety Organisations 396
European Union Documents 94
Europol Regulation Opt-in 17ws
Eustice, George, Minister of State, Department for Environment, Food and Rural Affairs
Chamber Debates
Animal Welfare 479-82
Diesel Fumes, Islwyn (26.04.2017) 1192-6
Primates as Pets 979-82
Westminster Hall
Badger Culling (27.03.2017) 26-33wh
Dog Attacks on Dogs 463-7wh
Food and Farming, Employment
Opportunities 477-82wh
Questions
Food and Drink Sector 764-5
Leaving the EU, Food Prices 767-8
New Markets 766-7
Topical Questions 770-3
Evans, Chris—continued
Yemen 208-10
Questions
Congestion, Oxfordshire 392
Evans, Graham
Chamber Debates
Personal Independence Payment, Regulations 323-4
Questions
State Pension Age, Women 16
Evans, Mr Nigel
Chamber Debates
Article 50 284
Business of the House 546, 802
Early Parliamentary General Election 684, 690, 696
Persecution and Detention of LGBT Citizens, Chechnya 783
Questions
Leaving the EU, Environmental Standards Regulations 762
UK Single Market 662-3
EVEL Standing Orders Update 29ws
Executive Orders
United States 119
Exiting the EU
Alternative Trade Agreements 536
Public Finances 528
Exiting the European Union
1197, 56ws, 69ws
Extremism in Prisons
986, 998
Fabricant, Michael
Chamber Debates
Article 50 263
Points of Order 1117
Questions
Leaving the EU, Effect on Wales 1090
Topical Questions 124
West Midlands, Economy and Public Services 1099
Fairer Funding Formula for School Pupils in Macclesfield Constituency and the Cheshire East Local Authority Area 1070
Fairer Funding Formula for School Pupils in the Congleton Constituency and wider Cheshire East Local Authority Area 1069
Fallon, Sir Michael, Secretary of State for Defence
Written Statements
Armed Forces’ Pay Review Body 21017 14ws
NATO’s Enhance Forward Presence 14-5ws
Family Justice
147
Farrelly, Paul
Chamber Debates
Early Parliamentary General Election 681
Farron, Tim
Chamber Debates
Article 50 260
Early Parliamentary General Election 693-6
Questions
Engagements 672, 1111
Faversham Oyster Fishery Company Bill [Lords] 655, 983
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Flett, Caroline
Chamber Debates
Article 50 288

Flynn, Paul
Chamber Debates
Business of the House 414, 799
EU Referendum, Lessons Learned 819-20
Persecution and Detention of LGBT Citizens, Chechnya 787
Points of Order 1115, 1228

Westminster Hall
Badger Culling (27.03.2017) 1-6wh, 17-8wh, 24wh, 26wh, 33-44wh

Questions
Hendry Review 1098
Topical Questions 1221
Welsh Sheep Meat Trade 1210

Food and Drink Sector
764

Food and Farming
Employment Opportunities 468wh

Foreign Affairs Council (3 April)
20ws

Foreign and Commonwealth Office
105, 20ws, 56ws, 63ws

Foster, Kevin
Chamber Debates
Article 50 288

Finance (No. 2) Bill 589, 597, 613
Middle Level Bill 354-9, 365, 367, 370
Northern Ireland, Political Developments 140

Questions
Economic Growth 535
Joint Ministerial Committee 658
Personal Independence Payments 8
Sudan and South Sudan 118

Fourth Anti-money Laundering Directive
9ws

Fougarou, Yvonne
Westminster Hall
Breathing Space Scheme 186-7wh
193wh

Foxcroft, Vicky
Westminster Hall
Post Office Closures 447wh

Questions
Domestic Violence Refuges 893

Francis, Mr Mark
Chamber Debates
Article 50 285
Early Parliamentary General Election 688

Frazier, Lucy
Chamber Debates
Article 50 284
Finance (No. 2) Bill 582-3, 586

Freeman, George
Chamber Debates
Article 50 268

Freer, Mike
Chamber Debates
Magnox, Early Contract Terminations 29

Westminster Hall
IV Treatment 149-56wh, 171-2wh

Questions
Jobcentre Plus Closures 14
Topical Questions 239

Fuller, Richard
Chamber Debates
Higher Education and Research Bill 1164, 1177-80

Furniss, Gill
Chamber Debates
Neighbourhood Planning Bill 152
Yemen 210

Westminster Hall
Post Office Closures 454-5wh, 457wh
Whirlpool, Product Safety System 556-7wh

Questions
Topical Questions 21

Future Accommodation Model
259wh

Future of Channel 4
19ws

Fysh, Marcus
Westminster Hall
Diesel Vehicle Scrappage Scheme (19.04.2017) 329-30wh

Questions
Joint Ministerial Committee 658
Leaving the EU, Food Prices 768
Number of Vocations 779

Gale, Sir Roger
Chamber Debates
State Pensions, UK Expatriates 827-30, 850-1

Westminster Hall
Badger Culling (27.03.2017) 13-6wh, 29wh

Gapes, Mike
Chamber Debates
Business of the House 547
Legislating for UK Withdrawal from the EU 441
Syria and North Korea 560-1

Westminster Hall
Local and Regional News (30.03.2017) 221wh

Questions
Anglo-American Relations 114

Gauke, Mr David, Chief Secretary to the Treasury
Chamber Debates
Section 5 of the European Communities (Amendment) Act 1993 732-4, 740

Written Statements
Convergence Programme 24-5ws
Cross-Government Prosperity Fund 53-4ws
ECOFIN, 21 March 2017 59-60ws
UK Bilateral Loan to Ireland 36ws

Questions
Productivity 536
Regional Infrastructure Development 532-3
School Budgets 521-2
School Funding 523-4

Topical Questions 539, 542

GCSE English Literature Exams
(24.04.2017) 425wh

General Affairs Council
56ws
April 2017 69ws

Gethins, Stephen
Chamber Debates
Legislating for UK Withdrawal from the EU 432-3

Questions
Employment and Workers’ Rights 1205-6

Ghani, Nusrat
Chamber Debates
Personal Independence Payment, Regulations 320-1

Westminster Hall
Preventing Avoidable Sight Loss (28.03.2017) 35-40wh, 56wh
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Goodwill, Mr Robert, Minister for Immigration
Written Statements
Immigration 65-8ws

Grady, Patrick
Chamber Debates
Air Quality Strategy 909-10
Article 50 289
Business of the House 422, 810-1
EU Referendum, Lessons Learned 819
Finance (No. 2) Bill 1026, 1029
Legislating for UK Withdrawal from the EU 443
Persecution and Detention of LGBT Citizens, Chechnya 789-90
Tackling Infectious Diseases 863-4, 868
Questions
Devolved Matters 1209
East Africa (Food Security) 236
European Convention on Human Rights 996
Topical Questions 1223

Graham, Richard
Chamber Debates
Neighbourhood Planning Bill 168-9

Grandparents' Rights
Access to Grandchildren 492wh

Grant, Peter
Chamber Debates
Article 50 293

Gray, Neil
Chamber Debates
Article 50 295
Employment and Support Allowance
(29.03.2017) 302-3
Employment and Support Allowance
(18.04.2017) 646-7
Points of Order 300-1
Westminster Hall
Preventing Avoidable Sight Loss
(28.03.2017) 37wh, 43wh, 47wh
Questions
Extremism in Prisons 986
Leaving the EU, Environmental Standards Regulations 761
Topical Questions 121, 400
Young People in Work 10

Glass, Pat
Questions
Cammell Laird 992-3
National Road Safety Targets 389

Glindon, Mary
Westminster Hall
Children's Health, Access to Milk
57-9wh, 62-4wh
Food and Farming, Employment Opportunities 476-7wh, 481wh
School Funding, North-east of England
(26.04.2017) 516-7wh
Upper Catchment Management 579-80wh
Questions
Topical Questions 770

Godsiff, Mr Roger
Chamber Debates
Early Parliamentary General Election 700-1

Goodman, Helen
Chamber Debates
Business of the House 546
Legislating for UK Withdrawal from the EU 441
Personal Independence Payment, Regulations 310
Westminster Hall
Local and Regional News (30.03.2017) 197-201wh, 220wh, 226wh
Questions
Employment, Mental Health 11
School Budgets 522

Green, Kate—continued
Legislating for UK Withdrawal from the EU 443
Personal Independence Payment, Regulations 323, 327-8
Prison Reform, Governor Empowerment 825
Questions
Air Quality National Framework 760
Prison Staffing 991
Topical Questions 22, 399, 772, 1002

Greening, Justine, Secretary of State for Education
Written Statements
Contingent Liability Notification 34ws
Department for Education Agencies 15-6ws
Primary Assessment in England 27-8ws
Schools Capital Allocations 34-5ws
Petitions
School Funding in Tonbridge and Malling 15-6p

Greenwood, Lilian
Chamber Debates
Bus Services Bill [Lords] 44, 46, 48-9, 65, 79, 81, 92
Questions
Personal Independence Payments 5

Greenwood, Margaret
Westminster Hall
Local and Regional News (30.03.2017) 198-9wh
Questions
Universal Credit 13, 360-3wh

Gummer, Ben, Minister for the Cabinet Office and Paymaster General
Written Statements
Cabinet Committees 24ws
Conduct Guidance for Elections (4 May) 36ws
Conduct Guidance for General Election 44ws

Gyimah, Mr Sam, Parliamentary Under-Secretary of State for Justice
Written Statements
Justice Update 18ws
Questions
Extremism in Prisons 986-8, 998
HMP Lewes 984-5
Novel Psychoactive Substances 985-6
Topical Questions 1000-2, 1004

Haigh, Louise
Chamber Debates
Article 50 292
Business of the House 417
Digital Economy Bill 1128-33
Questions
Jobcentre Plus Closures 14
Leaving the EU, Justice System 989

Halfon, Robert, Minister for Apprenticeships and Skills
Chamber Debates
Technical and Further Education Bill 713-6, 720-1, 725-7
Written Statements
Technical and Further Education Bill, English Votes for English Laws 41-2ws

Hall, Luke
Westminster Hall
Joint Spatial Plan (Thornbury and Yate)
(29.03.2017) 173-6wh
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Hart, Simon—continued
Westminster Hall
Badger Culling (27.03.2017) 14-8wh, 24wh

Haselhurst, Sir Alan
Questions
Engagements 1109

Hayes, Helen
Westminster Hall
School Funding (London) (29.03.2017) 115-9wh, 121wh, 139-40wh
Questions
School Funding 523-4
Supported Housing 880

Hayes, Mr John, Minister of State, Department for Transport
Westminster Hall
Diesel Vehicle Scrappage Scheme (19.04.2017) 313wh, 329-33wh
Emissions and Vehicle Type Approval (20.04.2017) 396-404wh
Written Statements
Dartford-Thurrock Crossing Charging Scheme 22ws
Light Dues 2017-18 30ws
MCA Business Plans 30-1ws
Pensions
Traffic enforcement measures along the A52 17-8p

Hayman, Sue
Chamber Debates
Air Quality Strategy 901-2
Animal Welfare 477-9
Middle Level Bill 359-60
Points of Order 1007
Westminster Hall
Badger Culling (27.03.2017) 22-5wh
Questions
New Markets 766

Heald, Sir Oliver, Minister for Courts and Justice
Chamber Debates
Points of Order 1007
Westminster Hall
Grandparents’ Rights, Access to Grandchildren 498-502wh
Questions
Child Arrangement Orders 997
Courts, Digital Technology 997-8
Domestic Violence, Legal Aid 983-4
European Convention on Human Rights 996-7
Leaving the EU, Human Rights 995-6
Topical Questions 1002-6

Healey, John
Questions
Rough Sleeping 876-7

Health
16ws, 46ws, 16p
Health Service Medical Supplies (Costs) Bill 1060

Heappey, James
Chamber Debates
Northern Ireland (Ministerial Appointments and Regional Rates) Bill 928
Westminster Hall
Children’s Health, Access to Milk 58wh, 64wh
Wells Bid for UK City of Culture 484-9wh

Heathrow
Noise Monitoring 389

Heaton-Jones, Peter
Chamber Debates
Business of the House 804
Questions
Topical Questions 898

Hendrick, Mr Mark
Chamber Debates
Syria and North Korea 563

Hendry, Drew
Chamber Debates
Article 50 297
Westminster Hall
Regional Flags, Driving Licences and Number Plates 378wh, 381-2wh
Questions
Leaving the EU, Cabotage 380
Private Parking 385-6

Hendry Review 1098

Hepburn, Mr Stephen
Questions
Personal Independence Payments 5-6
Regional Infrastructure Development 532-3
Topical Questions 894, 1004

Her Majesty’s Most Gracious Speech 1231-3

Herbert, Nick
Chamber Debates
Neighbourhood Planning Bill 186-9

Hereditary Peers 86wh

Hermon, Lady
Chamber Debates
Northern Ireland (Ministerial Appointments and Regional Rates) Bill 927, 945, 948-9, 965, 972
Northern Ireland, Political Developments 138-9

Hezbollah 112

High Streets 892

Higher Education and Research Bill 1158
EVEL Analysis 63ws

Hinds, Damian, Minister for Employment
Westminster Hall
Written Statements
Employment, Social Policy, Health and Consumer Affairs Council, Informal Meeting 61-2ws
Questions
Jobcentre Plus Closures 13-5
Topical Questions 19-24
Universal Credit 12-3, 363-6wh
Young People in Work 9-10

HIV Treatment 149wh

HMP Lewes 994

Hodgson, Mrs Sharon
Chamber Debates
Digital Economy Bill 1136-7, 1140-2
Westminster Hall
HIV Treatment 164-7wh
Post Office Closures 455wh
Rare Diseases Strategy 107-9wh
School Funding, North-east of England (26.04.2017) 503-7wh, 509wh, 517wh, 519wh, 526-7wh

Hands, Greg, Minister for Trade and Investment
Questions
Leaving the EU, Private Sector 660-2

Hanson, Mr David
Chamber Debates
Business of the House 547
Northern Ireland, Political Developments 138
Westminster Hall
Hereditary Peers 86-93wh
School Funding (London) (29.03.2017) 119wh, 125-6wh, 132wh, 137wh
Questions
Affordable Homes 885-6
Extremism in Prisons 987
North Wales-England Transport Links 392
Personal Independence Payments 7-8
Topical Questions 21

Harrington, Richard, Parliamentary Under-Secretary of State for Pensions
Chamber Debates
Pension Schemes Bill [Lords] 348-9
State Pensions, UK Expatriates 846-50, 852
Questions
Pension Investments 1-3
State Pension Age, Women 15-7
Topical Questions 22

Harris, Carolyn
Westminster Hall
Whirlpool, Product Safety System 552-3wh
Questions
Engagements 246-7

Harris, Rebecca
Westminster Hall
Local and Regional News (30.03.2017) 286-7wh

Harrison, Trudy
Chamber Debates
Finance (No. 2) Bill 1016-20

Hart, Simon
Chamber Debates
Animal Welfare 462-4

Hammond, Mr Philip, Chancellor of the Exchequer
Written Statements
ECOFIN, 7-8 April 2017 60ws
Questions
Digital Infrastructure 522-3
Economic Growth Outside London/South-East 524-6
Exiting the EU, Public Finances 528-30
Topical Questions 537-42

Hammond, Stephen
Questions
Financial Services Industry 1201
Housing Market 887
Topical Questions 1216

Hancock, Matt, Minister for Digital and Culture
Chamber Debates
Digital Economy Bill 1122-5, 1127-8, 1140, 1144, 1146
Westminster Hall
Local and Regional News (30.03.2017) 220wh, 222-6wh
Wells Bid for UK City of Culture 489-91wh
Written Statements
Archives Unlocked 19ws
Digital Economy Bill 45ws
Tailored Review of Arts Council England 55ws

Heathrow
Noise Monitoring 389

Healey, John
Questions
Rough Sleeping 876-7

Health
16ws, 46ws, 16p
Health Service Medical Supplies (Costs) Bill 1060

Heappey, James
Chamber Debates
Northern Ireland (Ministerial Appointments and Regional Rates) Bill 928
Westminster Hall
Children’s Health, Access to Milk 58wh, 64wh
Wells Bid for UK City of Culture 484-9wh

Heathrow
Noise Monitoring 389

Heaton-Jones, Peter
Chamber Debates
Business of the House 804
Questions
Topical Questions 898

Hendrick, Mr Mark
Chamber Debates
Syria and North Korea 563

Hendry, Drew
Chamber Debates
Article 50 297
Westminster Hall
Regional Flags, Driving Licences and Number Plates 378wh, 381-2wh
Questions
Leaving the EU, Cabotage 380
Private Parking 385-6

Hendry Review 1098

Hepburn, Mr Stephen
Questions
Personal Independence Payments 5-6
Regional Infrastructure Development 532-3
Topical Questions 894, 1004

Her Majesty’s Most Gracious Speech 1231-3

Herbert, Nick
Chamber Debates
Neighbourhood Planning Bill 186-9

Hereditary Peers 86wh

Hermon, Lady
Chamber Debates
Northern Ireland (Ministerial Appointments and Regional Rates) Bill 927, 945, 948-9, 965, 972
Northern Ireland, Political Developments 138-9

Hezbollah 112

High Streets 892

Higher Education and Research Bill 1158
EVEL Analysis 63ws

Hinds, Damian, Minister for Employment
Westminster Hall
Written Statements
Employment, Social Policy, Health and Consumer Affairs Council, Informal Meeting 61-2ws
Questions
Jobcentre Plus Closures 13-5
Topical Questions 19-24
Universal Credit 12-3, 363-6wh
Young People in Work 9-10

HIV Treatment 149wh

HMP Lewes 994

Hodgson, Mrs Sharon
Chamber Debates
Digital Economy Bill 1136-7, 1140-2
Westminster Hall
HIV Treatment 164-7wh
Post Office Closures 455wh
Rare Diseases Strategy 107-9wh
School Funding, North-east of England (26.04.2017) 503-7wh, 509wh, 517wh, 519wh, 526-7wh

Hands, Greg, Minister for Trade and Investment
Questions
Leaving the EU, Private Sector 660-2

Hanson, Mr David
Chamber Debates
Business of the House 547
Northern Ireland, Political Developments 138
Westminster Hall
Hereditary Peers 86-93wh
School Funding (London) (29.03.2017) 119wh, 125-6wh, 132wh, 137wh
Questions
Affordable Homes 885-6
Extremism in Prisons 987
North Wales-England Transport Links 392
Personal Independence Payments 7-8
Topical Questions 21

Harrington, Richard, Parliamentary Under-Secretary of State for Pensions
Chamber Debates
Pension Schemes Bill [Lords] 348-9
State Pensions, UK Expatriates 846-50, 852
Questions
Pension Investments 1-3
State Pension Age, Women 15-7
Topical Questions 22

Harris, Carolyn
Westminster Hall
Whirlpool, Product Safety System 552-3wh
Questions
Engagements 246-7

Harris, Rebecca
Westminster Hall
Local and Regional News (30.03.2017) 286-7wh

Harrison, Trudy
Chamber Debates
Finance (No. 2) Bill 1016-20

Hart, Simon
Chamber Debates
Animal Welfare 462-4
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Jones, Gerald—continued
Whirlpool, Product Safety System
Questions
Engagements 670
Leaving the EU, Effect on Wales 1091

Jones, Graham
Chamber Debates
Joint Ministerial Committee
EVEL Analysis 63ws

Jones, Mr Marcus, Parliamentary Under-Secretary of State for Communities and Local Government
Written Statements
Business Rates, Plant Nurseries 25ws
Questions
Social Housing 887

Jones, Susan Elan
Chamber Debates
Article 50 290
Royal Academy of Engineering 1048

Kane, Mike—continued
Breathing Space Scheme 194-6wh

Kane, Mike
Chamber Debates
Northern Ireland, Political Developments 141

Kane, Mike—continued
Westminster Hall
School Funding (London) (29.03.2017) 126wh, 134-7wh

Keeley, Barbara
Chamber Debates
Contaminated Blood 1078-9, 1081, 1087-8

Kendall, Liz
Chamber Debates
Article 50 272

Kennedy, Seema
Chamber Debates
Article 50 273

Kerr, Calum
Chamber Debates
Digital Economy Bill 1134-6
Questions
Food and Drink Sector 764

Kettering
670

Kettering Rail Service
394

Kinahan, Danny
Chamber Debates
Ballydugan Four 750-1

Kinnock, Stephen
Chamber Debates
Article 50 274

Knee, Stephen
Chamber Debates
Air Quality National Framework 760
Engagements 240-1

Kendall, Liz
Chamber Debates
Unknown

Kennedy, Seema
Chamber Debates
Article 50 273

Kerr, Calum
Chamber Debates
Unknown

Kinnock, Stephen
Chamber Debates
Unknown

Kane, Mike
Chamber Debates
Unknown

Kane, Mike—continued
Westminster Hall
School Funding (London) (29.03.2017) 126wh, 134-7wh

Keeley, Barbara
Chamber Debates
Contaminated Blood 1078-9, 1081, 1087-8

Kendall, Liz
Chamber Debates
Article 50 272

Kennedy, Seema
Chamber Debates
Article 50 273

Kerr, Calum
Chamber Debates
Digital Economy Bill 1134-6

Kettering Rail Service
394

Kinahan, Danny
Chamber Debates
Ballydugan Four 750-1

Kinnock, Stephen
Chamber Debates
Article 50 274

Knee, Stephen
Chamber Debates
Air Quality National Framework 760

Kendall, Liz
Chamber Debates
Unknown

Kennedy, Seema
Chamber Debates
Article 50 273

Kerr, Calum
Chamber Debates
Digital Economy Bill 1134-6

Kettering Rail Service
394
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Leadsom, Andrea—continued

Questions
Air Quality National Framework 759-60
Seasonal Agricultural Workforce 769
Topical Questions 769-74

Learning outside the Classroom
562wh

Leaving the EU
Cabotage 379
Departmental Policy Implications 17
Effect on Wales 1089
Environmental Standards Regulations 760
Food Prices 767
Human Rights 995
Justice System 988
Private Sector 660
Value-for-money Scrutiny 776

Lee, Dr Phillip, Parliamentary Under-Secretary of State for Justice
Westminster Hall
Royal Institution of Chartered Surveyors, Property Act Receiverships 304-8wh
Questions
Camrell Laird 992-4
Prisons, Mental Health Provision 998
Topical Questions 1006
Women's Centres 999

Legislating for UK Withdrawal from the EU
427

Leigh, Sir Edward
Chamber Debates
Article 50 289
Business of the House 418
State Pensions, UK Expatriates 837
Tackling Infectious Diseases 856-8
Questions
New Markets 767
Topical Questions 401
Tourism 1199

Leffroy, Jeremy
Chamber Debates
Article 50 289
Business of the House 418
State Pensions, UK Expatriates 837
Tackling Infectious Diseases 856-8
Questions
New Markets 767
Topical Questions 401
Tourism 1199

Legislating for UK Withdrawal from the EU
427

Lewell-Buck, Mrs Emma
Chamber Debates
Tyne Marine Office 96-8, 101-2
Westminster Hall
GCSE English Literature Exams
(24.04.2017) 428-31wh
School Funding, North-east of England
(26.04.2017) 511wh, 519-24wh
Questions
Adult Social Care Funding 887
Leaving the EU, Food Prices 767
Topical Questions 404

Lewis, Brandon, Minister for Policing and the Fire Service
Westminster Hall
European Arrest Warrant 418-23wh
Written Statements
Europol Regulation Opt-in 17ws
Justice and Home Affairs Pre-Council
Statement 3-4ws

Lewis, Clive
Chamber Debates
Business of the House 417
Points of Order 1008
Yemen 206-7
Westminster Hall
Post Office Closures 449-50wh

Lewis, Dr Julian
Chamber Debates
Article 50 289
Legislating for UK Withdrawal from the EU
Syria and North Korea 562
Questions
Bilateral Relations, Poland 110
Topical Questions 125, 1223

Lewis, Mr Ivan
Chamber Debates
Northern Ireland, Political Developments 137

Liddington, Mr David, Leader of the House of Commons
Chamber Debates
Business of the House (24, 25, 26 and 27 April) 913-6
Business of the House 406, 408-26, 543-50, 791, 793-812
Manchester, Gorton (W rit) 826
Points of Order 912
Written Statements
EVEL Standing Orders Update 29-30ws

Light Dues 2017-18
30ws

Lilley, Mr Peter
Questions
Engagements 1109-10
Great Repeal Bill, Future Trade Terms 1207
Trade and Customs Agreement 1213

Litter Removal
Highways England 395

Local and Regional News
(30.03.2017) 197wh

Local Housing Provision
890

London Borough of Tower Hamlets
13ws

Long-term Health Problems and Work Outcomes
284wh

Lord, Jonathan
Westminster Hall
Learning outside the Classroom
564-5wh, 567-8wh
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

McDonald, Stuart C.—continued
Business of the House 424
Legislating for UK Withdrawal from the EU 444
Persecution and Detention of LGBT Citizens, Chechnya 790
Westminster Hall
European Arrest Warrant 412-5wh, 421wh
Questions
East Africa (Food Security) 235
Leaving the EU, Cabotage 379
Topical Questions 771

McDonnell, Dr Alaeddin
Chamber Debates
Article 50 266
Northern Ireland (Ministerial Appointments and Regional Rates) Bill 933, 958, 961-4
Northern Ireland, Political Developments 134

McDonnell, John
Questions
Economic Growth Outside London/South-East 526
Topical Questions 537-8

McFadden, Mr Pat
Chamber Debates
Article 50 269
Legislating for UK Withdrawal from the EU 448

McGarry, Natalie
Chamber Debates
Article 50 293
Business of the House 804-5
Questions
Devolved Matters 1290

McGinn, Conor
Chamber Debates
Business of the House 416
Northern Ireland, Political Developments 139

McGovern, Alison
Chamber Debates
Syria and North Korea 561-2
Questions
Engagements 250

McInnes, Liz
Chamber Debates
Easter Adjournment (30.03.2017) 502-3
Legislating for UK Withdrawal from the EU 445
Questions

Mackinlay, Craig
Chamber Debates
Article 50 275

Mckinnell, Catherine
Chamber Debates
Article 50 288
Personal Independence Payment, Regulations 309
Westminster Hall
Breathing Space Scheme 181wh
School Funding, North-east of England (26.04.2017) 517-20wh
Questions

Mackintosh, David—continued
Productivity 536

Mak, Mr Alan
Chamber Debates
Finance (No. 2) Bill 589-90, 592, 599
Questions

Malhotra, Seema
Chamber Debates
Article 50 278
Points of Order 1227-8
Questions
Trade and Customs Agreement 1213

Malthouse, Kit
Chamber Debates
Finance (No. 2) Bill 615-9

Manchester, Gorton (Writ)
Questions

Main, Mrs Anne
Chamber Debates
Early Parliamentary General Election 692-3, 707
Finance (No. 2) Bill 610, 627-8, 630
Neighbourhood Planning Bill 154, 159-61, 171
Westminster Hall
HIV Treatment 149wh

Manders, Justin
Chamber Debates
Business of the House 422
Health Service Medical Supplies (Costs) Bill 1062-3
Questions

Magnitsky, Diana
Chamber Debates
Early Contract Terminations 25

Malhotra, Seema
Chamber Debates
Article 50 278
Points of Order 1227-8
Questions
Trade and Customs Agreement 1213

Malthouse, Kit
Chamber Debates
Finance (No. 2) Bill 615-9

Manchester, Gorton (Writ)
Questions

Mann, John
Chamber Debates
Neighbourhood Planning Bill 153, 165, 181-2, 185, 189-90

Loughton, Tim
Westminster Hall
Post Office Closures 435-9wh, 459wh

Lucas, Caroline
Chamber Debates
Early Parliamentary General Election 691

Lucas, Ian C.
Chamber Debates
Royal Electrical and Mechanical Engineers and High Town Barracks, Wrexham 1068
Questions

McCabe, Steve
Chamber Debates
Finance (No. 2) Bill 615-9

McCafferty, John
Westminster Hall
Sanitary Products (No. 2) Bill 407-8

McDonald, Andy
Chamber Debates
Business of the House 414
Legislating for UK Withdrawal from the EU 442
Sanitary Products 514-5, 517
Westminster Hall
Local and Regional News (30.03.2017) 201-4wh, 217wh
Questions
Engagements 1105
Northern Powerhouse 888-9
Regional Infrastructure Development 533
UK Universities 1215

McCourtney, Karl
Westminster Hall
National Spatfire Project 69-70wh

McDonald, Stuart C.
Chamber Debates
Article 50 298-9

McDonald, Stewart Malcolm
Chamber Debates
Business of the House 550, 812
Early Parliamentary General Election 682, 694-5
Persecution and Detention of LGBT Citizens, Chechnya 788-9
Points of Order 813-4
Questions
Topical Questions 540

McDonald, Stuart C.
Chamber Debates
Article 50 298-9
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Maynard, Paul, Parliamentary Under-Secretary of State for Transport Westminster Hall
Colne to Skipton Railway 532-6wh Questions
East Midlands Rail Franchise 393-4
Kettering Rail Service 394
Northern Powerhouse Rail 381-2
Rail Network, Investment 386-7
Rail Ticketing 383
Ship-to-Ship Transfers 395
Topical Questions 399, 402, 404
MCA Business Plans
30ws

Mears, Ian
Chamber Debates
Bus Services Bill [Lords] 47, 57, 59-60, 65, 67, 75, 77-8, 82, 91, 93
Business of the House 412-3, 796-7
Easter Adjournment (30.03.2017) 484-8
Section 5 of the European Communities (Amendment) Act 1993 737
Technical and Further Education Bill 715-6, 724, 726
Tyne Marine Office 98-9
Mental Capacity
94

Menzies, Mark
Questions
Courts, Digital Technology 997

Merriman, Huw
Chamber Debates
Bus Services Bill [Lords] 41-3
Finance (No. 2) Bill 1032
Magnox, Early Contract Terminations 30
Westminster Hall
Post Office Closures 446-7wh Questions
Topical Questions 21

Microbeads
763

Middle Level Bill
354

Miliband, Edward
Chamber Debates
Article 50 262

Miller, Mrs Maria
Chamber Debates
Bus Services Bill [Lords] 37-9, 41, 47-8
Points of Order 32
Questions
Belarus 119

Mills, Nigel
Chamber Debates
Finance (No. 2) Bill 574, 583-92
Northern Ireland, Political Developments 137

Mining
Health and Safety 221

Mitchell, Mr Andrew
Chamber Debates
Yemen 198-9, 202, 205, 209, 218

Monaghan, Carol
Chamber Debates
Air Quality Strategy 909-10
Article 50 295
Drumchapel Post Office 1067 Higher Education and Research Bill 1174-7
Points of Order 912
Tackling Infectious Diseases 862-4
Westminster Hall
Post Office Closures 445-6wh

Monaghan, Carol—continued
Questions
Affordable Homes 886
Leaving the EU, Human Rights 995
Leaving the EU, Private Sector 661

Monaghan, Dr Paul
Chamber Debates
Animal Welfare 474-7
Finance (No. 2) Bill 607
Westminster Hall
Badger Culling (27.03.2017) 7wh, 9wh, 18-22wh, 28-9wh
Questions
Leaving the EU, Environmental Standards Regulations 762
Leaving the EU, Private Sector 661

Money Laundering
527, 535

Moon, Mrs Madeleine
Chamber Debates
Personal Independence Payment, Regulations 310
Westminster Hall
Whirlpool, Product Safety System 537wh, 540-1wh, 545wh, 551wh, 558wh

Mordaunt, Penny, for
Disabled People, Health and Work
Chamber Debates
Employment and Support Allowance (18.04.2017) 649-53
Mining, Health and Safety 225-30
Personal Independence Payment, Regulations 330-4
Westminster Hall
Long-term Health Problems and Work Outcomes 289-92wh
Written Statements
Disability 50-1ws
Personal Independence Payment 32ws Questions
Personal Independence Payments 5-9
Topical Questions 20, 22-4

Morden, Jessica
Westminster Hall
Badger Culling (27.03.2017) 5wh

Morgan, Nicky
Chamber Debates
Article 50 263-4
Westminster Hall
Dog Attacks on Dogs 460-3wh, 466wh

Morningside Post Office Franchising
1069

Morris, David
Questions
Northern Powerhouse 889
Topical Questions 542, 1224

Morris, Grahame M.
Questions
Engagements 1112

Morris, James
Chamber Debates
Legislating for UK Withdrawal from the EU 439
Questions
Afghanistan 236

Morton, Wendy
Chamber Debates
Business of the House 803
Middle Level Bill 364-5
Tackling Infectious Diseases 858-9
Questions
Leaving the EU, Effect on Wales 1091-2
Topical Questions 772

Mann, Scott
Chamber Debates
Air Quality Strategy 905
Westminster Hall
Regional Flags, Driving Licences and Number Plates 375-7wh, 384wh

Marriage
Preparation and Aftercare 777

Marris, Rob
Chamber Debates
Early Parliamentary General Election 699
Finance (No. 2) Bill 1056-9
Magnox, Early Contract Terminations 30
Points of Order 1008
Questions
Probate Registry Fees 526-7
State Pension Age, Women 17

Marsden, Gordon
Chamber Debates
Higher Education and Research Bill 1166-73, 1184
Technical and Further Education Bill 717-25

Maskell, Rachael
Chamber Debates
Animal Welfare 447
Article 50 291
Business of the House 423
Legislating for UK Withdrawal from the EU 444
Personal Independence Payment, Regulations 312
Westminster Hall
Badger Culling (27.03.2017) 3-4wh, 8wh
Local and Regional News (30.03.2017) 289-30wh
Upper Catchment Management 570-3wh, 576wh, 578wh, 581wh, 584-6wh Questions
Air Quality National Framework 759
Engagements 1106
Rail Network, Investment 386-7
School Funding 524
Small Businesses 877
Topical Questions 771

Matheson, Christian
Chamber Debates
Article 50 293-4 Questions
Engagements 676
Topical Questions 122-3

Mathias, Dr Tania
Chamber Debates
Article 50 272
Westminster Hall
Preventing Avoidable Sight Loss (28.03.2017) 41-2wh
School Funding (London) (29.03.2017) 128-30wh
Questions
Heathrow, Noise Monitoring 389

May, Rt. Hon. Mrs Theresa, The Prime Minister
Chamber Debates
Article 50 251-4, 256-99
Early Parliamentary General Election 681-6 Questions
Engagements 240-50, 664-76, 1100-14
Kettering 670-1
Munitions Workers (Award) 246
West Midlands, Economy and Public Services 1099-100

15
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Paterson, Steven—continued
Questions
Economic Growth Outside London/South-East 525
Engagements 1109
Leaving the EU, Departmental Policy Implications 17
Scottish Food and Drink Sector 1214
Ship-to-Ship Transfers 395
UK Single Market 664

Pawsey, Mark
Chamber Debates
Article 50 292
Legislating for UK Withdrawal from the EU 438
Questions

Pearce, Teresa
Questions
Assured Shorthold Tenancies 881
Private Parking 385
Topical Questions 898, 900

Penrose, John
Westminster Hall
Wells Bid for UK City of Culture 484wh

Pension Investments
1
Pension Schemes Bill [Lords] 336
Pension Schemes Bill [Lords] (Programme) (No. 3) 335

Percy, Andrew, Parliamentary Under-Secretary of State for Communities and Local Government
Questions
High Streets 892-3
Northern Powerhouse 889-90
Pubs 885
Topical Questions 898

Perkins, Toby
Chamber Debates
Neighbourhood Planning Bill 153, 155-9, 165, 173
Personal Independence Payment, Regulations 308
Questions
Exiting the EU, Public Finances 528
Money Laundering 528

Perry, Claire
Chamber Debates
Article 50 270
Digital Economy Bill 1130-1, 1144-8

Persecution and Detention of LGBT Citizens
Chechnya 781

Persecution of Christians
511
Personal Independence Payment
32ws
Regulations 308

Petition
220, 370, 511

Petitions
(25.04.2017) 1067, 1185

Phillips, Jess
Chamber Debates
Business of the House 550
Early Parliamentary General Election 701

Phillipson, Bridget
Chamber Debates
Bus Services Bill [Lords] 63
Northern Ireland, Political Developments 142

Philp, Chris
Questions
Exiting the EU, Public Finances 529

Pickles, Sir Eric
Chamber Debates
Syria and North Korea 559
Engagements 1110
Israel Settlement Goods 107

Points of Order
(29.03.2017) 300
(18.04.2017) 566
32, 813, 911, 1007, 1115, 1225

Political Update
37ws

Post Office Closures
435wh

Post Office in Westcliffe, Scunthorpe
1p

Poulter, Dr Daniel
Westminster Hall
Diesel Vehicle Scrappage Scheme (19.04.2017) 310wh, 314wh, 318-9wh
Food and Farming, Employment Opportunities 470wh, 479-80wh
Hereditary Peers 87-8wh, 92-3wh
HIV Treatment 151-2wh, 159wh, 168wh
Questions
Topical Questions 122, 238, 537

Pound, Stephen
Chamber Debates
Early Parliamentary General Election 687
Finance (No. 2) Bill 1027, 1031

Pow, Rebecca
Chamber Debates
Animal Welfare 448, 459, 471-4
Article 50 274
Finance (No. 2) Bill 593, 608, 630-1
Middle Level Bill 262
Syria and North Korea 564
Westminster Hall
Wells Bid for UK City of Culture 485wh, 487-8wh, 490wh

Powell, Lucy
Questions
Novel Psychoactive Substances 985
Universal Credit 12

Prestis, Victoria
Questions
Prison Staffing 990-1

Preventing Avoidable Sight Loss
(28.03.2017) 35wh

Primary Assessment in England
27ws

Primates as Pets
976
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Qureshi, Yasmin—continued
Extremism in Prisons 988

Rail Franchising
5ws

Rail Network
Investment 386

Rail Ticketing
383

Rare Diseases Strategy
96wh

Redwood, John
Chamber Debates
Air Quality Strategy 903
Article 50 260
Legislating for UK Withdrawal from the EU 433
Neighbourhood Planning Bill 152, 166-8, 172
Section 5 of the European Communities (Amendment) Act 1993 732-3, 736, 739

Rees, Christina
Questions
Great Repeal Bill 1095
Industrial Strategy 1097

Rees-Mogg, Mr Jacob
Chamber Debates
Article 50 272
Business of the House 544
Early Parliamentary General Election 697
Finance (No. 2) Bill 579, 587, 594-5,
601, 603-9, 614
Questions
Exiting the EU, Public Finances 529

Reeves, Rachel
Chamber Debates
Unauthorised Overdrafts (Cost of Credit) 1010-2
Questions
Economic Growth Outside London/South-East 524-5

Regional Flags
Driving Licences and Number Plates 375wh

Regional Infrastructure Development
532

Register of Beneficial Owners of Overseas Companies and Other Legal Entities
33ws

Regulatory Reform
220

Religious Dress and Symbols
Workplace 775

Reoffending
994

Reynolds, Jonathan
Chamber Debates
Article 50 286
Early Parliamentary General Election 693
Finance (No. 2) Bill 570, 608, 626,
631-4
Westminster Hall
Breathing Space Scheme 191-4
Questions
Exiting the EU, Public Finances 529-30
Topical Questions 400

Rimmer, Ms Marie
Westminster Hall
Child Maintenance Service 246-8
Questions
Personal Independence Payments 7

Ritchie, Ms Margaret
Chamber Debates
Article 50 281
Ballydugan Four 746, 750, 756
Higher Education and Research Bill 1172, 1175, 1182
Northern Ireland, Political Developments 136
Westminster Hall
Child Maintenance Service 229wh
Rare Diseases Strategy 101-3wh
Whirlpool, Product Safety System 538wh, 546wh, 555wh
Questions
Food and Drink Sector 764-5
Tourism 1199
Tourism, VAT Reduction 534

Road Collision Investigation Unit
391

Roberts, Liz Saville
Chamber Debates
Magnar, Early Contract Terminations 29
Westminster Hall
Cavity Wall Insulation, Wales 367wh
Local and Regional News (30.03.2017) 204-6wh, 225wh
Questions
Great Repeal Bill 1095

Robertson, Angus
Chamber Debates
Article 50 238-9
Early Parliamentary General Election 689-92
Questions
Engagements 243-4, 668, 1104
Scotland’s Contribution to the UK 656-7

Robertson, Mr Laurence
Chamber Debates
Northern Ireland (Ministerial Appointments and Regional Rates) Bill 929, 931-5, 942
Northern Ireland, Political Developments 131

Robinson, Gavin
Chamber Debates
Northern Ireland, Political Developments 144
Questions
Novel Psychoactive Substances 986
Small Businesses 879

Robinson, Mary
Questions
Engagements 669, 1106

Rough Sleeping
875

Royal Electrical and Mechanical Engineers and High Town Barracks, Wrexham 1068

Royal Institution of Chartered Surveyors
Property Act Receiverships 293wh

Rutley, David
Chamber Debates
Article 50 282
Fairer Funding Formula for School Pupils in Macclesfield Constituency and the Cheshire East Local Authority Area 1070
Northern Ireland, Political Developments 138
Syria and North Korea 562

Ryan, Joan
Westminster Hall
Whirlpool, Product Safety System 539wh
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Selous, Andrew—continued
Topical Questions 1005

Serious Fraud Office
251wh

Service Complaints Ombudsman
56ws

Shannon, Jim
Chamber Debates
Air Quality Strategy 909
Animal Welfare 460, 468-70
Ballydugan Four 745-53
Business of the House 426
Diesel Fumes, Isdlyn (26.04.2017) 1189
Easter Adjournment (30.03.2017) 504-5
Employment and Support Allowance (18.04.2017) 646
Middle Level Bill 364
Mining, Health and Safety 222
Northern Ireland (Ministerial Appointments and Regional Rates) Bill 955-9
Northern Ireland, Political Developments 142-3
Primates as Pets 976
Tyne Marine Office 99
Westminster Hall
Child Maintenance Service 237-40wh, 248wh
Food and Farming, Employment Opportunities 469wh
Future Accommodation Model 271-3wh
Grandparents’ Rights, Access to Grandchildren 494-6wh, 498wh, 500wh
HIV Treatment 156-8wh, 171wh
Homeopathy and the NHS 142wh
Learning outside the Classroom 562wh, 564wh
Long-term Health Problems and Work Outcomes 285wh
Post Office Closures 452-3wh
Preventing Avoidable Sight Loss (28.03.2017) 43-6wh, 50wh
Rare Diseases Strategy 96wh, 98wh
Whirlpool, Product Safety System 544-7wh, 559wh
Questions
Air Quality National Framework 760
Cancer Drugs, Funding 774-5
Extremism in Prisons 987-8
Hezbollah 113
Night Flights, Regional Airports 384
Social Housing Rent Arrears 884
Topical Questions 540, 1223
Tourism 1199

Sharma, Alok, Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs
Written Statements
Law and Order Trust Fund Afghanistan 56-7ws
Questions
Bilateral Relations, India 120-1
Topical Questions 122-3, 125

Sharma, Mr Virendra
Chamber Debates
State Pensions, UK Expatriates 832, 840
Tackling Infectious Diseases 853-6, 870
Questions
Money Laundering 535

Sheeran, Mr Barry—continued
Points of Order 1226-7
Westminster Hall
Food and Farming, Employment Opportunities 468wh, 470-1wh, 473wh
Learning outside the Classroom 562-6wh, 568-9wh
Questions
Air Quality National Framework 759-60
Cancer Drugs, Funding 775
Digital Infrastructure 522
Financial Services Industry 1202
Leaving the EU, Justice System 989
Road Collision Investigation Unit 391
Supported Housing 882
Topical Questions 22, 125, 772, 896, 1219

Shelbrooke, Alec
Chamber Debates
Business of the House 413
Questions
Topical Questions 401

Sheppard, Tommy
Chamber Debates
Article 50 298
Early Parliamentary General Election 705-6
Questions
Topical Questions 123

Sherriff, Paula
Chamber Debates
Business of the House 413
Sanitary Products 512-7

Ship-to-Ship Transfers
395

Shuker, Mr Gavin
Questions
Rough Sleeping 875

Siddiq, Tulip
Chamber Debates
Early Parliamentary General Election 705-6
Questions

Simpson, David
Chamber Debates
Ballydugan Four 747, 751
Northern Ireland (Ministerial Appointments and Regional Rates) Bill 920
Northern Ireland, Political Developments 141
Westminster Hall
Child Maintenance Service 238wh
Diesel Vehicle Scrappage Scheme (19.04.2017) 311wh
Post Office Closures 436wh
Preventing Avoidable Sight Loss (28.03.2017) 44wh

Simpson, Mr Keith
Questions
Anglo-American Relations 115

Skidmore, Chris, Parliamentary Secretary, Cabinet Office
Westminster Hall
Hereditary Peers 91-5wh

Skinner, Mr Dennis
Chamber Debates
Early Parliamentary General Election 704
Ballydugan, Early Contract Terminations 30
Mining, Health and Safety 227-8, 230
Points of Order 1225
Questions
Engagements 675
Topical Questions 402, 541, 1004-5
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Thornberry, Emily
Chamber Debates
Persecution and Detention of LGBT Citizens, Chechnya 783-4
Points of Order 566
Syria and North Korea 553-5
Yemen 214-7
Questions
Anglo-American Relations 115-6
Yazidi Captives, Daesh 112

Throup, Maggie
Westminster Hall
Preventing Avoidable Sight Loss (28.03.2017) 35wh
Questions
Topical Questions 22, 399

Timms, Stephen
Chamber Debates
Article 50 283
Early Parliamentary General Election 682
Employment and Support Allowance (18.04.2017) 645-6
Personal Independence Payment, Regulations 321-3, 331-3
Westminster Hall
Child Maintenance Service 228wh
School Funding (London) (29.03.2017) 116wh
Questions
Engagements 1108
Leaving the EU, Food Prices 768
Topical Questions 23, 773

Timpson, Edward, Minister for Vulnerable Children and Families Westminster Hall
Children’s Health, Access to Milk 60-4wh
Learning outside the Classroom 566-9wh

Tolhurst, Kelly
Chamber Debates
Business of the House 412
Westminster Hall
Breathing Space Scheme 181-6wh, 196wh

Tomlinson, Justin
Chamber Debates
Personal Independence Payment, Regulations 314-7
Questions
Personal Independence Payments 6

Tomlinson, Michael
Chamber Debates
Finance (No. 2) Bill 585
Westminster Hall
Food and Farming, Employment Opportunities 469wh
Questions
Employment and Workers’ Rights 1204 Jobcentre Plus Closures 14
Topical Questions 239

Topical Questions
19, 121, 238, 396, 537, 769, 893, 999, 1216

Tourism
1197
VAT Reduction 534

Tracey, Craig
Westminster Hall
Long-term Health Problems and Work Outcomes 284-8wh
Questions
Topical Questions 1000

Trade and Customs Agreement 1212
Traffic Enforcement Measures Along the A52 17p
Transitional State Pension Arrangements for Women Born in the 1950s 1187, 20-1p
Transport
379, 5ws, 22ws, 30ws, 9p, 17p
Treasury
521, 9ws, 24ws, 35ws, 53ws, 59ws, 3p
Tredinnick, David Westminster Hall
Homeopathy and the NHS 141-6wh, 148wh

Trevelyan, Mrs Anne-Marie Westminster Hall
Future Accommodation Model 268-71wh
School Funding, North-east of England (26.04.2017) 507-10wh
Questions
Cancer Drugs, Funding 775
Number of Vocations 778
Topical Questions 772

Trickett, Jon Chamber Debates
EU Referendum, Lessons Learned 818

Troubled Families
33ws
Truss, Elizabeth, Lord Chancellor and Secretary of State for Justice Written Statements
Boundary Commission for England, Deputy Chairman 4-5ws
Justice Update 28-9ws
Questions
Leaving the EU, Justice System 988-90
Prison Staffing 990-2
Reoffending 994
Topical Questions 999-1006

Tugendhat, Tom Chamber Debates
Article 50 291
Finance (No. 2) Bill 578-80, 583
Northern Ireland (Ministerial Appointments and Regional Rates) Bill 926
School Funding in Tonbridge and Malling 370
Petitions
School Funding in Tonbridge and Malling 15p

Turley, Anna Chamber Debates
Animal Welfare 448, 455-8
Business of the House 807
Closure of Marske Medical Centre 1068-9
Questions
Social Housing Rent Arrears 883
Topical Questions 1001

Turner, Karl Chamber Debates
Personal Independence Payment, Regulations 322, 334

Turner, Mr Andrew Chamber Debates
Business of the House 418
Northern Ireland, Political Developments 137

Turner, Mr Andrew—continued
Points of Order 1226
Westminster Hall
Breathing Space Scheme 186wh, 190wh, 193-4wh
Questions
Extremism in Prisons 998
Topical Questions 540, 893

Twigg, Derek
Questions
North Wales-England Transport Links 393
Social Housing Rent Arrears 883-4

Twigg, Stephen
Chamber Debates
Personal Independence Payment, Regulations 324-6
Yemen 199-201
Questions
Somalia (Food Security) 233

Tynes Marine Office 96

Tyrie, Mr Andrew
Questions
Topical Questions 538

UK Anti-Doping Tailored Review 26ws

UK Bilateral Loan to Ireland 36ws

UK Rebate 1215

UK’s Counter-terrorism Asset Freezing Regime (1 July to 30 September 2016) 11ws

UK’s Counter-terrorism Asset Freezing Regime (1 April to 30 June 2016) 9ws

UK Single Market 662

UK Universities 1215

Ulverston Post Office 1186

Umanna, Mr Chuka
Chamber Debates
Business of the House 805
Questions
Topical Questions 1218

Unauthorised Overdrafts (Cost of Credit) 1010

Unfinished Dwellings in Heol Berwyn, Cefn Mawr 9p

United Nations (Aid Programmes) 237

Universal Credit 17p
314wh

Upper Catchment Management 570-86wh

Vara, Mr Shailesh
Chamber Debates
Article 50 281
Early Parliamentary General Election 687, 691
Questions
Industrial Strategy 1096

Vaz, Keith
Chamber Debates
Article 50 285
INDEX—SESSION 2016–17
27th March, 2017—27th April, 2017

Warburton, David
Questions
UK Single Market 662-3

Warman, Matt
Chamber Debates
Finance (No. 2) Bill 600
Questions
Digital Infrastructure 522
Engagements 248
Topical Questions 541

Watkinson, Dame Angela
Questions
Engagements 1113

Weir, Mike
Chamber Debates
Article 50 283
Westminster Hall
Emissions and Vehicle Type Approval (20.04.2017) 390-3wh
Questions
Tourism 1198

Wells Bid for UK City of Culture
484wh

Welsh Sheep Meat Trade
1210

West, Catherine
Chamber Debates
Bus Services Bill [Lords] 35
Magnox, Early Contract Terminations 29
Personal Independence Payment, Regulations 314
Tackling Infectious Diseases 864-6
Westminster Hall
School Funding (London) (29.03.2017) 134wh
Questions
Topical Questions 122

West Midlands
Economy and Public Services 1099

Wharton, James, Parliamentary Under-Secretary of State for International Development
Chamber Debates
State Pensions, UK Expatriates 849
Tackling Infectious Diseases 866-70

Whately, Helen
Chamber Debates
Personal Independence Payment, Regulations 326-7
Questions
Employment, Mental Health 10-1
Litter Removal, Highways England 395
Seasonal Agricultural Workforce 769
Topical Questions 396-7

Whirpool
Product Safety System 537wh

Whiteford, Dr Eilidh
Chamber Debates
Article 50 286
Employment and Support Allowance (18.04.2017) 646
Legislat ing for UK Withdrawal from the EU 440
Westminster Hall
Questions
Food and Drink Sector 765
Universal Credit 12-3, 357-60wh

Whitehead, Dr Alan
Chamber Debates
Air Quality Strategy 904
Westminster Hall
National Spitfire Project 66wh, 75-7wh, 84wh

Whitehead, Dr Alan—continued
Engagements 1108

Whitford, Dr Philippa
Chamber Debates
Contaminated Blood 1087
Health Service Medical Supplies (Costs) Bill 1063-5
Questions
Personal Independence Payments 7-8

Whittaker, Craig
Chamber Debates
Northern Ireland, Political Developments 138
Westminster Hall
Upper Cratcht Management 570wh, 572wh

Whittingdale, Mr John
Chamber Debates
Magnox, Early Contract Terminations 27

Wiggin, Bill
Questions
Ministries Workers (Award) 246

Williams, Craig
Chamber Debates
Animal Welfare 447
Legislat ing for UK Withdrawal from the EU 440
Questions
Industrial Strategy 1096
Prison Staffing 990-1

Williams, Huw
Chamber Debates
Article 50 274-5
Business of the House of the 547
Early Parliamentary General Election 699
Westminster Hall
Cavity Wall Insulation, Wales 367-71wh
Questions
Lea ding the EU, Effect on Wales 1091-2

Williams, Mr Mark
Questions
Lea ding the EU, Effect on Wales 1090-1

Wilson, Corri
Chamber Debates
Personal Independence Payment, Regulations 317-9
Westminster Hall
Local and Regional News (30.03.2017) 212-4wh
Whirpool, Product Safety System 548-50wh

Wilson, Phil
Westminster Hall
School Funding, North-east of England (26.04.2017) 510-3wh, 524wh
Questions
Night Flights, Regional Airports 384

Wilson, Sammy
Chamber Debates
Article 50 294
Ballydugan Four 752, 755
Finance (No. 2) Bill 574, 580-1, 588, 590-1
Northern Ireland (Ministerial Appointments and Regional Rates) Bill 917, 920, 924, 928, 932-3, 939-44, 946, 950, 957-8
Northern Ireland, Political Developments 140
Questions
Digital Infrastructure 522-3
**Winnick, Mr David**  
*Chamber Debates*  
Article 50 273  
Early Parliamentary General Election 685, 700  
Persecution and Detention of LGBT Citizens, Chechnya 787  
Points of Order 1115-7  
Syria and North Korea 559-60  
*Westminster Hall*  
Post Office Closures 439-40wh  
*Questions*  
Topical Questions 126

**Winterton, Dame Rosie**  
*Chamber Debates*  
Article 50 267  
Legislating for UK Withdrawal from the EU 436  
*Questions*  
Employment, Mental Health 11

**Wishart, Pete**  
*Chamber Debates*  
Business of the House 410-1, 544, 795  
Joint Ministerial Committee 658

**Wollaston, Dr Sarah**  
*Chamber Debates*  
Air Quality Strategy 905  
Article 50 286-7  
Syria and North Korea 560  
*Questions*  
Food and Drink Sector 765

**Wood, Mike**  
*Chamber Debates*  
Questions 1112  
Topical Questions 1221

**Woodcock, John**  
*Chamber Debates*  
Ulverston Post Office 1186-7

**Work and Pensions**  
1, 32ws, 38ws, 50ws, 61ws, 10p, 13p, 20p, 1mc

**Workless Families**  
38ws

**Wragg, William**  
*Westminster Hall*  
Hereditary Peers 92wh  
*Questions*  
Engagements 248  
Pubs 885

**Wright, Mr Iain**  
*Chamber Debates*  
Magnox, Early Contract Terminations 28  
*Westminster Hall*  
School Funding, North-east of England (26.04.2017) 519wh, 524wh

**Yazidi Captives**  
Daesh 110

**Yemen**  
194

**Young People in Work**  
9

**Zahawi, Nadhim**  
*Chamber Debates*  
Early Parliamentary General Election 685

**Zeichner, Daniel**  
*Chamber Debates*  
Article 50 293  
Bus Services Bill [Lords] 34-7, 48-9, 69-70, 77-80, 82  
*Westminster Hall*  
Diesel Vehicle Scrappage Scheme (19.04.2017) 326-9wh  
Emissions and Vehicle Type Approval (20.04.2017) 393-6wh, 401wh  
Rare Diseases Strategy 103-5wh  
Regional Flags, Driving Licences and Number Plates 378-80wh  
*Questions*  
Assured Shorthold Tenancies 881  
Private Parking 386  
Road Collision Investigation Unit 391  
Tourism 1198

**Zimbabwe**  
105