

**Wednesday  
10 June 2015**

**Volume 596  
No. 14**



**HOUSE OF COMMONS  
OFFICIAL REPORT**

**PARLIAMENTARY  
DEBATES**

**(HANSARD)**

**Wednesday 10 June 2015**



# House of Commons

*Wednesday 10 June 2015*

*The House met at half-past Eleven o'clock*

## PRAYERS

[MR SPEAKER *in the Chair*]

## Oral Answers to Questions

### SCOTLAND

*The Secretary of State was asked—*  
**Budget**

1. **Roger Mullin** (Kirkcaldy and Cowdenbeath) (SNP): What discussions he has had with the Chancellor of the Exchequer on the potential effects on Scotland of measures in the next Budget. [900150]

**The Secretary of State for Scotland (David Mundell):** This is the first Scottish questions since the passing of the former Member for Ross, Skye and Lochaber. Charles Kennedy was a regular participant at Scottish questions and I wish to pass on my personal condolences to his family at this sad time.

I have regular discussions on a range of economic issues with my Cabinet colleagues, including the Chancellor of the Exchequer.

**Roger Mullin:** It gives me great pleasure to welcome the Secretary of State to his new role and wish him well. In my constituency RBS has announced the closure of branches in Kely and in Aberdour, a further sign of withdrawal from the banking sector that should be supporting small and medium-sized enterprises and communities. What is the right hon. Gentleman's view of the retail banking sector in Scotland? Has he had discussions with the Chancellor about creating challenger banks out of RBS?

**David Mundell:** This is a momentous question because it is the first time that a Member representing Kirkcaldy and Cowdenbeath has asked a question at Scottish questions. I share the hon. Gentleman's concern about RBS's approach to branch closures, its commitment to smaller communities and its breach of a commitment not to be the last branch to leave a community. I will certainly take up with RBS the issues he has raised.

**Mrs Anne-Marie Trevelyan** (Berwick-upon-Tweed) (Con): The Secretary of State will know that my Dual the A1 campaign has achieved committed funding from this Government of £290 million for the 13 miles of dualling towards the Scottish border. I will need cross-border support to build the economic case for the remaining 35 miles to complete the dualling between London and Edinburgh. Will my right hon. Friend support my campaign?

**David Mundell:** I have said in the House that I fully support that campaign, and I know that it also has the support of my colleague John Lamont, the local Member of the Scottish Parliament on the Scottish side of the border.

**Angus Robertson** (Moray) (SNP): I associate my right hon. and hon. Friends with the comments of the Secretary of State in respect of Charles Kennedy, and I welcome the right hon. Gentleman back to his place in his role as Secretary of State for Scotland.

The next UK Budget is going to continue the austerity course of the Tory Government, and it will hit the poorest in society. Will the Secretary of State be up front and explain who it will hit when £12 billion of cuts hit families and communities across Scotland?

**David Mundell:** When it comes to being up front, it is the Scottish National party that needs to be up front about its proposals for taxation and spending. It used to tell us it wanted full fiscal autonomy, but now it does not seem to want that. It is for the SNP to answer the question where the additional spending in Scotland would come from.

**Angus Robertson:** The last time I looked, this was Scottish questions, where it is the Government who have to answer the questions on the powers for which they are responsible. They are about to bring in £12 billion of cuts and the Secretary of State for Scotland has not been up front about where they will hit. On a related topic, the living wage can make a huge difference to those on low incomes, and I am very proud that the SNP Scottish Government are the first Government in the UK to become an accredited living wage employer. When will his Department and his Government follow the SNP lead on the living wage?

**David Mundell:** I am very proud of the proposals that my colleague Ruth Davidson has taken forward in the Scottish Parliament to incentivise small businesses to pay the living wage. One would have thought, when one hears SNP rhetoric, that it supported such proposals, but it does not.

13. [900162] **Andrew Stephenson** (Pendle) (Con): A number of businesses in Pendle trade with Scotland, including Carlson Filtration in Barnoldswick, which supplies products to the Scotch whisky industry. Does my right hon. Friend therefore agree that we are better together?

**David Mundell:** I absolutely agree with my hon. Friend that businesses right across the United Kingdom benefit from the continuance of our United Kingdom. This Government's commitment particularly to the Scotch whisky industry is evidenced in the last Budget, which was warmly welcomed by the Scotch Whisky Association.

**Mr Alistair Carmichael** (Orkney and Shetland) (LD): First, I thank the Secretary of State for his fine words in relation to the passing of Charles Kennedy and of course associate myself and my party with them.

The Secretary of State will have seen at the weekend reports indicating that the Chancellor of the Exchequer intends to use next month's Budget to start increasing

fuel duty again. As the economic recovery starts to take hold, does the Secretary of State understand the very serious impact that that could have on the economies of rural Scotland, and will he use his office to argue against such a move?

**David Mundell:** The right hon. Gentleman should be wary of newspaper reports. Let us hear what is said in the Budget. The Chancellor has made no clear statement of any intention to increase fuel duty.

**John Stevenson** (Carlisle) (Con): I, too, congratulate my right hon. Friend on his superb election victory and his appointment as Secretary of State for Scotland. Does he agree that, with greater fiscal devolution to the Scottish Parliament, places such as Carlisle will assess the potential effects on Carlisle of measures in the Scottish Government's budgets as well as the national Budget? Does he also agree that the Carlisle principle set out during the election campaign is important not only to the north of England but to the south-west of Scotland?

**David Mundell:** Indeed I do agree with my hon. Friend. Of course, the nature of the devolution settlement means that different decisions will be taken in Scotland on those matters that are devolved, so inevitably different policies will be pursued on one side of the border from the other. I think that the Carlisle principle set out by the Prime Minister during the general election should be followed.

**Ian Murray** (Edinburgh South) (Lab): As this is the first Scottish questions, I also pay tribute to Charles Kennedy. He was warm, he was witty, he was kind, and our condolences go out to his family, his friends and his party, and, of course, his son Donald.

How many more Scottish children of working-age families will fall into poverty as a result of his Government's decisions on welfare?

**David Mundell:** There is no evidence that there will be a further increase in the number of children falling into poverty as a result of welfare changes in Scotland. Indeed, the evidence shows that since statistics began there has been a relative decrease in child poverty in Scotland. As the hon. Gentleman will know, the Scotland Bill is devolving extensive welfare provisions to the Scottish Parliament, and if the Scottish Parliament believes that there is any detriment in Scotland it will have the opportunity to top up or create new benefits.

**Ian Murray:** The Secretary of State says that there is no evidence. I find that answer contemptible. Let me give him some evidence. John Dickie, the head of the Child Poverty Action Group, has said that the Government's £12 billion cuts to welfare could lead to a "child poverty crisis". The Institute for Fiscal Studies has said that those most likely to be affected are low-income working households with children. Is it not time that the Secretary of State stopped ducking the question and came clean about the impact this will have on vulnerable Scottish families, given that 50% of children in poverty in Scotland are from families who are in work?

**David Mundell:** The Government's position is clear: the best way out of poverty is into work. There is a record low number of workless households in Scotland,

and I hope that the hon. Gentleman welcomes that. I also hope that he welcomes the Government's decision to devolve significant welfare powers to the Scottish Parliament so that if there are specific issues in Scotland decisions can be made in Scotland to deal with them.

### Scotland Act 2012: Financial Provisions

2. **Paul Farrelly** (Newcastle-under-Lyme) (Lab): When he plans to publish the third annual report on the implementation and operation of part 3 (Financial Provisions) of the Scotland Act 2012. [900151]

**The Secretary of State for Scotland (David Mundell):** The report has already been published: it was laid before this Parliament on 23 March 2015.

**Paul Farrelly:** I thank the Secretary of State and also say how much I and all my Back-Bench colleagues will miss the real gentleman who was Charles Kennedy.

Part 3 of the Act includes the power to devolve further existing taxes as well as creating new ones. Just so that we know where we stand following the election, will the Secretary of State update the House on what further taxes the emboldened Scottish Government have asked to be devolved and which requests he is minded to grant?

**David Mundell:** The hon. Gentleman will know from the Second Reading debate on the Scotland Bill that there was some uncertainty on the SNP Benches about whether proposals would be brought forward to put in place the SNP's previous policy of full fiscal autonomy. I now understand that such proposals will be brought forward, but only on the basis that other parties with a real interest in Scotland will vote them down.

**Mr Bernard Jenkin** (Harwich and North Essex) (Con): Will my right hon. Friend explain to SNP Members how the Barnett formula actually works? If there are spending cuts in English Departments, it follows that there are cuts in Scottish spending as well. If they support the Barnett formula in the vow, they presumably understand why these reductions have to be made.

**David Mundell:** It is not clear what the SNP understands in relation to fiscal matters, but I agree at least with the new hon. Member for Edinburgh East (Tommy Sheppard) that fiscal autonomy for Scotland would be "a disaster".

### Business Groups

3. **John Howell** (Henley) (Con): What recent discussions he has had with business groups in Scotland. [900152]

**The Minister for Small Business, Industry and Enterprise (Anna Soubry):** My right hon. Friend the Secretary of State for Scotland and other UK Ministers and officials meet business groups in Scotland regularly. I am pleased to say that one of my first visits in my new role will be to Aberdeen.

**John Howell:** The UK Government are committed to reducing the burden of red tape on businesses. The Scottish Government have some powers in this area. Is it not a good idea for them both to work together to reduce the burden of regulation on businesses full stop?

**Anna Soubry:** Absolutely. It is imperative that Administrations right across the United Kingdom work together to reduce the burden of red tape and deregulate as much as they can. We achieved £10 billion of benefit to small businesses and other sectors under the previous Government, and our aim is to achieve another £10 billion of savings for the benefit of everybody in the United Kingdom.

**Alan Brown** (Kilmarnock and Loudoun) (SNP): Has the Minister met the open-cast coal industry recently, and if so will she urge the Chancellor to introduce a site-specific coal carbon tax exemption in the July Budget? This move would create 1,000 jobs, provide a net income for the Exchequer and restore open-cast sites in east Ayrshire.

**Anna Soubry:** That is the set of proposals we are considering. May I make it very clear to the hon. Gentleman that I am more than happy to speak to and meet him? If he would like to contact me after this session, we can arrange such a meeting.

### Trade Unions

4. **Mr David Anderson** (Blaydon) (Lab): What recent discussions he has had with trade unions in Scotland on the Government's proposed legislation on trade unions. [900153]

**The Minister for Small Business, Industry and Enterprise (Anna Soubry):** We are in the process of bringing forward new legislation in relation to trade unions to make sure that we carry out our manifesto commitment. I have not yet met any of the trade unions in Scotland. I look forward to that so that we can make progress with the Bill.

**Mr Anderson:** From what the Minister has just said, it is quite clear that she has regular discussions with business, but no discussions with trade unions. It is clear that trade union association is a matter of human rights, and that the right to strike makes the difference between people being workers and being slaves. Will she assure the House that she will listen to the voice of the trade unions, and will she confirm that these rules will not breach International Labour Organisation conventions?

**Anna Soubry:** May I make it very clear to the hon. Gentleman that as a former trade unionist and shop steward I am more than willing to listen to trade unions. Equally, however, it is really important to understand that in the modern world it cannot be right that a minority vote to strike has the most profound effect on travellers and on carers and children. It is in everybody's interests for us to make sure that our trade unions are democratic and work for everyone.

**Kirsten Oswald** (East Renfrewshire) (SNP): Does the Minister agree that strong trade unions are vital if we are to ensure that people receive fair pay for the work they do? What steps is he taking to work with Scotland's trade unions to promote the living wage in Scotland?

**Anna Soubry:** As I hope I have made clear, I agree with the hon. Lady. Trade unions play an important part in economic success, or at least they should do. The

difficulty is that too many trade unions do not represent their members and do not engage and work with their members. We therefore need to make sure that we have modern legislation for our trade unions so that they do not hold people effectively to ransom.

### Stranraer to Larne Ferry

5. **Meg Hillier** (Hackney South and Shoreditch) (Lab/Co-op): What steps he is taking to tackle security issues on the Stranraer to Larne ferry route. [900154]

**The Secretary of State for Scotland (David Mundell):** Home Office Immigration Enforcement in Northern Ireland and Police Scotland work together closely to intercept and share information about illegal immigrants travelling between the west of Scotland and the Northern Ireland ports.

**Meg Hillier:** Of the people stopped on that route—they are a small percentage of the total number of travellers—a very high number are illegal migrants or people who mean to do harm to our country and seek backdoor routes between the Republic and mainland Britain. What conversations has the Secretary of State had with Police Scotland to ensure that the resources are there to catch those people?

**David Mundell:** I have been heavily involved in this issue and I was very disappointed that the Scottish Government chose to dissolve Dumfries and Galloway police force, which had considerable expertise in that area. Police Scotland has set up a ports unit, which is seeking to deal with these issues, but I will continue to pursue the hon. Lady's concerns with the Scottish Government.

**Richard Arkless** (Dumfries and Galloway) (SNP): This is yet another example of the Scottish Government having to step in and stump up following further UK Government cuts. Given the security concerns raised by the hon. Member for Hackney South and Shoreditch (Meg Hillier) and the further cuts proposed to Scotland's budget, will the Secretary of State commit to revisit his Government's decision to withdraw border agency staff from the port of Stranraer in 2010?

**David Mundell:** I particularly welcome the hon. Gentleman to his place because he is my neighbouring MP, but I do not share his analysis. The most unhelpful contribution to policing in Stranraer and surrounding areas was the Scottish Government's decision to get rid of Dumfries and Galloway police force, against the wishes of local people.

**Ian Paisley** (North Antrim) (DUP): What efforts is the Secretary of State making to ensure that the illicit trade in cigarettes, other contraband and oils through these ports is tackled effectively so that the criminals behind it can be stamped out once and for all?

**David Mundell:** I am happy to confirm that I will raise those specific issues in my next discussions with the Chief Constable of Police Scotland.

### Tax Receipts

6. **Kevin Brennan** (Cardiff West) (Lab): What assessment he has made of the potential effect of full fiscal autonomy for Scotland on the level of tax receipts in Scotland. [900155]

**The Secretary of State for Scotland (David Mundell):** In March, Her Majesty's Treasury published an analysis that estimated that funding available to Scotland under full fiscal autonomy would be £7.7 billion lower in 2015-16 compared with the current arrangements. The assessment made by the Institute for Fiscal Studies shows that deficit reaching £9.7 billion in 2019-20.

**Kevin Brennan:** The Secretary of State and his Tory friends have an ideological fixation with austerity, but is he surprised that the nationalist ideology of a self-identifying left-wing party such as the Scottish National party leads it to advocate full fiscal autonomy, which would lead not just to austerity but to "austerity-max"?

**David Mundell:** I agree with part of the hon. Gentleman's analysis, but he will be aware that it is now not clear what the SNP is asking for. I welcome the fact that it will be able to table amendments in relation to full fiscal autonomy during the Committee stage of the Scotland Bill. My suspicion, however, is that it is asking for something it does not really want, and that it will complain when it does not get it.

**Michael Fabricant** (Lichfield) (Con): Does my right hon. Friend agree that to reduce poverty in Scotland and indeed in the rest of the UK we need full employment? Would not the worse thing be to have an SNP Government in the United Kingdom with no understanding of fiscal responsibility, which would result in mass unemployment and mass poverty?

**David Mundell:** I am not clear whether my hon. Friend is suggesting that the SNP take over the Government of the UK, although that may be one of Miss Sturgeon's aspirations—we do not know. It is for the people of Scotland to choose their own Government, but the SNP's policies are clearly now for higher taxation and we need to know what that tax will be.

**Stewart Hosie** (Dundee East) (SNP): The Scottish Secretary is absolutely wrong about full fiscal autonomy. It does not lead to a reduction in tax yield. Surely he would agree that if we were to use the flexibility in the tax code to grow the economy and increase tax yield, that would be a good thing.

**David Mundell:** I agree with two of the hon. Gentleman's colleagues from Edinburgh, one of whom has described full fiscal autonomy as a disaster and the other of whom has described it as suicidal.

**Ian Murray** (Edinburgh South) (Lab): Given that the respected Institute for Fiscal Studies has estimated that full fiscal autonomy would result in a near £10 billion black hole in Scotland's finances, and that, as the Secretary of State said, the Scottish National party Member for Edinburgh East (Tommy Sheppard) has called it a disaster—perhaps we should lock him in the gents—is it not clear that it would not lead to a stronger Scotland

or promote fairness and social justice? However, given the Scottish Government's reluctance to accept the impartial IFS's figures, will the Secretary of State back Labour's amendment to the Scotland Bill to provide a full and independent report on the implications of full fiscal autonomy?

**David Mundell:** If we have any votes in the House on full fiscal autonomy, we may have to ensure that the toilets are enlarged, because I suspect all SNP Members will want to lock themselves in so that they can absent themselves from any decision.

### Child Benefit

7. **Kevin Barron** (Rother Valley) (Lab): What assessment he has made of the potential effect on families in Scotland of the Government's policy on child benefit. [900156]

**The Secretary of State for Scotland (David Mundell):** Child benefit will continue to provide essential help for low-income families, and the latest statistics show that it has benefited more than 966,000 families and children in Scotland. We are also supporting Scottish families by cutting tax for nearly 2.3 million people, taking 261,000 people out of paying income tax altogether. Some 210,000 families in Scotland will also benefit by up to £6,000 a year from tax-free childcare.

**Kevin Barron:** On a day when the Chancellor is saying that he will take action on how this Government and future Governments run deficits, will the Secretary of State tell us that he will protect the worth of child benefit in Scotland for the lifetime of this Parliament?

**David Mundell:** We have made our position clear—we are keeping child benefit.

**Angela Crawley** (Lanark and Hamilton East) (SNP): Will the Secretary of State acknowledge that the people most likely to be impacted by the changes to the child benefit policy are the most vulnerable individuals in society? Those people are also the most likely to be affected by the changes made in the welfare reforms implemented by this Government.

**David Mundell:** I could not have been clearer—we are retaining child benefit and keeping to the promises made in the election campaign. We are also devolving significant responsibility for welfare to the Scottish Parliament, so that if it wishes to make alternative decisions, it will have the capacity to do so, provided that it can pay for them.

### Scottish Government Funding

8. **Patrick Grady** (Glasgow North) (SNP): What discussions he plans to have with the Chancellor of the Exchequer on funding for the Scottish Government and the next Budget. [900157]

**The Secretary of State for Scotland (David Mundell):** On Monday, the Chancellor of the Exchequer and the Chief Secretary to the Treasury met Scotland's Deputy First Minister to discuss the new fiscal framework.

While the Barnett formula will continue as promised, the Scottish Government will be less reliant on the block grant.

**Patrick Grady:** The SNP manifesto proposed an alternative to austerity—0.5% public spending increases a year. Does the Secretary of State accept that that means that his Government's cuts are ideological, not inevitable, and that it is in fact possible for the Government to increase public spending by £93 billion a year to invest in the economy and public services?

**David Mundell:** What is now clear is that the SNP wants to put up taxes in Scotland. Its next Scottish Parliament manifesto needs to tell the people of Scotland by how much.

### National Minimum Wage

9. **Nick Smith** (Blaenau Gwent) (Lab): How many companies in Scotland have been prosecuted for non-compliance with the national minimum wage since 2010. [900158]

**The Minister for Small Business, Industry and Enterprise (Anna Soubry):** So far no companies have been prosecuted, but we have named the 14 that have not complied with the law. We feel that is the right way to go about things, but if there are serious cases, they are referred to the Crown Prosecution Service in England or the procurator fiscal in Scotland.

**Nick Smith:** That is just not good enough. Labour wants to see the minimum wage protected, increased and properly enforced, so why not give local authorities the powers to tackle bad employers and enforce the minimum wage properly?

**Anna Soubry:** I have to disabuse the hon. Gentleman of a few misconceptions. We are actually following guidance that his party's Government introduced in 2008, and it was good guidance. In very serious cases, companies should be referred onward for prosecution, but those decisions are ultimately left to the CPS or, in the case of Scotland, to the procurator fiscal.

**Margaret Ferrier** (Rutherglen and Hamilton West) (SNP): I congratulate the Secretary of State on his position. Everyone across the Chamber will agree that it is vital to enforce the minimum wage, but does the Secretary of State agree that we need to go further to deliver a fair wage for thousands of our fellow citizens? Will he now confirm the answer he failed to give to my hon. Friend the Member for Moray (Angus Robertson): when will his Department become an accredited wage employer?

**Anna Soubry:** I remind the hon. Lady that the minimum wage will be going up in October. It is up to employers to make sure they pay the wages they seek and want to. It is also important to remember that as a result of the policies of this Government, we have reduced the amount of taxation the low paid are paying. That is the right thing to do. Take low-paid people out of taxation—a Conservative policy.

## PRIME MINISTER

*The Prime Minister was asked—*

### Engagements

Q1. [900200] **James Berry** (Kingston and Surbiton) (Con): If he will list his official engagements for Wednesday 10 June.

**The Prime Minister (Mr David Cameron):** 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.

**James Berry:** The great British jobs boom has earned the Prime Minister and the Chancellor the admiration of leaders the world over and the support of my constituents. Does my right hon. Friend agree that businesses in Kingston and Surbiton could create even more jobs if we had better train services and, particularly, Crossrail 2?

**The Prime Minister:** First of all, let me start by welcoming my hon. Friend after his excellent election result. He is right to say that we have had something of a jobs boost in this country, with more than 2 million more people in work. In his constituency, for example, the claimant count has fallen by 48% since 2010. Our manifesto made it clear that we will push forward with plans for Crossrail 2 and we are working with Transport for London on a detailed business case. Let me take this opportunity to praise everyone who has been involved in Crossrail 1. The Secretary of State for Transport and I were in those tunnels a week ago. The tunnelling phase is complete. It lasts for 26 miles across London. It is a feat of great engineering and it is going to be brilliant for our economy.

**Ms Harriet Harman** (Camberwell and Peckham) (Lab): Last night, the House agreed that there should be an EU referendum, but it has to be done in the right way and it has to be fair. First, on the issue of who can vote, why will the Prime Minister not let 16 and 17-year-olds vote? This is about the future of our country. They did in the Scottish referendum. It is their future too.

**The Prime Minister:** First, may I thank the right hon. and learned Lady and all those Labour MPs who joined us in the Division Lobbies last night? After five years of opposing a referendum, to watch them all trooping through was like seeing the biggest mass conversion since that Chinese general baptised his troops with a hosepipe. It was very impressive.

On 16 and 17-year-olds, I believe this House should vote on that issue. The Conservative manifesto is clear and my position is clear: I think we should stick with the current franchise at 18, but the House of Commons can vote.

**Ms Harman:** On the right hon. Gentleman's initial response to my question, may I just say that the right hon. Gentleman won the election and he is the Prime Minister, so he does not need to do ranting and sneering and gloating. He can just answer the question. Frankly, he should show a bit more class.

The right hon. Gentleman and I both want to see a yes vote, but it is essential that the referendum is fair and is seen to be fair, so why are they changing the law to exempt the Government from the rules which are there to ensure the Government do not inappropriately use public funds or the government machine in the short campaign. Will he think again on this?

**The Prime Minister:** The right hon. and learned Lady is right that it was an excellent debate last night. A lot of important issues were raised, and they can be discussed in Committee. Let me answer directly this issue of *purdah*, because all the concerns raised can be addressed. There are two reasons for looking at this carefully and taking the proposals we put forward. First, as the Europe Minister said, because the European issue is so pervasive, I do not want a situation where, in the four weeks before a referendum, Ministers cannot talk about the European budget, make statements about European Court judgements, respond to European Councils and all the rest of it. That seems a very real danger, as the Europe Minister set out last night.

The second issue is a bigger one. When the negotiation is complete and the Government have taken a clear view, I do not want us to be neutral on this issue; I want us to speak clearly and frankly. In the last few weeks before the Scottish referendum, the UK Government were often being advised that they could not take a view on the future of the UK. I think that was a ridiculous situation, which is why we have proposed changes to the *purdah* rules. However, the right hon. and learned Lady raises an important question, and it will be debated in the House, but I have set out the position as I see it.

**Ms Harman:** The problem is that it is not a change in the rules, but a blanket exemption. We must have a legal framework in the Bill. We cannot rely on ministerial restraint.

The Electoral Commission said that the referendum should not be on the same day as any other election, and we strongly agree. This is an important constitutional issue that should be considered on its own. Will the Prime Minister guarantee a separate voting day for the referendum?

**The Prime Minister:** Again, the right hon. and learned Lady raises an important issue of process and procedure that should be debated and discussed in the House. *[Interruption.]* I will tell you exactly my view in two seconds. My view is that the timing of the referendum should be determined by the timing of the renegotiation—when the renegotiation is complete, we set a date for the referendum. I do not think it should be determined by the timing of other elections. For instance, it was possible to have the AV referendum and other elections on the same day. I think people are capable of making two decisions, but, as I say, the timing of the referendum should be determined by the timing of the renegotiation; that is the clear principle.

**Ms Harman:** Apropos the negotiations, we are talking about whether the referendum should take place on the same day as other elections. The Prime Minister mentioned the AV referendum. We agree with the Electoral Commission that it was not right that it was held on the

same day as other elections, but we will have the opportunity to consider these issues further in the G7 statement coming next.

I would like to turn to an issue important to many families across the country. Before the election, the Prime Minister promised that his tax-free childcare policy would be launched this autumn. Is he on track to meet that promise?

**The Prime Minister:** It is an important principle we are introducing: if families spend up to £10,000, they should be able to get £2,000 back. This is a Government for working people that want to help people with the cost of childcare. Not only are we doing that—the Chancellor will set out the timing of the introduction in his Budget—but we are doubling to 30 hours the number of hours people will get if they have three and four-year-olds. The Government are determined to act for working people.

**Ms Harman:** It does not help working people to make promises and then not meet them.

Let me ask the Prime Minister about another election promise. We know that childcare providers already have to increase their fees to parents who pay for additional hours above the 15 hours they get free. Given that the free entitlement is going up to 30 hours, how can he guarantee that families will genuinely benefit and will not just end up being hit by increased fees elsewhere?

**The Prime Minister:** First, we will have a review of the fees being paid by the Government to childcare providers, because I want this to be quality childcare. Secondly, there is the increase from 15 to 30 hours, which will be of real benefit to working families. Thirdly, we have this new tax relief coming in, so if someone spends up to £10,000, they will get £2,000 back. That means that families under this Government will have far greater choice and resources on childcare. The right hon. and learned Lady said the other day that a “greater number of people...feel relieved that we are not in government.”

I suspect that those parents will feel the same way.

**Ms Harman:** He just cannot help but gloat, can he? He can go right ahead and gloat, but why can he not just answer the question about childcare? Perhaps we could have an answer rather than a gloating session to the next question.

I will try again. We know that grandparents often help out. Most parents say they just could not manage without the grandparents, but increasingly those grandparents are not retired but are themselves working. Will the Prime Minister agree to look at how we can help grandparents get flexibility at work by allowing them to share parental leave?

**The Prime Minister:** I am certainly happy to look at that because the right to request flexible working has been championed by this Government. I am sorry if the right hon. and learned Lady thinks I am gloating. It must be the first time someone has ever been accused of gloating while quoting the Leader of the Opposition. For instance, she said the other day:

“People tend to like a leader who they feel is economically competent”.

I think she has been talking a lot of sense, and I shall be quoting her as often as I possibly can.

**Mrs Anne Main** (St Albans) (Con): I was pleased to hear the announcement in our manifesto that there would be a review of business rates. This is something that came across loud and clear over the election period in St Albans. My businesses want assistance with this. Can I ask the Prime Minister, through his good offices, to get the Chancellor to get a move on, as this is so important for good business across the country?

**The Prime Minister:** The Chancellor will have heard my hon. Friend's instructions loud and clear. We do want to get on with this review of business rates. Like all Members, my hon. Friend and I will have listened to the complaints of high street stores that sometimes feel they face unfair competition from internet retailers who do not face the same sort of business rates. Let me give this warning, however. Business rates raise a large amount of revenue—revenue that is necessary—and it will not be possible to come up with a review that will satisfy everybody.

**Angus Robertson** (Moray) (SNP): The UK remains in the top 10 of the most unequal societies in the world. Helping people on low incomes receive the living wage can be transformational for them and their families. Will the Prime Minister take the opportunity to praise all employers who deliver the living wage?

**The Prime Minister:** I am very happy to praise all those employers who deliver the living wage. That has long been the Conservative position and it is set out in the manifesto. I am proud to say as Prime Minister, and I hope this is not gloating, that No. 10 is a minimum wage—a living wage employer, too.

**Mr Speaker:** I should point out that this House is a living wage employer, as well.

**Angus Robertson:** However, the Scottish Government are the only Government in the UK as a whole that are an accredited living wage employer. Will the Prime Minister tell us when he will ensure that all UK Government Departments, all agencies and all employees will receive the living wage?

**The Prime Minister:** We want to make progress. The Scottish Government obviously have the advantages of the additional funding they have been getting under this Government. I notice that consensus in the Scottish National party has rather broken down over full fiscal autonomy. Of course, if they got full fiscal autonomy, they would probably not be able to afford to be a living wage employer. I have been following these things closely. The new hon. Member for East Lothian (George Kerevan) has called the policy “economic suicide”, while the new hon. Member for Edinburgh East (Tommy Sheppard) has called full fiscal autonomy “a disaster”. It seems that the SNP's new approach is to demand something they do not want and then complain when they do not get it.

**Q2.** [900201] **Mike Freer** (Finchley and Golders Green) (Con): A far-right neo-Nazi group is planning to stage a demonstration in Golders Green, an area with a large Jewish population, on Saturday 4 July. Will my right

hon. Friend join me in calling on the police to use all their public order powers to combat this anti-Semitic demonstration?

**The Prime Minister:** I think that my hon. Friend speaks for the whole House. I can tell him that the Home Secretary recently wrote to the Metropolitan Police Commissioner about that specific demonstration, and has said that when any criminal offences are committed and when individuals have demonstrated anti-Semitic hostility, they should face the full force of the law. We do have freedom of speech and freedom of assembly in our country, but people should not feel free to extend those freedoms to harassment or threatening behaviour. That is not permitted, and it should be prosecuted.

**Q3.** [900202] **Naz Shah** (Bradford West) (Lab): As a new Member of Parliament, I am still wondering whether the Prime Minister ever actually answers a question during Question Time, but if he does, can he explain why my city of Bradford—which was “the” northern powerhouse—continues to be neglected in his regional plan?

**The Prime Minister:** First, on behalf of the whole House, I welcome the hon. Lady to her place. She replaces someone who had, I think, the unique distinction of always speaking with immense power, but always being completely wrong. I am sure that she will take a different approach.

What I will say to the hon. Lady about Bradford is that it should be part of the northern powerhouse, because the concept means linking the great cities of the north of England and making the most of them. As for Bradford's being neglected, I would say quite the opposite. The spending power per dwelling of the hon. Lady's local authority is nearly £2,300, which is nearly £300 more than the average for England.

**Q4.** [900203] **Nigel Huddleston** (Mid Worcestershire) (Con): The long-term economic plan—[HON. MEMBERS: “Hear, hear!”]—is working in Worcestershire, which has the third fastest economic growth rate in England. Moreover, unemployment in my constituency has fallen by 62% since 2010. Does the Prime Minister agree that the further redoubling of the Cotswold line would provide additional economic benefits for my constituents, and for all who live along the route?

**The Prime Minister:** I congratulate my hon. Friend on winning his constituency. He has got off to a tremendous start by not only mentioning the long-term economic plan, but mentioning a railway line that goes straight through the middle of my constituency. I want to see the further redoubling of that line, so he is already my new best friend.

As my hon. Friend will know, we plan to operate intercity express trains between London and Worcester from 2017 onwards, and new and updated trains are planned for every part of the Great Western franchise. However, as my hon. Friend says, further investment in the redoubling of the railway between Oxford and Worcester really is necessary if we are to deliver the extra and more reliable services that both his constituents and mine would like.

Q5. [900204] **Mark Durkan** (Foyle) (SDLP): As a Back Bencher, the Prime Minister campaigned for group B strep awareness. I am sure that he is aware of Northwick Park hospital's highly successful programme of universal GBS screening, which proves the very case that he used to make. Will he now encourage Ministers to roll out GBS-specific testing as a routine offer to all pregnant women in all our health services?

**The Prime Minister:** May I say how grateful I am to the hon. Gentleman for raising the issue? Two of my constituents, Craig and Alison Richards, came to my surgery and raised it with me, and that is what caused me to become interested in it in the first place.

We have made some big breakthroughs. The national health service is doing much more screening and taking much more action to help those who potentially have the infection, although there are difficulties with national programmes because of the whole issue of anti-microbial resistance and the use of antibiotics. However, I am happy to take this opportunity to look into what has been achieved so far and what more can be done, and then write to the hon. Gentleman.

**Johnny Mercer** (Plymouth, Moor View) (Con): In my constituency, where the average wage is far lower than the national average, cutting the taxes of the lowest paid and helping them to stand on their own two feet is the most effective poverty-tackling measure there is. Will the Prime Minister explain how the Conservatives will reward hard work and benefit those who earn the minimum wage, not only in Plymouth but throughout the country?

**The Prime Minister:** First, may I welcome my hon. Friend to this place and praise him for his maiden speech which moved all those who heard it or have subsequently read it? He is absolutely right that the best way to tackle poverty is to get people into work, then make sure that there is a decent minimum wage that rises over time, and then cut people's taxes by taking those earning minimum wage out of income tax. Our plan to raise the personal allowance to £12,500 will make a real difference and I want to see progress on the minimum wage going on at the same time as that, but all the while we have to recognise that the absolute foundation is a growing economy that is producing jobs. Getting into work is the greatest way to combat poverty.

Q6. [900205] **Dr Alan Whitehead** (Southampton, Test) (Lab): Can the Prime Minister reassure me that press reports that he is going to cut funding support to household energy efficiency programmes are wrong, and that instead he is committed to maintaining support for programmes to ensure that the most vulnerable in our society have warm homes to live in?

**The Prime Minister:** We made some very big progress in the last Parliament with home insulation programmes and support for solar panels. There are now almost 1 million homes in the UK with solar panels. We want to carry on with those programmes and make sure there is value for money.

I hope it will not be seen as gloating to welcome the hon. Gentleman back, because he is quite a rare bird: a Labour MP in the south of England.

Q7. [900206] **Andrea Jenkyns** (Morley and Outwood) (Con): In my constituency of Morley and Outwood one issue that is constantly raised on the doorstep is economic migration from within the EU. The Government have already taken steps and clear action to reduce incentives that draw migrants from within the European Union, but what further steps are being taken to tackle economic migration from outside the EU?

**The Prime Minister:** I welcome my hon. Friend to her place. I have to say that her election result was one I was dreaming of, and am very grateful for. She is absolutely right to raise this issue. In the past it has been too easy for some businesses to bring in workers from overseas rather than to take the long-term decision to train our workforce here at home. We need to do more to change that, which means reducing the demand for migrant labour, and that is part of our plan. So I can tell the House today that the Home Secretary has written to the Migration Advisory Committee asking it to report back on how to significantly reduce work-related migration from outside Europe. It is going to advise on restricting our work visas to genuine skills shortages and specialists. It is going to look at putting a time limit on how long sectors can claim to have a skills shortage, because frankly they should be dealing with that. We are going to look at a new skills levy on businesses who recruit foreign workers so that we can boost the funding to UK apprenticeships, and we are also going to look at raising salary thresholds to stop businesses using foreign workers to undercut wages. All these steps, combined with the measures we are taking within the European Union, can help bring migration under control, but also, more to the point, make sure that hard-working British people who get the skills and training can find the jobs that will help them build a better life.

Q8. [900207] **Mary Glendon** (North Tyneside) (Lab): Six young boys with the devastating disease of muscular dystrophy will be in Downing Street this afternoon, supported by Muscular Dystrophy UK, to make a plea to the Prime Minister to help them access the Duchenne drug Translarna that they need now to stop them losing their mobility. Will the Prime Minister make time to see them and will he tell the House that these children can expect the positive answer they so desperately need now?

**The Prime Minister:** I thank the hon. Lady for raising this issue. Muscular dystrophy is a terrible disease and I hugely admire the courage shown by the sufferers and their families. Unfortunately, I will not be able to hold that meeting this afternoon because I have to go from the statement after Prime Minister's questions straight to an EU summit in Brussels. I do remember meeting Archie Hill, who is one of the group, back in January. He is an amazing young boy—incredibly brave. The situation is that NHS England has now completed a consultation on how it prioritises investment in these specialised services, including drugs for rare conditions. It closed at the end of April and a decision can be expected in the near future. I recognise how vital it is to give those affected and their families a decision as soon as possible.

**Mr Speaker:** I call Karl McCartney.

**Hon. Members:** Hear, hear!

Q9. [900208] **Karl McCartney** (Lincoln) (Con): Thank you colleagues, and thank you Mr Speaker. On Monday, I attended the formal opening of the Magna Carta Centre in Lincoln—a magnificent vault built in our city's beautiful castle to showcase Lincoln's original Magna Carta as it celebrates its 800th year. Having visited Lincoln on various occasions, would the Prime Minister like to join me in recommending that other Members and their constituents should visit the city to see for themselves our original Magna Carta and our majestic cathedral, as well as Lincoln's myriad other attractions, especially as we move towards a new British Bill of Rights?

**The Prime Minister:** My hon. Friend is absolutely right to take this opportunity—in this, the 800th anniversary year of the signing of Magna Carta—to advertise the fact that there is an original copy in the great city of Lincoln, and that people can go and see that and all the other advantages that Lincoln has to offer. But this is not just a point about British history. There are so many countries and peoples around the world that do not have the rule of law and do not have protections against arbitrary arrest, and that document, which was signed 800 years ago, is not just important in Britain; it is important that we promote its values around the world.

Q10. [900209] **Grahame M. Morris** (Easington) (Lab): Most working people aspire to decent, sustainable jobs—indeed, thousands of my constituents work at Nissan or in the automotive supply chain in east Durham—so when will the Prime Minister publish the Treasury's assessment of the cost to the British economy of withdrawal from the EU?

**The Prime Minister:** First, let me praise the hon. Gentleman's many hard-working constituents who work in the Nissan factory in the north-east. Nissan in the north-east is now producing more cars than the whole of the Italian car industry. It is a great example of the manufacturing renewal that is taking place in this country. I want the widest possible debate about Britain's future in Europe and I would encourage all organisations to bring forward ideas, facts and figures so that this debate can be formed, but above all let us remember that this is not going to be a decision made by politicians; it is going to be a decision made by the British people.

**Martin Vickers** (Cleethorpes) (Con): If northern Lincolnshire is to obtain maximum benefit from the northern powerhouse initiative, further improvements to transport connections will be required. One such improvement would be a direct rail service to London King's Cross from the Grimsby, Cleethorpes and Scunthorpe area. Alliance Rail has submitted an application to the rail regulator, and it has been with the regulator for more than a year. Will my right hon. Friend do all he can to ensure that an early decision is made?

**The Prime Minister:** My hon. Friend is absolutely right to raise the importance of direct connectivity between his constituency and London. We are investing at least £6.4 billion in Yorkshire and northern Lincolnshire in this Parliament for that very reason, and I can reassure him that we are listening. Only late last year, the Transport Secretary announced that we would be retaining the direct connection between Cleethorpes

and Manchester airport, which is something that my hon. Friend has been campaigning for, and I will look very closely at what he has said today.

Q11. [900210] **Mr Douglas Carswell** (Clacton) (UKIP): At the time of the Bloomberg speech, the Prime Minister promised that he would seek the repatriation of power from Brussels, saying that

“power must be able to flow back to Member States”.

He specifically promised that social and employment law would be returned to Britain. Why is he not even asking for this any more?

**The Prime Minister:** First, I welcome the hon. Gentleman back to this place. He has made some history because, as a party of one, he has managed to have a Back-Bench rebellion, which is something to be admired. What I have set out in terms of the renegotiation is a whole series of things that need to change: making sure we deal with the problem of ever-closer union; making sure we deal with the issue of competitiveness, which, yes, does impinge on some of the issues under what was called the social chapter that have never been acceptable to the United Kingdom; and making sure that we have a better balance and proper fairness between those countries that are in the euro and those that are outside it—the Chancellor will be setting out more detail on that this evening. All these areas in our negotiation, and more, are very important.

**Philip Davies** (Shipley) (Con): We have just heard from the hon. Member for Easington (Grahame M. Morris) the ridiculous scaremongering, which we are getting used to, that if we left the EU we would end free trade with the EU. Will the Prime Minister confirm that last year the UK had a £56 billion trade deficit with the European Union? Will he also tell us whether, in any of his discussions with Angela Merkel, she has indicated that if we were to leave the EU, she would want to stop trading BMWs, Mercedes, Volkswagens and Audis free of tariff into the UK?

**The Prime Minister:** My hon. Friend makes his case with his characteristic vigour and clarity. The only issue that I would add is that, of course, Britain's relationship with Europe is not just about a trading relationship; it is about having a say over what the rules of the single market actually are. It is that that we are going to have to discuss and think about over these coming months before the European referendum—the difference between a trading relationship and actually having a say over the way a market works.

Q12. [900211] **Chi Onwurah** (Newcastle upon Tyne Central) (Lab): Under the Prime Minister, British productivity has plummeted. It is 30% behind Germany, the US and France—the widest gap since 1992 and another Tory Government. But in the north-east, thanks to our manufacturing and technical prowess, we have the highest productivity growth in the country. Is it not time that he gave us the powers that we need to build an economy that matches our values, without a Boris—I mean, a mayor—attached?

**The Prime Minister:** First of all, the hon. Lady is absolutely right to raise this issue. There is a huge challenge in terms of raising productivity and the productive potential of the United Kingdom. I would be the first

to say that we have had the success of getting 2 million more people in work and we have had the success of paying down half the deficit and getting the economy growing. But the challenge for the years ahead is to increase levels of productivity in Britain. How are we going to do that? I would argue that we will do that by reforming planning, by encouraging entrepreneurship, by making sure we invest in success, by investing in science—these are the things that we have been doing as part of a long-term economic plan, mostly opposed by the Labour party.

**Fiona Bruce** (Congleton) (Con): Any move to legalise assisted suicide is viewed with the utmost concern by disability groups and others, who fear that it could put pressure on the vulnerable to make decisions that are not in their best interests. Will the Prime Minister inform the House of his view on this issue?

**The Prime Minister:** On this issue I very much agree with my hon. Friend, which is that I do not support the assisted dying proposals that have come out of the other place. I do not support euthanasia. I know that there are imperfections and problems with the current law, but I think that these can be dealt with sensitively and sensibly without having a new law that actually brings in euthanasia. As she says, I think the problem is the pressure that is then put on frail, elderly people to take a decision that they might not want to go ahead with.

Q13. [900212] **Tom Blenkinsop** (Middlesbrough South and East Cleveland) (Lab): The Prime Minister will be aware of Tata Steel's decision to close its British Steel pension scheme. This will have a devastating impact on steelworkers and their families. Can I urge the Prime Minister again to demand that Tata get back around the negotiating table, re-engage in meaningful consultation with the trade unions and stop Tata from playing fast and loose with its own employees' pensions?

**The Prime Minister:** Of course I hope that the parties will return to the negotiating table to find a solution as quickly as possible, but ultimately this is a matter for Tata Steel and for the trade unions, and I would urge them to do as I have said.

**Rebecca Pow** (Taunton Deane) (Con): We need a country where every city, town, village and region benefits from the growing economy. Will the Prime Minister kindly explain how the measures in this Queen's Speech will bring that about, particularly in relation to my area of the south-west and even more particularly to Taunton Deane, which I would like to make the gateway to the south-west?

**The Prime Minister:** What I would say to my hon. Friend, after congratulating her on her magnificent election victory, is that there are some very important

infrastructure proposals that need to go ahead—for instance, the A358, which, during the election campaign, the Labour party pledged to cancel. We must make sure that that expressway to the south-west is built, including the tunnel under Stonehenge, and, crucially for Taunton and the whole of the south-west, we must make sure that we deliver on our promises on high-speed broadband. For businesses, that is as important as being connected to the road or rail network, and we really have to make sure that we get to those final businesses and homes that want to see high-speed broadband.

Q14. [900213] **Karl Turner** (Kingston upon Hull East) (Lab): When is the Prime Minister handing the baton to Boris?

**The Prime Minister:** We benefit hugely from having Boris's wisdom now back in this House. The baton that I am interested in seeing is the moment at which Boris passes the baton to another Conservative Mayor of London.

**Paul Scully** (Sutton and Cheam) (Con): Manor Park primary school in Sutton has just received a well-deserved "outstanding" rating from Ofsted, but can my right hon. Friend tell me how the new education Bill will benefit and improve all schools?

**The Prime Minister:** Where schools get to outstanding we should, first, be singling them out and praising them, because we want to see many more children taught in good or outstanding schools. Where we need to focus is on schools that are either failing or coasting. The education Bill in the Gracious Speech will make sure that we intervene more quickly, because if you have children at a state school, as I do, one extra term in a failing school is a term that is wasted. We should not let bureaucracy get in the way of taking over failing schools and turning them around.

**Mr Speaker:** Last but not least, Mr Peter Dowd.

Q15. [900214] **Peter Dowd** (Bootle) (Lab): Last week, the High Court ruled that severe delays in assessing disabled people for benefits were unlawful. Given that, will the Prime Minister personally take charge to ensure that these distressing delays do not happen again?

**The Prime Minister:** First, let me welcome the hon. Gentleman to this place. He is absolutely right to raise this issue. Some of the delays have been unacceptably long for people getting their new benefits, particularly when we are transitioning from disability living allowance to personal independence payments. Those delays are coming down, and I give him my assurance that we will keep on this and make sure that the delays come down still further.

## G7

12.36 pm

**The Prime Minister (Mr David Cameron):** With permission, Mr Speaker, I would like to make a statement on the G7 in Germany earlier this week. I went to the summit with two clear aims: to advance our economic security and to protect our national security. The two, of course, are interlinked, because you cannot have one without the other, and I believe that at this summit we made some progress on both.

First, on economic security, we reached important agreements on trade, global poverty, green growth and corruption. On trade, I was determined to progress the EU's trade deals with other G7 countries, which, together, could be worth around £20 billion to our economy every year. The G7 agreed to step up efforts on the EU-Japan deal and to accelerate immediately all work on the EU-US trade deal. It is over 700 days since we launched negotiations at the G8 at Lough Erne and every day without a deal is costing the global economy £630 million, so the agreement talks about finalising the outline of an agreement by the end of this year.

We want all countries to grow, including the poorest, not just for their benefit, but because we all benefit from the wider increase in global growth. So we should never forget what has been called the "bottom billion". We agreed on the importance of setting ambitious goals at the UN in September that can eradicate extreme poverty in our world by 2030, and we reaffirmed our previous commitments on aid. Britain is keeping its promises to the poorest in the world, and I directly encourage others to do the same.

Turning to green growth, there were important agreements about the global deal we hope to reach in Paris at the end of the year. It needs sufficiently ambitious emissions targets to keep the goal of limiting global warming to 2° within reach. It needs binding rules with real transparency and accountability, so that countries have to follow through their commitments. And it needs a long-term goal for emissions cuts at the upper end of the Intergovernmental Panel on Climate Change recommendations, so that businesses have the confidence to invest in low-carbon technology. We also reaffirmed our strong commitment to mobilise the climate finance that will be so essential for developing nations and making sure that they sign up to an agreement.

There was a new element that I added to this G7, and that was fighting corruption. We met just after the FIFA scandal, but the point I made was that corruption is not just wrecking an institution that is vital for football, but is sitting at the heart of so many of the problems we face around the world today. Cutting corruption by just 10% could benefit the global economy by \$380 billion every year. And corruption does not just threaten our prosperity; it undermines our security, too. So at this summit I was determined that we should do more to confront this issue. In Britain we have passed the Bribery Act, with a 40-strong team of criminal investigators to enforce it, and we have ensured that all our 28 country aid programmes include anti-corruption measures. But we need the full support of our international partners. We made some progress in Germany: we reaffirmed our commitment to the issues around tax and transparency that I first put on the table in Lough

Erne two years ago; we will work with the OECD and the G20 to finalise an international plan to stop companies from artificially shifting their profits across borders to avoid taxes; and the G7 will push for a targeted monitoring process to ensure its implementation. More than 90 countries have agreed to share their tax information automatically by the end of 2018, and the G7 urged others to follow suit so that more people pay the tax that is due.

Britain has become the first major country in the world to establish a public central registry of who really owns companies, and now other countries must follow, with the implementation of their own national action plans, which is a key step in countering money laundering and corruption. We also agreed that leaders should give special focus to corruption in the run-up to the UN in September and the G20 in Turkey, which will culminate in a major anti-corruption summit in London next year.

Turning to national security, a number of issues were discussed, beginning with ISIL in Iraq and Syria. We have a three-pronged strategy. First, in Iraq, we are helping to train Iraqi security forces so that they can defeat ISIL on the ground. We have already trained more than 1,200 Kurdish troops in Irbil, and at the summit I announced that we will now deploy an additional 125 military personnel to expand that training effort right across Iraq. Secondly, I met Prime Minister Abadi and reiterated our support for his efforts to build an inclusive Government that brings the country together against the common enemy that is ISIL. Thirdly, we need to do more to tackle the causes—not just the consequences—of this terrorist threat. That means defeating the poisonous ideology of extremism at home and abroad.

In Syria, there is no greater recruiting sergeant for ISIL than President Assad's war against his own people, so the G7 called for a genuine UN-led political transition as the only way to bring peace and defeat terrorism in Syria.

In Libya, there is a real danger of ISIL terrorists exploiting ungoverned spaces to establish a new base from which to plot attacks against European countries while criminal gangs are exploiting an open corridor to make Libya the new gateway to Europe for people smuggling. We agreed to give our full backing to the UN-led effort to put in place a national unity Government in Libya, and we agreed on a comprehensive approach to going after the gangs who are trafficking people, to stabilise the countries from which those people are coming and to continue to play our full part in the humanitarian rescue mission. Britain is playing its part in all of those things, with HMS Bulwark picking up another 2,500 people at the weekend.

We are also stepping up our efforts to support Nigeria. I met President Buhari during the summit and also discussed with President Obama how we can best help Nigeria to tackle corruption and to win the fight against Boko Haram. The National Security Council has agreed that that will be a specific priority. We are setting up a new cross-Government unit dedicated to that task and we will be offering significant help, including training the Nigerian army to help in its work to defeat Boko Haram.

Turning to global health, playing our part in fighting disease overseas is not just a moral obligation but the single most effective way of preventing diseases infecting

[*The Prime Minister*]

people here in the UK. Following the Ebola outbreak, it was right that the G7 devoted significant time to finding out how best to try and prevent a future global pandemic. At the summit, I announced that we would create a new £20 million UK research and development fund, focused on breakthrough medicines. We are also leading by example in promoting greater transparency over clinical trials and forming our own crack team of medics that can deploy rapidly to tackle infection outbreaks anywhere in the world. We are learning the lesson of the slow response to Ebola, chiefly by the World Health Organisation.

Finally, this was the second year running that we met as a G7 rather than a G8. President Obama summed up the choice facing President Putin: he can either continue to wreck his country's economy and continue Russia's isolation or he can recognise that Russia's greatness does not depend on violating the territorial integrity and sovereignty of other countries. The G7 was clear and unambiguous about its position: diplomatic efforts must succeed in restoring Ukraine's sovereignty and territorial integrity, and existing sanctions must remain in place until the Minsk agreements are fully implemented.

We expect Russia to stop trans-border support of separatist forces and use its influence on them to bring violence to an end. We were clear that we

“stand ready to take further restrictive measures in order to increase costs on Russia should its actions so require.”

Fully implementing Minsk also means action from Ukraine. It is vital that President Poroshenko's Government has the support needed to deliver the necessary political and economic reforms. The UK is already helping through our good governance fund and we will continue to look at what more we can do, but we should never forget that Ukrainians are the victims and not the aggressors.

Following the general election, with our economy growing, the deficit falling and unemployment tumbling, people can see that Britain is back. We are working for trade deals; fighting corruption; leading the battle against poverty, disease and climate change; fighting ISIL over the skies of Iraq; saving lives in the Mediterranean; and standing firm with sanctions against Russia's actions in Ukraine. On every front, we are playing a leading role in advancing prosperity and security around the world, and in doing so, delivering both the economic and national security on which our own future depends. I commend this statement to the House.

12.44 pm

**Ms Harriet Harman** (Camberwell and Peckham) (Lab): I thank the Prime Minister for his statement. I welcome the conclusions of the summit, including the reaffirmation of the G7's aid commitment and the commitment to fighting corruption and to fighting disease overseas. I particularly welcome the support for Nigeria.

As the Prime Minister said, this is the second G7 summit from which Russia has been excluded. It is right that there should be consequences for what it is doing in Ukraine, and Russia should continue to be excluded until President Putin changes course. Sanctions against Russia should remain until the Minsk agreements are fully implemented. European Union sanctions will expire at the end of July, and the Prime Minister has said that

they should be rolled over. He said in his statement that the G7 stands ready to take further restrictive measures, so will he argue at the next EU Council for sanctions to be strengthened?

At the summit, the Prime Minister acknowledged that sanctions are also having an impact on those who are imposing them, so it is right that G7 leaders agreed that more must be done to support those EU member states that are being particularly affected. Will the Prime Minister tell the House what that could mean in practice?

The Prime Minister mentioned the fight against ISIL, and we have seen the horrors of what they are doing in Mosul. It is extremely worrying to see their advances in recent weeks, particularly into Ramadi. A strong and united approach to tackling ISIL continues to be vital. We back the UK's contribution to that effort and welcome the extra 125 military trainers being sent to Iraq at the request of the Iraqi Prime Minister.

As the Prime Minister said, the Iraqi Government must be supported in their efforts to push back ISIL's advance and to restore stability and security across the country, so is there a need to further accelerate the recruitment, training and equipping of Iraqi forces? An inclusive and enduring political settlement is vital, so is Britain continuing to press the Iraqi Government to do more to reach out to Sunni tribes, who are key to that?

The summit also reached important conclusions on the global economy and climate change. Can the Prime Minister confirm whether, in discussions on the Transatlantic Trade and Investment Partnership, he sought specific assurances from President Obama that our NHS will be protected? On climate change, will the Prime Minister clarify whether the G7's commitment to a global goal of greenhouse gas emissions reductions will, like our Climate Change Act 2008, be legally binding?

Most of the press coverage of the G7 summit was not about the global economy, climate change or ISIL; it was once again about the Tories rowing about Europe, and it was entirely of the Prime Minister's own doing. On Sunday, he spent the flight to Germany boasting to journalists that he would sack any Cabinet Minister who did not toe the line on the referendum. On Monday, a loyal Minister was dispatched to the “Today” programme to drive home the Prime Minister's tough line.

Later that very day, however, the Prime Minister sounded the retreat: the travelling press had apparently misheard—it was a case not so much of collective responsibility for the Cabinet, but of collective mishearing by the travelling press pack. That sometimes happens on a flight: your ears get blocked. The Prime Minister graciously and kindly said to them:

“If you're not certain about something I said...ask”.

May I say how grateful I am for that new approach? There are things that people are still uncertain about, so I ask the Prime Minister: what are his reform proposals and his red lines? Will he say clearly now whether, when he has finished negotiating and he comes back arguing for a yes vote, he will sack Ministers who do not agree with him, or does he agree with the Mayor of London, who says that Ministers can vote as they want? What about the Work and Pensions Secretary? Will the quiet man be here to stay, or will he be allowed to turn up the volume?

Yet again, another international summit vital to our national interests has ended in the usual way: a Tory Prime Minister fighting with his own party on Europe.

**The Prime Minister:** I enjoyed the last bit of the right hon. and learned Lady's speech; that was going back to the old Punch and Judy that she rather restrained herself from at Prime Minister's questions. There was only one problem, which is the premise that all this happened with journalists on the plane and their not being able to hear. I can confirm that there were no journalists on the plane, so next time, she might want to get the details straight.

Let me go back to the beginning of her speech. On Russia, I am very grateful for her backing for the sanctions. She asked about the EU Council in June and the aim there will be a full rollover of the sanctions. More sanctions would be produced, I believe, if Russia took further aggressive action. We hope that that does not happen, but Russia needs to know that there would be costs if it did. We need to be cautious on the question of helping other EU states. Putting in place sanctions damages all European countries in different ways, and Britain itself faces some damage, but our argument should be not that we can individually compensate EU states but that it is in all our collective and individual interests that the rules-based system of our world continues to work and that Russia does not violate it. We should make that argument first before we consider whether there are separate measures we can take.

I thank the right hon. and learned Lady for her support of our campaign against ISIL in Iraq. She is absolutely right that that is being driven by the Iraqi Government and the long-term answer to the problems in Iraq and Syria is inclusive Governments that can represent all of their people. I am grateful for her support for the extra 125 personnel we have sent. She asked whether, in our view, Iraq needs to do more to reach out to the Sunni tribes and to train more of the security forces. She is right on both counts and that needs to happen.

On the question of TTIP, I would argue that the NHS is protected. There is no way that a TTIP agreement can lead to changes in our NHS. I suggest to the Labour party that instead of raising the profile of a threat that does not exist and trying to seek false reassurances, it would be better if the whole of the UK political system could come together and push the Americans to go further and put more on the table, so that this trade deal benefits working people in Britain. That is the argument we need to make.

The right hon. and learned Lady asked about the climate change agreement. Our view is that it should be legally binding and that is what we are pressing for. The language in the communiqué is progress and America is pitching into these arguments, but of course we would like them to go further.

I think that we dealt with all the European stuff during Prime Minister's questions. We should lift our eyes to the horizon. She says that we are back to the usual service of the 1990s, but there is something very different about this Government compared with the Governments of the 1990s, either of a Labour persuasion or of a Conservative persuasion, in that we have made the historic decision to let the people decide when it comes to Europe.

**Mr Kenneth Clarke (Rushcliffe) (Con):** I am pleased to hear from the Prime Minister that there was time at the G7 to consider the humanitarian tragedy in the Mediterranean, where huge numbers of people are drowning trying to flee conditions in their own countries. I agree with him that the long-term solution is development aid in the countries from which they come, but was there discussion of an international diplomatic effort and the giving of administrative and technical support to the Government of the failed state in Libya, which remains a lawless space through which huge numbers of people will continue to come unless and until some sort of stability is restored to the country?

**The Prime Minister:** My right hon. and learned Friend has identified the core part of the problem that needs to be solved urgently, which is the need for a Government of national unity in Libya. We can and do offer technical assistance, border security and the training of Libyans, but until there is a Government they do not join up and make a comprehensive strategy. At the G7, we talked about ensuring that our Foreign Ministers and others do everything they can to support Special Representative León and his work to form that Government. Once that is done, we can pour in the assistance to help them deal with the criminal gangs and secure their borders.

**Angus Robertson (Moray) (SNP):** I thank the Prime Minister for advance sight of his statement. There is much in the communiqué to be commended. For example, the first paragraph states:

"We are committed to the values of freedom and democracy, and their universality, to the rule of law and respect for human rights, and to fostering peace and security."

We on the Scottish National party Benches will support human rights by seeking to protect the Human Rights Act in the weeks and months ahead. The communiqué also contains paragraphs on the global economy and the need for growth and on women's entrepreneurship, two areas that are vital throughout the world.

On tax, tax evasion and anti-corruption measures, I am sure that the Prime Minister would like to confirm that every co-operation has been given to the Swiss and US legal authorities in relation to FIFA. On trade, the communiqué welcomes progress on the Transatlantic Trade and Investment Partnership, but the Prime Minister will also be aware of the concerns about the potential adverse impact on public service provision such as the national health service. What safeguards did the Prime Minister highlight as UK Government requirements to protect the NHS? We have heard him say from the Dispatch Box that there is no reason for concern. If there is no reason for concern, I see good prospects of those safeguards being included in any final TTIP deal, so why not secure that on the face of the treaty?

On foreign policy, I agree with the G7 conclusions about the territorial integrity of Ukraine, the role of Russia and the need to maintain sanctions against the Russian state, but I warn of the risks of the situation in eastern Ukraine becoming a frozen conflict. Anybody who has witnessed what happened in eastern Europe since the fall of the iron curtain will be aware of what has happened from Transnistria to South Ossetia and from Abkhazia to Nagorno-Karabakh and Bosnia-Herzegovina. Although the immediacy of the situation merits action, there must also be a medium and long-term perspective for normalisation.

[*Angus Robertson*]

I welcome the provisions on maritime order and maritime security. These are relevant to the Pacific and also in our northern European neighbourhood. I encourage the UK Government to take this seriously for a change. The high north and the Arctic did not even rate a mention in the last strategic defence and security review—I hope that they will be included in the forthcoming SDSR—and the UK has not a single maritime patrol aircraft.

Finally, I will welcome the inclusion of migration and refugees in the G7 conclusions. I asked the Prime Minister about that last week. Has he had any time to reflect on the appalling UK record of giving refuge to those fleeing the war in Syria and elsewhere? Does he now not agree that he should be working with his international colleagues, with those in the European Union foremost amongst them, so that we all take a fair share of those requiring refuge?

**The Prime Minister:** I thank the hon. Gentleman for his response. Let me take all his points in turn. On maritime security and the SDSR, he is right to make the point that the high north and the Arctic should be carefully considered in the SDSR and I will ensure that that happens. I do not agree with him on our record on refugees. We have an excellent record and we are the second largest bilateral donor to ensure that those people fleeing conflict in Syria and Iraq are properly looked after. We have a programme for resettling particularly vulnerable families, but if he thinks that the answer to a refugee crisis of tens of millions of people is a resettlement programme, he is completely wrong. The answer must be stabilising those countries and allowing people to return.

I think the hon. Gentleman is right about frozen conflicts. One reason we should take the problems of Russian aggression into Ukraine so seriously is to be clear that we will not tolerate the situations that happened in Georgia and elsewhere, where frozen conflicts have been created. It is important that we take a strong stand through sanctions, unlike what happened with Georgia, where the international community moved on.

On TTIP, I will say to the hon. Gentleman, as I said to Labour, that raising these false fears about potential privatisation of the NHS is a waste of an opportunity. In the English NHS, the commissioners of services will make the decisions and they invest over and over again in a national health service. In Scotland, as he knows, the only person who can privatise the NHS is the Scottish Government. Instead of raising false fears, we should be putting on the table bold proposals to open up American markets. For instance, the Scottish knitwear manufacturer that I visited recently, suffers from massive tariffs and wants to be able to sell into the US. He should spend his time looking after those businesses and those jobs and fighting for them.

On the question of tax evasion, tax avoidance and collaborating with the FIFA investigation, I am sure that we can give that reassurance but I will check carefully.

Finally, I say to the hon. Gentleman that I believe in human rights and I think that the best way to safeguard them is to have a British Bill of Rights. Why not have these decisions made in British courts rather than in Strasbourg courts? That is the position of the Government.

**Mr John Baron** (Basildon and Billericay) (Con): Further to discussions about Russia and ISIL, the Prime Minister will be aware that during Russia's annexation of the Crimea the Foreign and Commonwealth Office did not have one in-house Crimea expert, and that at the height of the Arab spring the FCO was so thin on the ground that retired Arabists had to be recalled. Has not the time now come for greater investment in the FCO in order to help us navigate this increasingly uncertain world?

**The Prime Minister:** I can reassure my hon. Friend that the FCO is hiring more Russian speakers, but the advice I get from our excellent ambassador in Russia, Tim Barrow, is of a very high standard. His team works extremely hard and I want to take this opportunity to thank them publicly.

**Ms Gisela Stuart** (Birmingham, Edgbaston) (Lab): Does the Prime Minister accept that if we stop training our forces in Kenya and plan to do the same in Canada and therefore take a training holiday, we seriously undermine our force readiness and our credibility?

**The Prime Minister:** The hon. Lady makes an important point. I know from speaking to members of our armed forces that they benefit hugely from training in different countries and in different conditions. Training in Kenya and in Canada, as I understand it, is going to continue.

**Richard Drax** (South Dorset) (Con): Whether or not one agrees with either side of the climate change argument, one thing is certain: we do not want to sign up to anything that damages our economy. Can my right hon. Friend assure me that he will not sign up to anything that does that?

**The Prime Minister:** I can certainly give my hon. Friend that assurance. The argument that I would make to sceptics about the issue is that Britain has already taken some very significant steps to improve renewable energy and to improve the situation with regard to carbon emissions in transport, housing and elsewhere. It is now in our interest that other countries sign up to those things. That is why we can see from the discussions at the G7 that countries that have previously been at the back of the queue, such as China and America, are now coming forward with plans to make sure that they put such changes in place. Even if one is a sceptic about these matters, it is a time to get enthusiastic about a deal.

**Sammy Wilson** (East Antrim) (DUP): At the Enniskillen summit, many of my constituents were pleased that the Prime Minister took the lead on the issue of tax-dodging by major companies, which robs countries, especially developing countries, of major tax revenue. Two years on, companies are still thumbing their noses at national Governments on the issue of tax. When does the Prime Minister expect to see tangible results from the measures that were introduced and the promises made at the G7 summits?

**The Prime Minister:** I thank the hon. Gentleman for his question. I would be a bit more positive, in that two things have happened. One is that countries have signed up to the automatic exchange of tax information, which is vital. Secondly, the culture in business is changing.

Businesses now know that the old discussions about how they can minimise their tax bill will not stand up to public scrutiny. We see company after company now—we have seen it recently with some of those in the world of hot drinks—recognising that they need to engage in the debate and start paying taxes in the country where they make their money.

**Stephen Hammond** (Wimbledon) (Con): May I particularly commend the Prime Minister on the announcement that there is a commitment to mobilising climate finance for developing nations? This is hugely significant. Can he please update the House on when he expects that mobilisation to come forward?

**The Prime Minister:** My hon. Friend is right. In looking at the components of a deal, we need Europe to come forward with an offer, which we have done, and we need America and China, the big countries, to be engaged in the debate, making offers about carbon emissions, but what will bring it all together is making sure that the advanced world brings forward climate finance funds, so that we can reassure poorer countries, island states and others that there will be assistance for them as they militate against climate change and make the necessary changes in their own economies. Britain has put a lot of money on the table. We now need others to do the same, and I think we will make progress in the coming months.

**Keith Vaz** (Leicester East) (Lab): Further to the contributions of the right hon. and learned Member for Rushcliffe (Mr Clarke) and the leader of the Scottish National party, Prime Minister Renzi told the summit that 100,000 people have crossed the Mediterranean since 1 January and 1,750 have died. They are crossing at the rate of 600 a day. I agree with the Prime Minister that this is a frustrating situation, but the Khartoum process does not seem to be working and Frontex is not doing its job. Do we need another mechanism to try to deal with this problem?

**The Prime Minister:** I thank the right hon. Gentleman for his question. The mechanism that we need is to have a partner with whom we can work. Frankly, until there is a Libyan Government and an ability to go after the criminal gangs and to turn people back as they get into boats, all the other steps we take—picking people up and all the rest of it—are vital for humanitarian reasons but will not add up to a policy that will reduce this migration flow. We have to recognise that the one place where that has worked in the past, the Spanish efforts to stop people going to the Canary islands, was where they were able to work with Governments, invest in those Governments and invest in the necessary security. That is the model we need to follow.

**Heidi Allen** (South Cambridgeshire) (Con): The Prime Minister has spoken about the conversations that he is having about stopping companies, particularly large companies, artificially shifting profits abroad. That made the British people very angry recently. Can my right hon. Friend give us a little more detail about the content of the discussions?

**The Prime Minister:** We are doing two things. One is working internationally to get that done; the OECD has been leading a piece of work on base erosion and profit

shifting, trying to stop companies shifting their profits artificially around the world. The 90 countries that have signed up to automatic tax information exchange will give that work real teeth, but we have not waited for that. In this country in the last Budget the Chancellor introduced what was called the diverted profits tax, so that if we see a company that is making lots of money in the UK but not paying taxes in the UK, we can present it with a tax bill. So we are taking international action but we are not waiting for it here domestically. This is changing the culture of the companies concerned.

**Meg Hillier** (Hackney South and Shoreditch) (Lab/Co-op): I welcome the Prime Minister's conversations with President Buhari and the commitment to tackle Boko Haram in Nigeria. He also mentioned that he had had discussions about tackling corruption, which is obviously a serious issue. Can he give us more detail about those discussions and actions?

**The Prime Minister:** I hope the hon. Lady agrees that President Buhari's election is a very important moment for Nigeria, because he won the election even though he was facing some pretty overwhelming odds in relation to what his opposing candidate's party was doing, if I may put it that way in the most gentle form. President Buhari has a track record of fighting corruption and has put it at the top of his agenda. His speech at his inauguration was a model of doing that. He needs to sort out corruption in the army and in the oil department and industry. What Britain is trying to say is, "We are there as your partner and want to help you, so the more we can do to help you clean up this corruption, the better for people not only in Nigeria, but throughout the region and here too."

**Nadhim Zahawi** (Stratford-on-Avon) (Con): May I commend the Prime Minister on his statement on ISIL? It is a national security threat. President Obama spoke about a developing plan for ISIL. Prime Minister Abadi is clearly trying to cope with bringing the Shi'a militias under the Iraqi army command. The Sunni Speaker of Parliament is talking about a Sunni national guard, and the Kurds are struggling to cope with 1.6 million internally displaced persons and a 1,000 km border with ISIL. Did my right hon. Friend discuss with President Obama that plan for redoubling the efforts, both in Iraq and in Syria, in respect of ISIL?

**The Prime Minister:** We had a pretty lengthy discussion about ISIL, because in my view Islamist extremists, violence and terrorism are the greatest threat that we face on the national security front. It is a threat that very directly affects us here and it is worrying how many people from Britain have gone to fight for ISIL, so we have to cope with this right across the piece. My hon. Friend is right: we need to invest in the Iraqi Government and their capacity to bring the country together by being a Government for all—Sunni, Shi'a and Kurd—and having security forces that represent all Sunni, Shi'a and Kurd. We need to encourage President Abadi to take bold steps in that direction, while helping him to train his forces, which is what our effort and above all the American effort is all about.

**Several hon. Members** *rose*—

**Mr Speaker:** Order. As Members who were present during the previous Parliament will know, and as the Prime Minister can certainly testify, I am not averse to running exchanges on statements very fully because I think that is what democratic scrutiny requires. I simply point out that there are two heavily subscribed Opposition day debates today, and therefore there is a premium upon brevity.

**Stephen Twigg** (Liverpool, West Derby) (Lab/Co-op): The G7 leaders' declaration refers to the appalling suffering of the Rohingya people in the bay of Bengal. This is a humanitarian crisis and there is rising public concern in this country about it. Does the Prime Minister agree that it is time for the UN Secretary-General to take personal charge of dealing with this crisis?

**The Prime Minister:** The hon. Gentleman is absolutely right to raise this issue. Again, we need to trace it back to the country from which the problem is coming, and we need greater action by the Burmese Government to represent all the people in Burma.

**Mr Ranil Jayawardena** (North East Hampshire) (Con): I welcome the consideration being given to tackling pandemics. Will my right hon. Friend set out more details on how the UK research and development fund will help to prevent pandemics and prevent infection of people here in the United Kingdom?

**The Prime Minister:** The discussion was around a couple of things. One is that when a pandemic breaks out, we need faster action. That is why we need a crack team of epidemiologists—medics; I will say it the simple way—to get out there and measure the situation, which is what Britain stands ready to do. The second thing is to put money into development of medicines and vaccines so that we have better ways of coping with these things when they happen.

**Mr Douglas Carswell** (Clacton) (UKIP): What assurance can the Prime Minister give us, following the G7 discussions, that any transatlantic trade deal will be based on genuine free trade, meaning mutual standards of recognition, and not on regulatory standardisation drafted in favour of big vested corporate interests?

**The Prime Minister:** I suspect that it will be a combination of both those things. We should not shy away from that, because the opportunity for the two largest economies in the world—the EU and America—in writing some of these rules together will make sure that we have good and decent standards rather than a race to the bottom. It is important to see that as a potential advantage of the TTIP deal.

**Mr Christopher Chope** (Christchurch) (Con): Did the G7 agree that the situation in eastern Ukraine has gone from bad to worse, and if so, why has not more been done to say that there should be increased sanctions against the Russian Federation rather than just a rolling over of existing sanctions?

**The Prime Minister:** My hon. Friend makes an important point. There has been a mixed picture since the Minsk agreements were signed. Overall, there has been some sign of lower levels of violence and aggression, so we

should recognise that. I think the decision to roll over the sanctions automatically in June is right, with the very clear warning that if things were to get much worse—if there were to be, for instance, a Russian-backed push for more territory—that could lead to higher sanctions.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): May I point the Prime Minister to the part of his statement on economic security, which was quite short? What does he say to those who criticise the G7 and say that we have never learned the lessons of the world economic meltdown in 2008 by putting together a policy, a set of regulations and a set of organisations that could prevent it from happening again?

**The Prime Minister:** The G20 has in many ways been the key organising body for driving changes to rules on bank regulation and capital requirements, for instance, and reform of global institutions. I think that helps, because of course banking problems and meltdowns can happen in developing countries as well as advanced countries. The strength of the G7 is that yes, of course, we discuss economic and trade issues, but we have very like-minded conversations about the big security challenges such as ISIL and Russia. Frankly, it was helpful that the conversation was at the G7, because it was that much more candid and frank.

**Edward Argar** (Charnwood) (Con): The hard work of the British people, including my constituents in Charnwood, combined with our long-term economic plan have ensured that our economy in the UK is growing, but external economic risks remain. Will my right hon. Friend enlarge on what discussions he had on those wider external risks and how to mitigate them?

**The Prime Minister:** There are a number of risks, including the potential slow-down of the Chinese economy, which was obviously discussed. There were a number of discussions at the margins of the G7, and some round the table as well, about the threat to the stability of the eurozone of the very unstable situation in Greece, which is of interest to all the members of the G7. We are approaching some pretty crucial days where agreement needs to be reached in order to maintain the stability of a bunch of economies that are very big trading partners for Britain.

**Jonathan Edwards** (Carmarthen East and Dinefwr) (PC): With further deployment of UK and US troops in Iraq, what measures has the Prime Minister put in place to guard against mission creep?

**The Prime Minister:** One of the most important things is to come back regularly to this House and discuss and debate what we are doing. This latest deployment is in response to a request from the Iraqi Government. These individuals, who are mostly involved in training the Iraqi troops on how to counter IED—improvised explosive device—threats, will save lives, and that is a sensible approach for Britain to take. More broadly, we are the second largest contributor in terms of the airstrikes over Iraq. That has been essential in shrinking the amount of territory that ISIL controls and making sure that the Kurds have been able to maintain their situation in the Kurdish regional authority.

There are regular reports back and a clear statement from this Dispatch Box: this is not about trying to re-invade a country; it is about helping the legitimate Government of that country, as recognised by the UN, to do the work that they know is vital.

**David Tredinnick** (Bosworth) (Con): I went with John Major, when he was Prime Minister, to meet Boris Yeltsin, and I am not at all sure that it is in the British national interest that we are now at loggerheads with Russia given all this trouble in Arabia and with ISIL. Has my right hon. Friend seen the recent remarks by Lord Carrington, Mrs Thatcher's Foreign Secretary, that Ukraine "was always part of" Russia, that the US "was crazy to suggest Ukraine could join Nato one day", and that "Henry Kissinger...agrees with him"?

**The Prime Minister:** We have not picked the fight with Russia; Russia has brought this on herself by destabilising and encouraging separatists to take Ukrainian territory. As for whether Ukraine is a country, we should recognise that the Ukrainian people themselves have decided that it is a country; it is recognised by the United Nations. The whole point we have to learn is that redrawing the lines and maps of Europe by force can end in disaster for everyone in Europe, including the people here in this country.

**Caroline Lucas** (Brighton, Pavilion) (Green): The G7 pledge on climate action is very welcome, but a new report from Oxfam warns:

"Coal plants in G7 countries are on track to cost the world \$450 billion a year by the end of the century".

Given that the Committee on Climate Change recommended that we should end unabated coal generation by the early 2020s, will the Prime Minister put in place a policy framework to try to achieve that?

**The Prime Minister:** We all want to see an end to unabated coal, but the key is in the term unabated. We need to make sure that we invest in carbon capture and storage so that we can accelerate the decarbonisation of electricity, but in a way that does not damage our economic interests.

**Richard Graham** (Gloucester) (Con): I welcome the new focus on corruption and the plan for an anti-corruption summit in London.

On Syria and the call for a UN-led political transition, will the Prime Minister share with us a little more about what that would look like—for example, whether Bosnia-Herzegovina is a useful precedent—and how we would arrive at it?

**The Prime Minister:** I am not sure that it is easy to identify an exact precedent. The point is simply this: President Assad himself, as I said in my statement, has become a recruiting sergeant for ISIL because of the way that he has treated his people, but everybody knows that what Syria needs, long term, is a Government who can represent everyone in Syria, including the Alawites. Therefore, clearly it would be acceptable to have a Government who were able to represent those people as well as the Sunni majority. That is the sort of transition that we should be aiming for.

**Derek Twigg** (Halton) (Lab): When the Defence Committee went to Iraq at the end of last year, it was clear that one of the biggest obstacles to defeating ISIL was the lack of involvement of the Sunni tribes and Sunni people, and that is obviously down to the Iraqi Government. I welcome the support we are giving to the Iraqi Government, but what is the strategy of the Prime Minister and the other leaders of the G7 to bring on board the Sunnis and get the Iraqi Government to change their position, because that is essential in order for us to defeat ISIL?

**The Prime Minister:** The hon. Gentleman's analysis of the situation is absolutely spot on. We will not succeed in Iraq unless the Iraqi Government and the Iraqi security forces have representation from both Sunni and Shi'a, so our strategy is not to try to do things for the Iraqi Government but to encourage the Iraqi Government to do them and say, "We'll work alongside you." In everything we do, we should be encouraging them to reach out to the Sunni tribes, because in the end their Government will succeed only if they represent all the people.

**Mr Speaker:** I call Mr Richard Graham. [*Interruption.*] Have I already called Mr Graham? Yes, I have. How could I have forgotten the pearls of wisdom with which he just favoured the House? It was very remiss of me and I apologise to the hon. Gentleman. I call Mr Crispin Blunt.

**Crispin Blunt** (Reigate) (Con): Islamic State is an enemy of civilisation, which is why it finds a coalition of 60 countries ranged against it. It requires military defeat, and the sooner that task is undertaken, the easier it will be. However, it is not going to happen if the regional powers are not co-ordinating their policies. What discussion was there at the G7 about getting Turkey, Iran and Saudi Arabia, at the very least, to co-ordinate their policies towards Islamic State?

**The Prime Minister:** My hon. Friend is absolutely right that that sort of co-ordination is required. Some important steps have been taken, not least President Obama's meeting at Camp David with all the Gulf countries. I have had conversations in recent days with the Turkish President and have visited Turkey to discuss this issue. I am not sure we will be able to achieve the perfection that my hon. Friend requires of getting everyone round the table at the same time in the same way, but certainly working with regional partners to make sure everyone has a co-ordinated approach is the right thing to do.

**Hannah Bardell** (Livingston) (SNP): I thank the Prime Minister for his statement. I would pick up two points that he raised—corruption and FIFA. Sadly, they seem to have become synonymous. Does he think it appropriate that Sepp Blatter attends the FIFA women's world cup, which is taking place at the moment, given his promise to resign and given his sadly inappropriate comment that women footballers should wear tighter shorts to make women's football more popular?

**The Prime Minister:** The hon. Lady makes a very important point. Sepp Blatter's track record on these things is very disappointing. Sepp Blatter has said he is

[*The Prime Minister*]

going to resign, and in my view he should get on and resign. The organisation needs new leadership and needs to be cleaned up, and the sooner that starts the better.

**Jeremy Lefroy** (Stafford) (Con): Did my right hon. Friend receive any indication from the other leaders about when they will meet their clear commitments to overseas development assistance at 0.7% of gross national income?

**The Prime Minister:** For the first time in a number of G7s and G8s, we actually got the 0.7% commitment back into the text, so it is clear and there for all to see. I would argue that it is not just right for Britain from a moral standpoint, but that it actually increases our standing in the world that we can point out that we have kept our promises and were able to use that money to enhance not only the economic standing of those countries, but our own security as well.

**Debbie Abrahams** (Oldham East and Saddleworth) (Lab): I am pleased that the G7 discussed global poverty and action to address it, but given that the IMF, the OECD and Nobel economists have all agreed that inequalities have a negative influence on growth and on societies, why are he and his Government exacerbating inequalities across the UK, including having a negative impact on addressing health inequalities?

**The Prime Minister:** First, the figures show that inequality actually fell during the last Parliament. I would slightly take issue with the hon. Lady about the priorities for development in terms of the UN goals that we will agree in September. Of course we all want to see reductions in inequality, but when we have to determine the absolute priority for the world in tackling poverty and in trying to inspire a new generation of people to take action, as the Live Aid generation did, I would argue that eradicating extreme poverty—people living every day on almost nothing—is where we should really put the emphasis.

**Henry Smith** (Crawley) (Con): I welcome the extremism Bill that the Government will introduce, but what discussions did my right hon. Friend have with other G7 leaders about the sharing of intelligence to help to prevent people from travelling to support ISIL?

**The Prime Minister:** We did have discussions about that. There is obviously very good information sharing between Britain and America, and there is increasingly better sharing of information among European countries, with the progress on the passenger name record. Where we need even more co-operation is clearly between countries such as Britain and Turkey, which can sometimes act as a gateway for people joining ISIL. That is where we need to focus our efforts.

**Kate Green** (Stretford and Urmston) (Lab): I welcome the Prime Minister's announcement on investment to tackle pandemics, but does he agree that vaccines and drugs will be effective only if countries have domestic healthcare systems that can distribute them through their populations? Was that discussed at the G7, and what conclusions were drawn?

**The Prime Minister:** The hon. Lady is absolutely right. Making sure that teams visit countries where a pandemic starts and making vaccines available is only a sticking plaster on top of a very large problem. What we need is stronger health systems in such countries, which is one of the things that our aid programme is designed to deliver.

**James Heapey** (Wells) (Con): Our country has invested a great deal of blood and treasure in Afghanistan. Will my right hon. Friend reassure the House that plans for the future of that country remain a concern of the G7?

**The Prime Minister:** Yes, I can. My hon. Friend is absolutely right to raise this matter. In these gatherings, there is sometimes a danger that everyone looks at the next problem, rather than at trying to examine how well the work has been done on the last problem to secure the future. It is very important that we keep our eyes on supporting the Afghan Government and the Afghan security forces, because they are now carrying out the role that our soldiers helped to carry out, which is to stop that country being a haven for terror.

**Jim Shannon** (Strangford) (DUP): The Prime Minister referred to Nigeria. Will he inform the House when we can expect the schoolchildren kidnapped by Boko Haram some two years ago to be reunited with their families?

**The Prime Minister:** The hon. Gentleman makes an important point. A number of those who were abducted have returned, but Boko Haram still holds a very large number of them. This brings together the things about which I have been talking: first, one reason why these things happen is that the endemic corruption in such countries means that the military and security services are not effective, and people sometimes turn to extremist organisations because their Governments are not working; and, secondly, we should not try to take over the organisation of such things, but be there to help to train the military and assist in dealing with the corruption in such countries so that they are better able to protect their people.

**Mark Pritchard** (The Wrekin) (Con): Staying with Nigeria, I welcome the National Security Council prioritising help for the Nigerian Government in their fight against Boko Haram. Does the Prime Minister agree that the security forces of Chad, Mali, Niger and Nigeria need to work out a regional solution and work more closely together?

**The Prime Minister:** My hon. Friend is absolutely right. One of the first things that President Buhari has done—he told me this in our bilateral—is to visit all the neighbouring countries to work very closely with them.

**Ann Clwyd** (Cynon Valley) (Lab): Was there any discussion at the G7 of the importance of freedom of expression as a human right, particularly in view of the very severe clampdown in Saudi Arabia on freedom of expression and the fact that the blogger Raif Badawi is due to be brutally flogged again on Friday? Yesterday, the Foreign Secretary made very encouraging sounds. Will the Prime Minister take this up personally, and does he have some further news on the issue?

**The Prime Minister:** There was not a specific discussion of that, but the great thing about the G7 is that all its countries sign up to certain norms for human rights, freedom of expression, the rule of law and democracy, so we can have like-minded conversations in which we deal with issues very frankly. We have set out very clearly our views on what has happened in this case in Saudi Arabia, and we will continue to do so.

**Gareth Johnson (Dartford) (Con):** *The New York Times* reported recently that Iran is increasing its nuclear stockpiles, notwithstanding the fact that the issue was due to be discussed at the G7 summit. Will the Prime Minister assure the House that there remains a determination among G7 countries to ensure that Iran is never able to obtain a nuclear weapon of its own?

**The Prime Minister:** I can certainly give my hon. Friend that assurance. There was a good conversation about Iran, when President Obama reported back on his view of the state of the negotiations that are taking place. The aim is very clear: to make sure Iran is a good distance away from ever obtaining a nuclear weapon. Crucially, the agreement has to include a lot of inspection and verification so that we know that to be true. On that basis, a deal is absolutely worth pursuing.

**Stephen Phillips (Sleaford and North Hykeham) (Con):** My right hon. Friends the Prime Minister and the Secretary of State for International Development have probably done more than any of their predecessors to tackle poverty in the developing world and Africa through the 0.7% target and by ensuring that our aid is well spent. Perhaps the biggest bar to economic development in Africa and the developing world is the issue of corruption. Will the Prime Minister consider discussing with the Foreign Secretary whether we can open an international convention for signature at next year's summit, which was announced today, so that we can put in place common standards across the entire world?

**The Prime Minister:** My hon. and learned Friend makes a very good suggestion. We have already set up the Open Government Partnership, which is an international organisation encouraging transparency from its members, and we are going to hold the anti-corruption summit. Because we have met our 0.7% pledge, we are able to make the running and make the arguments on this issue. People know that we have kept our pledges about the money, so we can now talk about the corruption. His suggestion is a very good one.

**Jeremy Corbyn (Islington North) (Lab):** During the long discussions that the Prime Minister was able to have with other leaders of the G7—apparently they were walking around a very nice park while they were doing it—did they manage to discuss seriously two things? First, did they discuss why ISIL is so powerful, so successful, so well funded and, crucially, so well armed with efficient, modern high-calibre weapons? Secondly, was there an opportunity for a longer discussion about the past 15 years of western foreign policy in Afghanistan, Iraq, Libya and other places, which appears to have created the circumstances under which an organisation such as ISIL can grow, and indeed is still growing? Was there an opportunity for reflection on that?

**The Prime Minister:** I can reassure the hon. Gentleman that it was not a park. It was the beautiful Bavarian Alps, where I think the hon. Member for Birmingham, Edgbaston (Ms Stuart) comes from originally—she was waxing lyrical to me about it yesterday.

Of course there was a long discussion about ISIL, and I will take the hon. Gentleman's question in two parts. First, the reason why ISIL is so well armed and well funded is that it is a death cult that has effectively taken over a country, oilfields, money and weaponry. Where I part company with him completely is on the idea that ISIL has been caused by the Iraq war, western aggression or whatever. I think it is nonsense. We can see the growth in extremist Islamism dating back to well before the attack on the twin towers, which of course itself happened before the Iraq war. We have to confront the real problem, which is the rise of this poisonous extremist narrative and death cult, which long predated the Iraq war. If we get that the wrong way round, we will get ourselves in a total mess.

**Mr Peter Bone (Wellingborough) (Con):** I saw a press report, which was not well covered, saying that in the private meetings the world leaders wanted to know from the Prime Minister, given that he had inherited an economic mess and had to cut public expenditure, how on earth he got re-elected with a huge majority, the three main Opposition leaders resigned and he had a united party. Was that press report right?

**The Prime Minister:** I am delighted that my hon. Friend refers to my majority as huge. I take that as an indication that he will be part of it at all times throughout this Parliament.

I am pleased to report that I did have a number of pleasant discussions with Prime Ministers and Presidents inquiring after the general election, and some of them who are coming up for re-election themselves were seeking some tips and ideas.

**Dr Philippa Whitford (Central Ayrshire) (SNP):** We are well aware of the Prime Minister's wish to have control over decisions taken in this House and the courts of this country. Will he and his Government therefore fight the investor-state dispute settlement that is hidden within TTIP, which could undermine public health decisions taken in this House and by our devolved Government?

**The Prime Minister:** The hon. Lady, like some others, is chasing after a false demon. There have been such clauses in all the trade agreements that we have signed, and my understanding is that we have not lost a single case. My view is that instead of asking for things that are not necessary, we should ask for things that will benefit Britain, such as opening up the United States. Let me give one example. Because of the Jones Act, if we want to ship goods from one port to another in America, we have to use US vessels. In a world of free trade and openness, we should be pushing for changes to that sort of thing. Let us put our efforts into that, rather than into raising false demons over trade deals.

**Craig Williams (Cardiff North) (Con):** As a Member of Parliament from south Wales, I see at first hand the opportunity of green technologies. In the context of the

[Craig Williams]

statement, will my right hon. Friend set out how he expects companies in Britain to benefit from the growth in green technology?

**The Prime Minister:** I am grateful to my hon. Friend for his question. The more that we can set out a consistent framework and a pathway to reducing carbon emissions, the more we can encourage businesses to invest. That sort of framework has helped; in the last Parliament we saw a massive increase in offshore wind and other green technologies. I know that people in south Wales are particularly interested in what could happen with the Swansea lagoon. Having a plan makes it more likely that these schemes can go ahead.

**Several hon. Members** *rose*—

**Mr Speaker:** Order. Extreme brevity is now required, to be exemplified, I think, by a distinguished philosopher, Dr John Pugh.

**John Pugh** (Southport) (LD): I warmly welcome the progress that is being made on tax avoidance and evasion and multinational transparency, but are there any clear timelines, deadlines or penalties for non-compliance by individual countries?

**The Prime Minister:** The timeline that I have mentioned is the fact that 90 countries have promised automatic tax exchange by the end of 2018. That is not as fast as I would like, or probably as the hon. Gentleman would like, but it is something that has not happened before and will now happen.

**Rehman Chishti** (Gillingham and Rainham) (Con): On Yemen, the communiqué says that the G7 supports the UN process, but what actual steps is the international community taking to implement UN resolution 2216, which is underpinned by chapter VII of the UN charter, and to ensure that those from outside who back the Houthi rebels stop doing so?

**The Prime Minister:** The answer to my hon. Friend is that every effort is being made and every encouragement given to all sides that they need to get around a table and start talking. Specifically, those who have been backing the Houthi rebels should pay attention to the resolution that he mentions.

**Ms Diane Abbott** (Hackney North and Stoke Newington) (Lab): Does the Prime Minister appreciate that many people in this country, many of them of Nigerian heritage but many more of them not, will appreciate the special attention that is being paid to Nigeria? The abduction of the Chibok girls shocked the world, the failure to bring them all back is a stain on the conscience of the world, and they should never be forgotten.

**The Prime Minister:** The hon. Lady is absolutely right. All too often, appalling events happen on the other side of the world and there is an outpouring of grief, then the world shrugs and moves on. I am determined that we should not do that in this case. I want Britain to have a long-term partnership with Nigeria. About a quarter of a million Nigerians live in Britain and well

over 20,000 Britons live in Nigeria, we have common links of history, heritage and language, and I think there is a real willingness to work together.

**Tom Pursglove** (Corby) (Con): I recently met the Speaker of the House of Representatives, John Boehner, who asked me to pass a simple message of just two words to the Prime Minister: “northern powerhouse”. Did the President of the United States speak so warmly about our long-term economic plan?

**The Prime Minister:** As President Obama said before the election, given that Britain and America are two of the fastest-growing countries in the west, we must be doing something right.

**Diana Johnson** (Kingston upon Hull North) (Lab): If we are to play our part in meeting the G7’s commitment to eliminate the use of fossil fuels in this century, we will need binding targets such as the 2030 decarbonisation target, which could bring huge investment to areas such as Hull. Will the Prime Minister commit to bringing in such a binding target in the next two years?

**The Prime Minister:** I would draw the hon. Lady’s attention to the difference between the 2030 date and the end of the century date. I am all for decarbonising electricity as fast as we can, but we need to know that the means is there to do it. I want to know that carbon capture and storage really works before we make that commitment, otherwise we will not be able to have gas or coal plants and we will be left with only nuclear and renewables, which I do not think is a balanced energy mix.

**Mr Robin Walker** (Worcester) (Con): My right hon. Friend deserves great credit for how he first put tax transparency at the top of the G7 agenda and then kept it there. Can he assure the House that to underpin public services around the world and to be fair to companies and individuals who pay their taxes, we will reach out more widely than just the G7 and use all our networks, including the Commonwealth, to promote fair and transparent taxation?

**The Prime Minister:** My hon. Friend makes an important point. One thing we did as part of the Lough Erne process was to make sure that the Crown dependencies and overseas territories of the United Kingdom played their part. We can also push this agenda through the Commonwealth. Things like the register of beneficial ownership of companies are hugely helpful to the poorest countries in the world, which are often the victims of being ripped off by unscrupulous businesses. Having these registers, starting with Britain’s, will help enormously.

**Mark Durkan** (Foyle) (SDLP): The Prime Minister has sounded some strong notes against corruption. Will that sound carry through to his Government’s engagements with all the Gulf states and their regimes’ myriad interests? In that context, will he also amplify the message on human rights?

**The Prime Minister:** The answer to the hon. Gentleman is yes. We believe that we should encourage all countries to become more transparent and open in their dealings. Whether by signing up to transparency in the extractive industries or through the register of beneficial ownership, we have been leading by example.

**Mrs Anne Main** (St Albans) (Con): Recently, Prime Minister Modi observed that the Prime Minister of Bangladesh, Sheikh Hasina, had made some progress on attacking terrorism. Were there any discussions at the G7 on helping Bangladesh to tackle terrorism and on helping to ensure it remains a secular country, to the benefit of the UK?

**The Prime Minister:** I note my hon. Friend's long-standing interests in the links between Britain and Bangladesh, and in the strength and prosperity of Bangladesh. There was not a specific discussion on the matter she raises, but we talked about inclusive Governments representing all their people and governing on behalf of all their people, which is relevant in this case.

**Dr Alan Whitehead** (Southampton, Test) (Lab): The German Chancellor, Chancellor Merkel, in her statement at the end of the G7, wanted to emphasise the agreement of the G7 to phase out all fossil fuels as a means of electricity generation by the end of the century. Did the Prime Minister have a hand in securing that agreement? If so, what target was in his mind for the UK?

**The Prime Minister:** We worked very hard to get the strongest possible language on climate change. As I said to my hon. Friend the Member for South Dorset (Richard Drax), having set Britain on a path of low-carbon electricity and having reduced our carbon emissions, we want other countries to do this as well. We did not achieve all we wanted in the communiqué, but it was pretty strong stuff.

In terms of decarbonising electricity, I repeat what I said. What is happening in Germany at the moment is that because it has reduced its nuclear programme it is actually burning more, rather than less, coal. Our strategy is to reinvest in the nuclear industry and go on investing in renewables, and have gas plants constructed too. Over time, that will require carbon capture and storage. The pragmatic thing to do is to promote that technology and commit to full decarbonisation only when we know we can bring it about.

**Stephen Metcalfe** (South Basildon and East Thurrock) (Con): One way to deliver on our climate change target and boost our economy is through the development of new technologies. Will my right hon. Friend therefore commit to supporting our UK science community, fight for an increase in funding around the Cabinet table and pledge to aim towards spending the same percentage of GDP on research and development as our European partners?

**The Prime Minister:** My hon. Friend has made a very good bid for the public spending round. We have looked very carefully at this in the past and recognise that science is an important part of enhancing the growth, production, productivity and potential of the United Kingdom.

**Huw Irranca-Davies** (Ogmore) (Lab): Progress on climate change targets and agreements is notoriously difficult, but the diplomatic mountain to climb from now to the end of the year is still quite daunting and quite massive. Much of this will rely on UK leadership and the Prime Minister's personal involvement. Will he commit to that? Will he tell us what role he is going to

play, not least to satisfy the growth argument that has been talked about and the 200 companies that are today calling for that stronger action?

**The Prime Minister:** We are going to bring the whole of the team to bear on this. I have an excellent new Secretary of State for Energy and Climate Change, who will be leading the charge. The fact that we meet the 0.7% commitment means that the Secretary of State for International Development can play a huge role in helping to bring the smaller, poorer and often island states along, but it will be an effort of the whole Government. The EU has already put its offer out there. When we look down to see what the EU, the US, Canada and Japan are doing, we are in the leadership role. We should now ensure that our diplomacy is working to bring everyone else along to the party.

**Mr David Burrowes** (Enfield, Southgate) (Con): On combating ISIL and tackling corruption, with ISIL looting and destroying cultural heritage and trafficking its spoils, when will we finally join the international community and ratify The Hague convention?

**The Prime Minister:** The Culture Secretary rightly raised this with me yesterday. We are looking at what we can do on this front. We have, in organisations such as the British Museum, the expertise to know how to help to preserve some of these monuments. We also have advisers in countries that are able to help, so we are looking urgently at this issue to see whether we can resolve it.

**Mr David Nuttall** (Bury North) (Con): As the Prime Minister may be aware, the European Commission issued a report last year on the level of corruption within member states. The report claimed corruption cost the European economy about €120 billion a year, and was apparently to have included a chapter on corruption within the EU institutions themselves. The fact it did not clearly suggest it thinks there may be something to hide. I urge my right hon. Friend to press for an independent investigation into the extent of corruption within the institutions of the EU.

**The Prime Minister:** My hon. Friend makes an important point. Perhaps we should start by looking again at the European Court of Auditors and what it does to demonstrate the problems sometimes of corruption and sometimes of wasted or inappropriate use of money in nation states, as well as in the organisation of the EU itself.

**Byron Davies** (Gower) (Con): Organised crime is fuelled by corruption. That applies particularly to some countries in eastern Europe. Can the Prime Minister give me an assurance that this will be addressed in discussions at the summit with some of our newer member states?

**The Prime Minister:** My hon. Friend makes a very important point. First, when new member states join the European Union, that is the moment to put the maximum pressure on them to clean up their justice and policing systems and combat corruption. Secondly, we should make sure that the National Crime Agency, which was established under this Government and is now up and running and working well, continues to focus on organised crime from these countries.

**Philip Davies** (Shipley) (Con): The Prime Minister has been widely praised for his crackdown on corruption. Will he therefore explain why his Government provide so much overseas aid to some of the most corrupt countries in the world, leading many of them to spend more than 2% of their GDP on their military, which is particularly galling when we are now at risk of falling below that threshold ourselves?

**The Prime Minister:** My hon. Friend and I agree on so many things and have so many fruitful discussions, but this is one area where I know we are not going to agree. He passionately believes that the 0.7% is a commitment too far. I think it is important not only for Britain's moral conscience but for our security. So many of the problems we are dealing with, whether the instability coming out of Libya, terrorism coming out of Somalia or drugs coming out of west Africa, are problems of failing states and failing Governments. That is where our aid budget can make a real difference to our national security. If we take a country such as Somalia, it has a problem with drugs, a problem with terrorism and a problem with migration. At the heart of this is making sure there can be a Somali Government that represent all the people and can make that country safer and more prosperous. I would argue that that is in our national interest. It is not an alternative to our defence budget. It is part of the whole approach to keeping this country and our people safe.

## Opposition Day

[1ST ALLOTTED DAY]

### Housing

**Mr Speaker:** We now come to the Opposition day motion in the name of the Leader of the Opposition. To move the motion, I call the shadow Minister for Housing, Emma Reynolds.

1.47 pm

**Emma Reynolds** (Wolverhampton North East) (Lab): I beg to move,

That this House notes that the UK faces an urgent and growing housing crisis; believes that the Government should bring forward a comprehensive plan to tackle the housing crisis which sets out concrete steps to build more homes, including badly-needed affordable homes, boost home ownership, improve the private rented sector and reduce homelessness and rough sleeping; and regrets that over the past five years home completions have been at their lowest level in peacetime since the 1920s, that home ownership has fallen to a thirty-year low with a record number of young people living with their parents into their twenties and thirties, that there are 1.4 million families on the waiting list for a social home and that since 2010 homelessness has risen by 31 per cent and rough sleeping by 55 per cent.

Thank you, Mr Speaker. I have had a promotion since the last time we saw each other. I am now the shadow Secretary of State for Communities and Local Government, although we are talking about housing today.

**Mr Speaker:** Housing being but one of the hon. Lady's preoccupations. We welcome her preferment and congratulate her on it.

**Emma Reynolds:** And I congratulate you, Mr Speaker, on your re-election. I am delighted that you are in the Chair.

The official Opposition are deeply concerned about the urgent and growing housing crisis, which is why we have chosen it for our first Opposition day debate. Housing has rightly risen up the political agenda in recent months and years, and many of our constituents will say not before time. Our motion calls on the Government to bring forward a comprehensive plan to tackle the housing crisis, which should focus on: building more homes, including badly needed affordable homes; boosting home ownership, allowing people to fulfil their aspirations to buy their own home; improving private renting for the 11 million people now renting from a private landlord; and reducing homelessness and rough sleeping. Let us be clear that the big overarching problem is one of massive under-supply of new homes.

In England, we are building only half the number of homes we need to keep up with demand. It is true that under successive Governments of different political colours there simply have not been enough homes built for decades. It is also the case, however, that in the past five years house building has fallen to its lowest level in peacetime since the 1920s. The Prime Minister likes to maintain that the Conservative party is the party of homeownership, but the truth and the facts fly in the face of his rhetoric. Homeownership has fallen to a 30-year low. It is, as it happens, at its lowest since the last time there was a majority Tory Government.

**Andy Slaughter** (Hammersmith) (Lab): The average price of a property in my constituency is just shy of £1 million, but it might as well be £10 million because it is simply unaffordable for any normal family—certainly for first-time buyers. We need a comprehensive strategy that looks at releasing public land and attacks these crooked viability studies that developers bring out. Unless that is tackled, we will not build the homes that people need, particularly in areas where there are jobs and where people want to live.

**Emma Reynolds:** I congratulate Labour-run Hammersmith and Fulham council not only on taking over the council a little over a year ago, but on driving up the number of affordable homes through some of the big schemes in my hon. Friend's constituency. He is absolutely right that many people and families in his and other parts of London have simply given up on buying their own home because the prices are so unaffordable and exorbitant.

**Joan Ryan** (Enfield North) (Lab): Is my hon. Friend aware that the Institute for Fiscal Studies has said that the Government's housing proposals could lead to fewer affordable homes? In Enfield, it would take a couple with one child 20 years to save up a deposit on a house, and the average private rent now consumes 46% of the average weekly wage. This is not affordable for people. Does she agree that the Government's proposals will not resolve these problems?

**Emma Reynolds:** I will come on to those proposals in a minute. To pick up on what my right hon. Friend said about rent levels, the previous Housing Minister seemed to suggest in the House only a year and a half ago that rents were going down, whereas we know full well that in many parts of the capital and in many of our other cities they are going up and people are finding it increasingly unaffordable to rent in the private rented sector.

**Stephen Hammond** (Wimbledon) (Con): I think that everyone in the House will agree that more houses need to be built. In that spirit, will the hon. Lady agree that the Government's proposals on brownfield land and for a London land commission are bringing excess public sector, non-operational land into use for housing? That should be welcomed across the House.

**Emma Reynolds:** Warm words are one thing—we can agree that public sector and brownfield land needs to be built out—but we have heard many warm words over the past five years, and not much has been done. In fact, in my previous position as shadow Housing Minister, I asked the Government what figures they had available on their aim to build 100,000 new homes on public sector land, and answer came there none. They said they were not recording those numbers.

**Robert Neill** (Bromley and Chislehurst) (Con): I welcome the hon. Lady to her new post. I had the pleasure of debating against her during the general election campaign. When she was shadow Housing Minister, she was right that rent controls would not work in practice, and her leader was wrong. May I take it that her appointment means that Labour will once and for all abandon this misguided policy, which would drive up rents and choke off investment in the sector?

**Emma Reynolds:** Given that the hon. Gentleman is such a witty performer in the House, I am sure he can see the distinction between our proposals and 1970s-style rent control, which was never a proposal of the Labour party and which would have meant the state setting the level of rents. I was opposed to that and we never had it in our manifesto or in our plans.

**Ms Diane Abbott** (Hackney North and Stoke Newington) (Lab): Does my hon. Friend not accept that the crippling level of rents in London is a cause of increasing concern to young Londoners and their families? In every poll and interaction with them, Londoners are demanding a level of rent stabilisation and—yes—workable rent control.

**Emma Reynolds:** I am sympathetic to the concerns that my hon. Friend expresses, but we take different positions on this issue. I am not in favour of the state setting rent levels.

**Kit Malthouse** (North West Hampshire) (Con): In January 2014, the hon. Lady's party placed a motion before the House which was not dissimilar to this one but which claimed that 5 million people were on the waiting list for social homes. In this motion, it claims there are only 1.4 million families on the waiting list. To what does she attribute the reduction?

**Emma Reynolds:** The Government have tried to manicure the figures, and we have used the Government figures, I am afraid. I think they underestimate the number of families and people on the waiting list. In Wolverhampton, there are 12,000 people on the waiting list for a council or housing association home. We have an affordable homes crisis in our country that the Government are not getting to grips with.

**Dawn Butler** (Brent Central) (Lab): In my constituency, we have seen a reduction in the number of people on the housing waiting list but not in the number of people with housing problems, because the Government have changed the rules. Those people on zero-hours contracts are finding it increasingly difficult to pay the increased rents in my constituency. How can we challenge the Government on this point?

**Emma Reynolds:** My hon. Friend is absolutely right to raise this point. Over the past five years, we have seen a doubling of the number of people in work having to resort to claiming housing benefit to pay their rent. This is simply unacceptable, but again the Government have been complacent about the challenge. This is not just about people struggling to pay their rent; it is about value for money for the taxpayer.

For the first time on record, the rate of homeownership has fallen even below the EU average—so much for the Conservative party being the party of homeownership. In truth, in many parts of the country, wages have not kept up with soaring house prices. The average home now costs 10 times the average salary, and in some parts of the country the ratio is much higher.

**Chris Philp** (Croydon South) (Con): If the hon. Lady supports homeownership, will she support the Government's right to buy plans?

**Emma Reynolds:** I shall come on to that in a minute. We support the principle that people should be able to buy their own homes, but we also think that the Government, weeks into the election campaign, came up with a half-baked proposal that was uncostered and unfunded. They have no plan to replace the homes they will force councils to sell to fund the discount, and they have no plan to replace the homes sold under the scheme.

**Tulip Siddiq** (Hampstead and Kilburn) (Lab): A number of new builds in my constituency are being bought by foreign buyers, meaning that local people are not getting a look in. Does my hon. Friend agree that the Government need to undertake a review of whether foreign buyers are renting out or occupying the lands they are buying?

**Emma Reynolds:** I think the Government need to do much more to tackle the problem of empty homes, particularly in the capital. In a number of schemes, glamorous apartments are being built that few local people can afford, and in the evening many of them have no lights on because nobody is at home.

First-time buyers now need to be earning more than ever before, and deposits are 10 times the size of those needed 30 years ago—no wonder that a record number of young people are living at home with their parents into their 20s and 30s. Some get a helping hand from the bank of mum and dad, but others are not so lucky. Many have given up hope of ever being able to buy their own home, and a record 11 million people are now renting from a private landlord, while the shortage of council homes and homes for social rent is pushing up rents and the housing benefit bill. As I just said, the number of people in work and claiming housing benefit has doubled over the past few years, and, most worryingly of all, homelessness and rough sleeping are on the rise.

**Andrew Gwynne** (Denton and Reddish) (Lab): My hon. Friend is right to point out the increasing numbers of people renting in the private sector. Is she as concerned as I am that a growing amount of my casework is now dealing with housing standards in the private sector? Is it not time we got value for the taxpayer and decent standards for private tenants?

**Emma Reynolds:** My hon. Friend is absolutely right about the poor standards in some parts of the private rented sector. The Government need to do more to enable councils to crack down on the worst landlords—the rogue landlords and the “amateur landlords”, as they are politically called in the trade, but who perhaps deserve a more damning name—who do not keep their properties up to standard. That is affecting people’s health, the aspirations of their children and their kids’ ability to get on at school, so this is a very big challenge and my hon. Friend is right to raise it.

**Byron Davies** (Gower) (Con): Will the hon. Lady comment on the fact that Prime Minister Margaret Thatcher built more houses in Wales in the last year of her premiership than the Welsh Labour Government have built since they came to power in 1999?

**Emma Reynolds:** I will take our record on building affordable homes over the Government’s record at any time. We had the decent homes programme—[*Interruption.*]

Well, we built over half a million affordable homes in our term in office, and we have seen the number of homes built for social rent under this Government fall to a 20-year low. We have transformed the lives of all the people living in council houses when they were left to rack and ruin after 18 years of a Tory Government.

The scale of the challenge ahead is therefore huge, but are the Government’s policies up to the task? Let us consider them in turn. First, we have the Government’s proposal to deliver 200,000 starter homes at a 20% discount. When questioned earlier this year on where the discount was coming from, the right hon. Member for Welwyn Hatfield (Grant Shapps) was completely unable to answer—and no wonder. The Government have said that the 20% discount will save the average first-time buyer £43,000. The likely overall cost would therefore be £8.6 billion. They claim that this will be paid for by removing levies for affordable housing and infrastructure, but their own figures suggest that the average cost of affordable housing contributions accounts for only a third of the proposed discounts. How would the rest of the discount be paid for?

This also poses the question of who will pay for the vital infrastructure that we need in new housing development—a topic on which the Minister for Housing and Planning often speaks? After all, when it comes to new development—he and I know this very well—many people are concerned about the pressure on existing roads, schools and other services. When the Secretary of State responds, will he give us proper answers to these questions?

Secondly, there is the proposal to extend the right to buy to housing association tenants. The Labour party is on the side of those who want to buy their own home. We want as many people as possible to fulfil that aspiration, but the Government’s current proposals raise more questions than they answer. The hon. Members for Stafford (Jeremy Lefroy), for South Dorset (Richard Drax), for Salisbury (John Glen), for Uxbridge and South Ruislip (Boris Johnson) and the right hon. Member for Cities of London and Westminster (Mark Field) have all raised concerns about the ramifications of the Government’s proposals.

The right hon. Member for Cities of London and Westminster said that the Tory party had pulled a rabbit out of the hat in the final weeks of the election campaign, and needed time

“to iron out its obvious iniquities”.

The hon. Member for South Dorset said only last week:

“There is no doubt that the first generation would be extremely grateful, but what about those who follow?”,

and he expressed concerns about the proposals leading to a shortage of affordable homes. The hon. Member for Uxbridge and South Ruislip has said that these plans amount to “insanity”—his characteristic turn of phrase—if more council houses are not built in the areas where they are sold. He also expressed concerns about this policy eroding the mixture of socio-economic groups in London.

Conservative peers in the other place have also expressed concern. Baroness Byford described the proposals as an “absurd attack from a Conservative Government on the property rights of some of the most needed and respected charities in this country”—[*Official Report, House of Lords, 2 June 2015; Vol. 762, c. 391.*]

The former head of the civil service and permanent secretary from the Secretary of State's own Department, Lord Kerslake, and Lord Turnbull, the former permanent secretary to the Treasury, have both said that the Government should think again.

Beyond Parliament, other bodies have raised serious concerns. The CBI has said the proposal does nothing to "solve the problem" of the housing crisis, while the Chartered Institute of Housing said the figures "did not stack up". We have also seen those well-known socialist publications *The Economist*, *The Spectator*, *The Daily Telegraph* and the *Evening Standard* raising concerns.

The Secretary of State thus needs to provide answers to the following questions. How much will this policy cost? The Conservatives refused to answer that question during the election campaign. The Department has also blocked, after an FOI request, the release of a secret document detailing the policy's costs and economic consequences. How will it be paid for? The Conservatives claimed during the election campaign that they would force councils to sell off their most expensive properties and use the proceeds to pay for the right-to-buy discount. However, the Government have no idea whether these 15,000 properties will become vacant every year, let alone whether £4.5 billion would be raised.

In a response to a recent written parliamentary question, in which I asked the Secretary of State what estimates the Department had made about the value of these homes and the number that would become available each year, the Housing Minister admitted in his response that it simply did not know. Perhaps the Secretary of State will tell us how on earth the Government know how much money they will raise if they do not know how many of these properties there are, how many will become available and how much they are worth. Given that there will be a time lag between forcing councils to sell off expensive council properties and funding the discount, will the Treasury step in to fill the gap? What is the plan to replace the homes sold?

The Government have yet again promised a one-for-one replacement on council homes sold—despite the Secretary of State claiming on the "Today" programme only a few weeks ago that no such promise was made in the last Parliament. I hope he has now had a chance to catch up on Tory party policy. It was their policy and it failed badly. For every 10 council homes sold through the right to buy in the last Parliament, only one council home started to be built. The question thus arises of why anyone should believe the Government's promises now.

Serious questions have also been asked about the impact of the policy on the ability of housing associations to borrow money and build new homes. Moody's is now the third credit rating agency to warn about this policy's impact. It said that it could hit the financial viability of housing associations, risking their ability to raise private finance to pay for new house building. Here in our capital, the biggest group of housing associations has plans to build 93,000 new homes, with the vast majority of the funding coming from borrowing against future rental streams, but how many of those new homes will now be put at risk given that the rental streams and assets are so uncertain?

Legal experts have expressed doubts about forcing independent charities to sell off their assets. Some have said these assets are not the state's to sell. Some will

have been donated through their wills by individuals—some in their dying days—who wanted to provide homes for the most vulnerable people, such as those with disabilities, autism and indeed the aged or the homeless. Perhaps the Secretary of State could tell us whether these housing association properties will be included in the scope of the legislation.

Other experts have suggested that this level of Government involvement with the assets of private independent charities will lead to the reclassification of the £70 billion-worth of housing association debt being reclassified as public sector debt. Have the Government assessed that risk? Ultimately, we will have to see what the Government bring forward, but the test for any housing policy of this Government must be whether it eases rather than deepens the housing crisis.

**Richard Fuller (Bedford) (Con):** The hon. Lady and the motion talk about us facing a housing crisis. The social landlords are owners of a substantial balance sheet of housing assets. What I want to get clear is whether the hon. Lady is stating the Labour party's opposition to the extension of the right to buy in principle, or is she criticising on the basis of whether a practical solution could be brought about. It is important to get the best use of all balance sheets of housing, whether they be social tenants or otherwise.

**Mr Deputy Speaker (Mr Lindsay Hoyle):** We need short interventions, as I know we want to hear all the maiden speeches today.

**Emma Reynolds:** As I have said, we support the right to buy, but policies brought to this House must be workable, must be funded and must be costed. Many people have rightly expressed concerns about whether this will lead to a deepening of the housing crisis and perhaps an even greater shortage of council and housing association homes. Labour Members know that many of our constituents are on the waiting lists.

**Mr Clive Betts (Sheffield South East) (Lab):** My hon. Friend has done an excellent job in giving us a comprehensive list of concerns about this policy, but may I add two more? First, many councils have sold off their housing stock in a stock transfer. Does that mean that they need contribute nothing towards the cost of the policy? Secondly, the most expensive houses owned by councils that still have stock are generally in the nicest and most expensive areas. Does that mean that, in future, those areas will not be available to anyone who wants to move into a council house, because all the council houses there will have to be sold off?

**Emma Reynolds:** I am sure that the Secretary of State will have heard my hon. Friend's first question. I have to admit that I do not know the answer to it, because the policy is so light on detail. It was written on the back of a fag packet during the Conservative party's general election campaign.

**Mr Stewart Jackson (Peterborough) (Con):** Will the hon. Lady give way?

**Emma Reynolds:** I will not, because I am about to answer my hon. Friend's second question.

[*Emma Reynolds*]

The Institute for Fiscal Studies has said that the policy will

“reduce the availability of social housing in the most expensive areas, thereby creating clearer divisions between areas where richer and poorer households are located”.

I will now give way to the hon. Gentleman.

**Mr Jackson:** I am unclear about the premise of the hon. Lady’s argument. Is she ideologically opposed to the policy, or does she think that it will not work? If it is the latter, did she not advance a similar argument about the affordable rent model? She said then that no money would go back into the system to fund the building of new housing, but that has not been the case. Along with organisations providing other forms of tenure, housing associations have built more homes as a result of the affordable rent model, which was pioneered by the last Government.

**Emma Reynolds:** With respect, I remind the hon. Gentleman that what the last Government did to affordable rent was redefine it completely, and raise it to 80% of the market rent. In many of my, and his, hon. Friends’ constituencies, that level of rent is simply unaffordable for people on low incomes. Indeed, in some parts of our capital and other big cities, it is even unaffordable for people on middle incomes. I think that the hon. Gentleman needs to get a grip on reality.

**Several hon. Members** *rose*—

**Emma Reynolds:** I will give way in a minute, but I must make a little progress, because I know that many of my hon. Friends want to make speeches today.

I noted measures in the Gracious Speech relating to development on brownfield land and the right to build, but what is proposed is hardly equal to the scale of the challenge that we face. Where are the measures that will increase competition in the house building industry? Where are the measures that will help small builders? Where are the measures that will provide a new generation of garden cities? Such measures would not only tackle the housing crisis, but help our economy to grow. The house building industry already makes a huge contribution to our economy, but building another 100,000 homes a year would create 230,000 jobs and thousands of apprenticeships.

We must not forget the impact of the housing shortage on business. The CBI and many other business organisations have expressed concern about the lack of affordable homes for their employees. They fear that a failure to build such homes will restrict—and is already restricting—labour mobility and our economic competitiveness. Again, we see a disappointing lack of focus on the Government’s part

**Andrew Gwynne** (Denton and Reddish) (Lab): My hon. Friend is absolutely right to talk about the impact on the building industry. Representatives of Wienerberger, a brick manufacturer in my constituency, have told me umpteen times that, over the past few years, uncertainty about the amount of house building going through the system has caused them an incredible number of problems. Must we not ensure that the supply side of the industry is looked after as well?

**Emma Reynolds:** That is an important point, which I hope has been heard by Conservative Members. It may be easy for some of the bigger house builders to secure a supply of bricks because they have the necessary leverage, but we are concerned about small house builders. The last time we were building 200,000 homes a year was 25 years ago, when small builders built two thirds of new homes. Now they build barely a third, and they face the problems to which my hon. Friend has referred.

**Jo Churchill** (Bury St Edmunds) (Con): I have spent the last 21 years in the building industry, in a construction firm. The things that you are talking about, the brick shortages and so on, are a direct result of the lack of certainty and the appalling way in which the events of 2008 decimated our industries. We are just returning to those levels. Now, you can talk all you like about—

**Mr Deputy Speaker** (Mr Lindsay Hoyle): Order.

**Jo Churchill** *rose*—

**Mr Deputy Speaker:** Order. The hon. Lady must resume her seat.

Let me try to help the House. A great many Members wish to speak for the first time, and I want to try to accommodate them all. We need very short interventions, not statements or speeches, so we now need to move on rather quickly.

**Emma Reynolds:** The hon. Member for Bury St Edmunds (Jo Churchill) is new to the House, and I do not mind her calling me “you”. That is not the convention, but I am sure that we all sympathise with her. When we first arrived here, it seemed rather strange always to be using the third person. Members who have been here much longer still make the same mistake.

There was a deep recession, caused by the global financial crash, and—I hope the hon. Member for South Suffolk (James Cartledge) will let the hon. Lady listen to my answer—there were severe problems for the housing industry, including firms on the supply side, such as brick manufacturers. Many builders suffered greatly—not just small builders, but big builders as well. We know that housing starts to recover when there is a general recovery, but our point is that we are not building even half the number of homes that we need to build in order to keep up with demand. The Government need a plan, and a bigger vision, to drive and boost the number of homes being built, but that is not what we are seeing. Over the last five years, we saw piecemeal efforts, and a hyperactive first Housing Minister who made announcements more often than he delivered on any of the promises that he had made at the start of the last Government.

**Dr Andrew Murrison** (South West Wiltshire) (Con): Will the hon. Lady give way?

**Emma Reynolds:** I want to make a little progress. I intended to speak for only about 20 or 25 minutes. However, I may give way towards the end of my speech if I am feeling generous.

The number of affordable homes provided last year was the lowest for nine years, and the number of homes built for social rent hit a 20-year low. However, there seems, again, to be a complete absence of Government

proposals for addressing the crisis in affordable housing. The Secretary of State's predecessor and the current Housing Minister reduced investment in affordable homes to a 14-year low, and watered down all manner of requirements for developers to build affordable homes in new developments. It is incumbent on the Secretary of State to adopt a fresh approach, and we hope that he will do so. He should also look at the definition of affordable homes, which has been totally skewed. Homes are simply unaffordable for many people on low incomes, and the impact on the housing benefit bill has been disastrous, which is also bad news for the taxpayer.

Let me now say a little about the 11 million people who rent from private landlords. There are some excellent private landlords out there, who provide decent homes for their tenants, but too many tenants have to deal with poor standards and great insecurity. Many people—individuals, couples, and families with children—are now settling in the private rented sector, either because they cannot obtain a council or housing association home, or because they cannot get on to the housing ladder. However, there was no mention of private renters in either the Conservative manifesto or the Queen's Speech. Will the Secretary of State tell us what the Government will do to give that growing group of people the security and stability that they want? Will he also tell us how he will tackle the growing problem of homelessness and rough sleeping?

In the years before he became Prime Minister, the then Leader of the Opposition appeared to take a great interest in homelessness. Along with the former Housing Minister, the right hon. Member for Welwyn Hatfield (Grant Shapps), he set up the Conservative Homelessness Foundation. However, we hear little about that foundation now, and, indeed, we hear little about these issues. Might that be because homelessness has risen by 31% since 2010, and rough sleeping has risen by 55%? Homelessness and rough sleeping have a devastating impact on the lives of, in particular, those who find themselves in such a position at a very young age. What does the Secretary of State intend to do about this urgent and pressing problem?

**Jeremy Corbyn** (Islington North) (Lab): The issue of homelessness is clearly absolutely devastating. One only has to walk around the streets of London to see how many people are sleeping rough and begging. They are there for a reason, or rather for several reasons: the lack of council housing, the lack of affordable housing in the private sector, and the fact that properties are deliberately kept empty so that they can be land-banked for the future. Do we not need some really tough regulation to provide housing for all?

**Emma Reynolds:** This is a serious issue and the Government need to do something about increasing the number of affordable homes. The statistics for our country and other European countries show that the level of homelessness and rough-sleeping directly correlate to the percentage and availability of affordable housing. It is not rocket science: in our country and some other countries where there is a lack of affordable housing, we see an increase in the number of people having to sleep rough on the streets or being referred by their local authorities to what is often called bed-and-breakfast accommodation but which looks nothing like bed-and-breakfast accommodation.

I agree with my hon. Friend that the Government need to get a grip on this issue. We are talking about some of the most vulnerable people in our country who are being made to live in temporary accommodation week after week, month after month, and individuals who are not considered to be a priority in law or statute by local authorities and who are simply left sleeping on the streets with all the dangers that entails. They are more vulnerable to being attacked, to violent crime and to dying at a very early age.

**Kevin Hollinrake** (Thirsk and Malton) (Con): Does the hon. Lady agree that the origins of the difficulties in today's housing market are to be found not in the last Parliament but in the Parliament before that and the Parliament before that and the Parliament before that?

**Emma Reynolds:** I know the hon. Gentleman is new to this place but all I would say is that that is like a tired old record: this Government cannot keep blaming the last Labour Government. The hon. Gentleman's people have been in power for the last five years and they have not got a grip on this housing crisis. They have made it worse and they have particularly made it worse for people on low incomes and, in some parts of the country, for people on middle incomes. I am proud of the record we had in Government, but it is the case that there have not been enough homes built for quite some time—for decades—and I will not take lessons from the Conservative party.

The case for a comprehensive plan to tackle the housing crisis is overwhelming. Indeed, at the homes for Britain rally in March the then Conservative party chairman—who is keen on making commitments—committed his party to publishing such a plan within a year of taking office. I am afraid that we have seen nothing of that so far, however. We will need to judge the Government on the test of whether they tackle the housing crisis in a serious way. That is why we have called for a comprehensive plan today. If the Government want to increase home ownership, not manage its decline, if they want to help private renters, not just ignore them, if they want to build more affordable homes and reduce homelessness and not just talk about it while affordable housing supply plummets and homelessness soars, and if they want to drive the wider economic benefits of building more homes too, they must set out a comprehensive, long-term plan to tackle the housing crisis, as we have put forward in our motion today. That is why I commend this motion to the House.

2.23 pm

**The Secretary of State for Communities and Local Government (Greg Clark):** I welcome the hon. Member for Wolverhampton North East (Emma Reynolds) to the Dispatch Box. I had noticed that she had changed jobs, and let me say from the outset that she is absolutely right to raise this issue of huge importance to our country: making sure that people can get a home of their own. It is entirely right that this should be one of the first of our debates. However, in the light of the experience of the past few weeks and the tone that the interim leader of her party took, I was surprised that the hon. Lady was not a bit more rueful about her party's contribution to the record that this Government are tackling. She herself has admitted in the past that

[Greg Clark]

when Labour was in office it built too few homes, so I was surprised at her response to the intervention by my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake). Many Members have made that point, including the former Chairman of the Select Committee, the hon. Member for Sheffield South East (Mr Betts), who was here in the Chamber but who has gone; he said that the Government that he supported did not build enough homes. So I would have expected a bit more humility from the beginning of the hon. Lady's remarks.

**Robert Neill:** I welcome my right hon. Friend to his post. I know from my own experience that he will be an excellent, top-class Secretary of State.

Is it not extraordinary that the hon. Member for Wolverhampton North East (Emma Reynolds) said just now that she was proud of the Labour party's record, when under Labour waiting lists went up from 1 million to 1.8 million and the number of social homes available for rent declined by 420,000?

**Greg Clark:** What is more extraordinary is that the hon. Lady was frank enough to say that she was not proud of that record and that Labour should have built more homes, yet immediately after the election, which might be a time for candour and reflection given that she is supporting one of the candidates for the leadership who wants to change things, she has changed position and become wholly defensive.

**Dawn Butler:** Is the Secretary of State aware that in 1997 Labour inherited £19 million of outstanding repairs to social housing, and that that contributed to our not building the houses while we were fixing the leaking roofs?

**Greg Clark:** It is right to make sure that all homes, including social homes, are in a good state. I served as a trustee of a housing association and we worked very hard to do that. No one is going to gainsay the importance of having decent homes.

Several hon. Members *rose*—

**Greg Clark:** Let me make some progress and remind the House of the situation that we inherited from when Labour was last in government, because the electorate clearly has not forgotten. In fact the previous Government's record led at the end of their time in office to the lowest level of house building since the 1920s. The banks were not lending, the builders were not building, and working people were being denied the opportunity of home ownership. There was a dysfunctional, top-down planning system based on regional strategies. Does everyone remember them? They were very good at producing paperwork and resentment but not very good at producing homes. The stock of affordable homes—

Several hon. Members *rose*—

**Greg Clark:** I will give way in a second.

Several hon. Members *rose*—

**Greg Clark:** I will give way in a second. [Interruption.]

**Mr Deputy Speaker (Mr Hoyle):** Order. The Secretary of State will give way when he is ready. We do not need Members rising to ask him to give way all the time. One at a time would be helpful.

**Greg Clark:** Thank you, Mr Deputy Speaker.

Under the previous Government, the stock of affordable homes had fallen by 420,000 since 1997, with 1.8 million families languishing on social housing waiting lists. I say that because it is right to be candid about the inheritance if we want to go on and build, across both sides of the House, a strong case for improvement.

**Clive Efford (Eltham) (Lab):** I accept part of what the Secretary of State says. The previous Labour Government did not build enough houses and I said so at the time, but this Government came in and poured petrol on the fire. There was the lowest level of house building since the 1920s; they scrapped the biggest council house building programme for 20 years; and last year only 27,000 social houses and only 1,000 council houses were built. That is a disgraceful record.

**Mr Deputy Speaker:** We must have short interventions if we are going to get other Members in to speak.

**Greg Clark:** I have the figures in front of me and the low point for dwellings started was actually in 2008-09, under the previous Labour Government, when it was 88,000.

**James Heapey (Wells) (Con):** My right hon. Friend mentions the regional statistics. Some 24,000 new homes have been made available in the south-west since 2010, and in Somerset specifically between 1997 and 2010 there were only 440 homes per annum, whereas there have been 900 homes per annum since 2010.

**Greg Clark:** My hon. Friend is absolutely right.

The point I wanted to make is not that we have built all the homes that were needed—it would be absurd to say that—but that we have turned around a situation that was proving ruinous and was destroying the aspirations of people up and down the country.

**Heidi Alexander (Lewisham East) (Lab) *rose***—

**Greg Clark:** I will make some progress but then of course I will give way to the hon. Lady.

I think it is fair to reflect at the beginning of this Parliament on the situation we inherited and that that had gone wrong under the previous Government. The hon. Member for Wolverhampton North East and other hon. Members, including the hon. Member for Eltham (Clive Efford), have been good enough to admit that not enough was done under that previous Government, but as for the solutions that Labour has suggested, the hon. Lady should again reflect on the fact that she was the shadow Housing Minister in the period running up to the election campaign, and I again might have expected her to be a little more self-deprecating about her own record of promoting solutions to the problems of getting homes built.

Yesterday, one of the hon. Lady's close colleagues, the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper), cited Labour's failure on

housing policy as one of the reasons that Labour lost the election. She said that her party's plans for housing at the election "lacked ambition" and that they failed to explain to the voters how they would help first-time buyers. The prescription that she offered the British people just four weeks ago included a mansion tax, rent controls and restrictions on home ownership. Does she still agree with those policies? Are they still party policy? They would have been a disaster for the people of this country, and that is not just my view; it is the view of the electorate and also of the acting leader of the Labour party.

**Emma Reynolds:** What about extended stamp duty for first-time buyers on properties worth up to £200,000?

**Greg Clark:** The verdict on the hon. Lady's proposals at the election was delivered very comprehensively.

I mentioned the interim leader of the Labour party. She commissioned polling on why Labour did not win the election and said that it

"uncovered a feeling of relief among Labour voters that the party had not won".

She also said:

"It doesn't matter how many leaflets you deliver if the message is not right."

Even senior Labour Members have reflected on the fact that their housing policies at the election were not adequate for the task. I concede that there is one exception, however. The right hon. Member for Leigh (Andy Burnham), who I gather is running for office, has said very boldly that the last election manifesto was "the best manifesto I have stood on in four general elections for Labour".

That gives us an insight into the future of the party's prospects. I do not know whether the hon. Member for Wolverhampton North East agrees that it was a manifesto worth fighting on.

**Heidi Alexander:** The Secretary of State seems to have an awful lot to say about the record and policies of the last Labour Government but, surprisingly, a lot less to say about his own Government's record over the past five years. Will he explain why the number of homes built for social rent has fallen to a 20-year low?

**Greg Clark:** I have been indulgent in answering Labour Members' questions, but I am nevertheless keen to explain the different approach that we took at the beginning of the last Parliament.

**Jack Dromey** (Birmingham, Erdington) (Lab) *rose*—

**Jeremy Corbyn** *rose*—

**Greg Clark:** I want to make some progress and answer the hon. Lady's question.

Housing starts, and the number of first-time buyers, have doubled since their low point under Labour, and they are continuing to rise. In the shadow Minister's city of Wolverhampton—a place that I know well—the number of housing starts has more than tripled since 2010, and 200,000 households have been helped to buy a home of their own by Government schemes such as Help to Buy. We were the first Government since the 1980s to finish with a larger stock of affordable homes than when we came to office. Homelessness is an important issue. I am a former trustee of a hostel for homeless

women, and this has been a great passion of mine for many years. Homelessness obviously still needs to be tackled, but it has been at half the level that it was under the previous Government, and it is now lower than in 26 of the last 30 years. Our manifesto committed us to build on that progress, supporting the aspirations of home buyers and building more homes.

**Angela Rayner** (Ashton-under-Lyne) (Lab): There are now 11 million people living in the private rented sector, and many of them want more stability and security. Will the Secretary of State explain why there was no mention of private renters in the Queen's Speech and no proposals to improve private renting?

**Greg Clark:** I welcome the hon. Lady to the House. Not everything needs primary legislation to enable us to take action. Today, the Minister for Housing and Planning, my hon. Friend the Member for Great Yarmouth (Brandon Lewis), allocated a fund to help to improve standards in the private rented sector, and it is important to drive those up. One of the features of the city deals that I was responsible for negotiating in the last Parliament was the investment in very high quality private rented sector accommodation, and I am glad that the hon. Lady shares the aspiration to ensure that private renters can enjoy high quality accommodation.

**Jeremy Corbyn:** I represent a constituency in a borough in which nearly 20,000 people need housing, private rents are around £350 a week and a small flat costs around £400,000 to buy. What policies is the Minister putting forward to ameliorate the housing crisis that people are facing in high-cost inner-London areas?

**Greg Clark:** Housing zones are being implemented right across London. I was with the Mayor yesterday at City Hall, where on the ground floor there is a great map of London which I invite Members to visit. Emblazoned on that map are emblems for all the housing zones right across London, with images of the plans that are being implemented to provide accommodation. That is an important step in the right direction, and it will be important for the people of Islington.

**Dr Murrison:** I very much support the Government's plans for more affordable housing, but does the Secretary of State acknowledge that it is important to implement the neighbourhood planning process that was introduced in the Localism Act 2011 so that people are able to form local plans to increase affordable housing?

**Greg Clark:** My hon. Friend is absolutely right. I was not surprised to discover that when we replace top-down imposition at regional level, which the Localism Act got rid of, and allow local communities to embrace the need to provide for their own future, they do so with alacrity. My hon. Friend is right to point out that where neighbourhood plans have been adopted up and down the country, the number of homes has increased. The hon. Member for Lewisham East (Heidi Alexander) served on the Localism Bill Committee, where we debated this matter at great length. It is gratifying to see that the measures are now working.

In effect, the choice at the general election was the same as that set out by Churchill before the 1951 election. He said that

"we are for the ladder, and they are for the queue".

[Greg Clark]

The judgment of the public was clear in this year's election. They chose the ladder and said no to the queue. To be the Secretary of State responsible for housing is a big responsibility, and I intend to discharge it vigorously and effectively. In 1951, Harold Macmillan was handed the housing post, along with the task of building 300,000 homes a year by 1955. On appointing him, Churchill added the helpful reminder that his actions would make or mar him. I will not reveal anything that the Prime Minister said to me, except to say that his admiration for Macmillan runs extremely deep.

We have wasted no time in unveiling an important set of measures, including a new housing Bill in the Queen's Speech. We will help more people across the country to buy their own home, and build more homes right across Britain. On house building, 275,000 extra affordable homes will be built with £38 billion of public and private investment, achieving the fastest rate of delivery for 20 years, and 95,000 new homes will be built in brownfield housing zones by 2020. A new brownfield register will be created, with 90% of suitable sites granted planning permission by 2020. A London land commission will co-ordinate development of land in the capital.

**Scott Mann** (North Cornwall) (Con): I welcome the fact that 217,000 affordable new homes were delivered during the last Parliament. Will my right hon. Friend outline how he will go further, particularly in delivering affordable new houses to my area of North Cornwall?

**Greg Clark:** The acceleration in the pace of affordable house building is happening right across the country, and it is our intention to put further fuel in that engine.

**Debbie Abrahams** (Oldham East and Saddleworth) (Lab): I find the Secretary of State's complacency absolutely breathtaking. As my hon. Friend the Member for Lewisham East (Heidi Alexander) has said, the building of affordable homes is at a 20-year low. In my constituency, people are living in cars as a result of that and of benefit changes. Does the right hon. Gentleman find that acceptable?

**Greg Clark:** I think that the Opposition were complacent about the record that they left and the poor quality of the policies that they proposed. In relation to Oldham and to Greater Manchester, I hope that the hon. Lady will welcome the Greater Manchester agreement and the city deal, which has explicitly created a housing fund for the area reflecting the principles of localism that my hon. Friend the Member for South West Wiltshire (Dr Murrison) mentioned. This will allow the leaders of Manchester to invest in more homes for Greater Manchester. That is a big step in the right direction.

**Sadiq Khan** (Tooting) (Lab): I congratulate the right hon. Gentleman on his new job. I wish him well. I cannot, however, believe that he compared the current Prime Minister to Winston Churchill.

One of the reasons why London is better than Paris and New York is that our inner cities are diverse. Families of all different backgrounds live there. Does the Secretary of State recognise that if councils are

forced to sell a third of the most expensive council properties, inner cities will be hollowed out, which will lead to social cleansing?

**Greg Clark:** I certainly respect and celebrate the diversity of our cities. It is an essential part of their character. In the requirements that we make, we will ensure that the replacement is within the communities from which something has been taken. It is important to preserve that. I was on the board of an inner-city housing association in central London, and that made an important contribution to the city centre.

My hon. Friend the Member for South West Wiltshire (Dr Murrison) mentioned neighbourhood planning. He is absolutely right that that has made a big contribution. We will simplify neighbourhood planning and provide extra funding for councils so that communities can get on and accelerate such plans.

**Dame Angela Watkinson** (Hornchurch and Upminster) (Con): The Secretary of State mentioned the standard of private rented accommodation. Does he agree that if local authorities were allowed to use council tax application forms to ask tenants to give information about their landlords, it would help to root out rogue landlords, illegal sub-letting and the illegal development of houses in multiple occupation, which sadly are below standard?

**Greg Clark:** I am interested in my hon. Friend's idea. I have not heard that suggestion before, but I will take it seriously. I say to all hon. Members that, for all our debates, there is a unity of purpose across the House in the desire not only to build more homes, but to improve the standards of homes available to people in the rental sector. I encourage everyone, as she has done, to join in ensuring that we can make a big difference in this Parliament to the level of house building.

**Several hon. Members** *rose*—

**Greg Clark:** I will make some progress, if I may, because a lot of people want to speak.

So far, we have debated statistics, targets and timelines, which tends to happen in the House of Commons. We should, however, also reflect that when we are talking about homes, we are talking about some of people's most fundamental aspirations, which go to the heart of the security that they feel in their lives, giving them a place in which they can bring up their families.

One of my abiding memories of the election campaign was being with my hon. Friend the Member for Warrington South (David Mowat)—I do not know whether he is present in the Chamber—on that beautiful bank holiday weekend. We were in a new housing estate, Edgewater Park in Latchford, near Warrington. That weekend, simultaneously, many couples and young families were moving into the new homes built on that estate. Just to be there then was a moment of huge excitement and thrill.

For many people, it was their first ever home and many had bought under Help to Buy. They were meeting their neighbours for the first time, establishing friendships in those moments that in many cases will last a lifetime. We could taste the buoyant mood in the air as families crossed the thresholds of their new home for the first time. It was joyful, confident and optimistic. In all of

our debates about statistics, we should be clear that underneath the statistics are real people, people whose aspirations we are supporting. They want to own their own home and we will hold out that opportunity—the chance of a ladder, not a queue.

**Several hon. Members** *rose*—

**Greg Clark:** I want to make some progress. That is why we support Help to Buy, with more than 100,000 households—on present trends—going through the scheme. Our manifesto has committed us to extend Help to Buy with the equity loan scheme until 2020. We will introduce a Help to Buy individual savings account scheme to add 25% to savings for the deposit that people need to invest in their own home.

**Jack Dromey:** Will the Secretary of State give way?

**Greg Clark:** I will give way to the former shadow Housing Minister, with whom I have debated on previous occasions.

**Jack Dromey:** Does the Secretary of State accept that under a Labour Government there were 2 million more homes, 500,000 more affordable homes and 1 million more homeowners? Does he also accept that the dream of homeownership for millions has now been put beyond them and that we have seen homeownership under his Government fall to a 30-year low?

**Greg Clark:** I have high regard for the hon. Gentleman, but the number of homeowners, as a result of policies such as Help to Buy, has turned the corner. We now have more first-time buyers than we have had for many years. However, he is right to say that we have a deficit from those years when, I am afraid to say, his party was in government and house building collapsed. It is not sufficient only to build the number of homes for new families that are being created; we need to correct the deficit that occurred because of the collapse in house building that started under the previous Government.

That is why we are investing in our proposals to extend the Help to Buy ISA. It is important for people to be able to get on to the housing ladder for the first time if they do not have a deposit. That is why we will offer more than 1 million housing association tenants the option to buy their own home. The aspiration is not an unusual one for them. Most people, in all parts of the country, consistently aspire to own their own homes. There is no difference between people in different tenures; they want to own their own home. That has been remarkably consistent over the decades.

**Ms Abbott:** Will the Secretary of State give way?

**Greg Clark:** I will make some progress, then of course I will give way.

Twenty years ago, 85% of people said that they would choose to buy their own property if they could. In 2010, five years ago, that figure was almost unchanged at 86%. As has been correctly observed, however, our country faces a dilemma. Over recent years the aspiration for and the reality of homeownership have drifted apart. The number of first-time buyers, as I said, is at a seven-year high—it was 264,000 last year, compared with 130,000 in 2009. That is why we helped 200,000 households to buy their home during the previous

Parliament, but of course we have further to go. One of the problems is that the 1.3 million tenants in housing association properties have received little or no assistance.

**Ms Abbott** *rose*—

**Meg Hillier** (Hackney South and Shoreditch) (Lab/Co-op) *rose*—

**Greg Clark:** I will give way next to the hon. Member for Hackney North and Stoke Newington (Ms Abbott).

**Ms Abbott:** On the question of forcing housing associations to sell their properties, does the Secretary of State not have even a flicker of guilt about trying to bribe the electorate with assets that the Government do not own?

**Mr Deputy Speaker (Mr Hoyle):** Order. The Minister has spoken for nearly 30 minutes and I am bothered about the amount of time remaining as we still have another Front Bencher.

**Greg Clark:** I will proceed, but all I would say to the hon. Member for Hackney North and Stoke Newington is that when most people aspire to own their own home, we should not say to them that they may not aspire—it was Lord Prescott, I am afraid to say, who said of aspiration:

“What the hell does that mean?”

Both Government and Opposition should be finding ways to allow people to own their own home. Housing association tenants are not different from the rest of the population. They live in the same streets, their kids go to the same schools, they share the same ambitions for their families as anyone else, but they do not benefit from the same opportunities. Clearly, that is unfair. Aspiration is not determined by the organisation that happens to manage one’s home and it should not be limited by that organisation, especially if it is ultimately funded by the taxpayer. That is why we will ensure that housing association tenants have the same right to buy as council tenants. Our position is clear.

**Meg Hillier:** Will the Secretary of State give way?

**Greg Clark:** I will not, given what Mr Deputy Speaker had to say.

Our position is clear, but we have had no such clarity from the Labour party. What is its position? Should tenants have the option to buy their own home, or do we tell them that if they sign a social tenancy, they have signed up to remain renters for life? We are building on the legacy of previous Conservative Governments, and I am delighted to see Lord Heseltine in the Public Gallery. He was instrumental in introducing the original right to buy policy.

Our pledge will build on our strong record during the previous Parliament, when twice as many council homes were built between 2010 and 2015 as were built during the entire 13 years of the previous Labour Government. We will also support the desire of local communities for homes to be built in the right places. We will emphasise brownfield sites, as has been made clear in my response to earlier interventions. Our planning reforms, which were resisted or given only a guarded welcome by the hon. Member for City of Durham (Dr Blackman-Woods)

[Greg Clark]

when we first introduced them, have been successful, as she would now concede. The plans coming forward under the national planning policy framework are providing for 23% more homes than those they replaced. Neighbourhood planning is making a big contribution, right across the country.

This Government are on the side of the working people of this country. We are for the ladder, not the queue. We are for the housing association tenant who aspires to buy their home, for the young family who want to sign up for a starter home, and for the couple who have always dreamed of owning their own home—with Help to Buy, we are helping them with their aspirations. We will support their aspirations. We will build more homes in every part of the country, so that Britain is a country of opportunity, where everyone who works hard can realise their dream of home ownership. That is the proud Conservative legacy, stretching back generations, from Disraeli to Macmillan, from Thatcher to Cameron. We are for the many, not the few, for the ladder, not the queue.

Several hon. Members *rose*—

**Mr Deputy Speaker (Mr Hoyle):** Order. I just want to say that after the next Front-Bench speech we will have a six-minute limit, but that does not apply to Dr Eilidh Whiteford.

2.50 pm

**Dr Eilidh Whiteford (Banff and Buchan) (SNP):** Thank you, Mr Deputy Speaker. May I say how refreshing it is to be called so early in the debate? I can assure you that that novelty will not wear off quickly.

I begin by welcoming both the Secretary of State and the hon. Member for Wolverhampton North East (Emma Reynolds) to their new roles. I also commend the official Opposition for dedicating their first Opposition day to housing, where the crisis is “urgent and growing”, as they so aptly put it. I trust they will not think I am making too barbed a comment when I say that I hope that reflects a change and a new prioritisation of housing on their part. As others have said, it is hard to avoid the inconvenient truth that this crisis goes back decades and reflects chronic underinvestment in social housing by successive UK Governments, Labour as well as Tory.

That is one key issue that needs to be clearly stated today. The other is the deceptively simple point about supply and demand: there is a critical shortage of affordable housing in almost every part of the UK. In some ways, that is so obvious as to be self-evident. If it is not evident to Members of this House yet, it will be after the first round of constituency surgeries. I repeat that simple point because that shortage—that lack of supply of affordable homes—is the problem from which almost all the other issues stem. Unless we bite the bullet and start building affordable homes at scale, we will make limited headway and we just will not address the housing crisis.

I can assure the House that housing is a priority for the SNP, and I hope I can look forward to hearing contributions from one or two of my new colleagues who will be seeking to catch your eye to make their maiden speeches in this debate, Mr Deputy Speaker. Although much of housing policy in Scotland is devolved

to the Scottish Parliament, we cannot forget that the financial framework in which it operates is determined here at Westminster. When we consider the need for investment in affordable housing, particularly housing for social rent, we need to take account of the ongoing impact that austerity is having on the ability of social landlords to invest in new housing stock, and of the impact of cuts in capital expenditure on the ability of devolved and local governments to meet housing need. Scotland has had a 25% real-terms cut to its capital budget since 2010, and ongoing austerity will restrict the ability of future Governments to respond adequately to a growing shortage of affordable housing.

The priority the SNP attaches to housing is underlined by the fact that despite the austerity cuts, the Scottish Government are on track to invest more than £1.7 billion in housing and deliver 30,000 new affordable homes by the end of their Parliament next year. They are already more than 90% of the way there. That track record compares very favourably with every other part of the UK and, indeed, with previous Administrations in Scotland. Perhaps the most illuminating measure to illustrate the relative performance of the Government’s delivery of social housing across Great Britain is the ratio of completions per 100,000 of population. Last year the figure in Scotland was 65.3, which compares with only 44.7 in England and 24.6 in Wales. It is worth noting that since 2007 Scotland’s ratio of completions has outperformed the rest of the UK for all types of housing, not just social housing, although those rates are still below pre-recession levels and the construction sector is still facing very challenging times.

Although the Government have made much of their plans to extend right to buy to housing associations—a move that will compound rather than address the under-supply of affordable housing—we have gone down a different route in Scotland and ended the right to buy. That will enable us to keep up to 15,000 precious homes in the social sector over the next decade, and will protect the public investment that has been made in affordable housing. With nearly 200,000 people on the list for a council house in Scotland, we simply cannot afford to be depleting the stock further, and ending the right to buy is giving social landlords greater confidence to invest in new builds.

Although I am making a case for investment in social housing, I want also to make clear the essential and valuable role that the private rented sector plays in our housing market. I want a thriving private rented sector that is an attractive and affordable option for tenants, and I am pleased that the Scottish Government established a strategy back in 2013 to enable growth and investment in the sector, to help improve the overall housing supply, and to improve consistency in the quality of management and the condition of property for rent. Measures such as the tenancy deposit scheme, the introduction of first-tier tribunals for disputes and the plans for further legislation to introduce a statutory code of conduct for letting agents are beneficial to landlords and tenants alike.

But social housing remains a foundational piece of the housing jigsaw, possibly more so now than ever, as the spiralling property prices of recent decades have made home ownership increasingly unattainable for people on ordinary incomes. As the hon. Member for Wolverhampton North East said, the average house

price in some parts of the country is 10 times the average salary. In Scotland, it is seven times the average salary, and that is simply not sustainable. The days when people could borrow only three times their salary are long gone, but I remember that when I got my first mortgage I was advised not to borrow that much because I would have to live, sustaining myself on what was left. Many people on good wages now cannot even think about buying a house. We have had exceptionally low interest rates in recent years, but I have real concerns about the level of debt many people are taking on just to house themselves and their families. I worry very much about how many of those people, who are mortgaged up to the hilt, will manage to service their debts when interest rates start to rise, as they inevitably must, given the floor they are on at the moment.

That is the context in which home ownership has hit its 30-year low. Demand for rented accommodation in both the private and social sectors has soared, driving up rents to eye-watering levels in some places, not least here. For those on lower incomes, market rents in the current environment are just not realistic, and so demand for social housing is at unprecedented levels, too. Selling off housing association homes is not going to address that underlying problem; it just makes the problem worse because it fails to create any new supply to meet the demand that is growing in the market.

It is worth making explicit the negative impact that this housing market failure is having on our social security system and our public spending. Housing benefit is one of the biggest-ticket items in the Department for Work and Pensions budget. As Ministers never tire of pointing out, the housing benefit bill has escalated substantially, and quite disproportionately, in recent years: there has been a 54% real-terms increase across Great Britain over the past decade. It is important that the House understands why that is happening, because to a very large extent those increases in the housing benefits bill are being driven by increases in private sector rents in areas of high demand and low supply of affordable housing. Almost a third of the increase is attributable to London alone—although there are other hotspots—but the Government do not want to accept that rents in this city are out of control and increasingly outwith the means of people earning normal wages. We are not even talking about low-paid people; we are talking about people with well-paid jobs who simply cannot afford a market rent. I hope the Government will take their head out of the sand and confront that issue.

By contrast, in those parts of the UK where the housing pressures are not quite so acute, increases in housing benefit have been much more manageable and sustainable. In Scotland, for example, the inflation-adjusted increase in housing benefits for those in the social housing sector was only 6% over the same decade, which does not sound unmanageable. In Scotland—this is a key point—the ratio of housing benefit expenditure to GDP in the social rented sector was lower in 2012 than it was in 1997. That should give the Government and the Opposition Front Bench real food for thought.

It would be very wrong to debate the housing crisis without mentioning the bedroom tax. In Scotland, around 70,000 households are liable for the bedroom tax, and 80% of them—much higher than in the rest of the UK—are the home of a disabled adult. Those are the

people who already have the least choice in where they live. They are staying in the cheapest homes, and those homes have been allocated to them on the basis of their social need, not their household size. Given the depletion of the most modern social housing stock, thanks to the right-to-buy scheme, most of our extant council houses were built in an age when people had much bigger families, so we have a serious mismatch between the size of the available houses and the needs of today's tenants. If 60% of tenants need a one-bedroom property, but only 30% of the housing stock is that size, it does not take a maths genius to identify the underlying structural problem.

Although the Scottish Government have provided money to ensure that everyone affected by the bedroom tax in Scotland can get a discretionary housing payment, that legislation remains on the statute book and tenants remain legally liable. I hope that the Scotland Bill currently going through the House will devolve the power to repeal that legislation in Scotland. I appeal to Ministers to look again at the punitive impact that the bedroom tax is having on some of the poorest and most disadvantaged people in our communities right across the UK, and recognise that it is simply not addressing the systemic issues underlying the housing crisis, namely chronic under-supply, under-investment and rents that have spiralled out of control.

Before I conclude, I wish to say a few words about homelessness, because the motion specifically alludes to a rise in homelessness and rough sleeping. I have no doubt that recent changes to social security, delays and mistakes in the benefit system and the new sanctions regime are major contributory factors in those sharp increases, but on tackling homeless, it is important to put it on the record that in the past five years, the number of homeless applications in Scotland has fallen by 36%, and last year applications were down 8% on the previous year. That is not accidental. It is a consequence of progressive legislation that ensures that anyone who is assessed by the local authority as unintentionally homeless has a legal right to settled accommodation. That legislation has been recognised internationally as world leading and has been commended by the UN.

It has not been easy to deliver those achievements. I pay tribute to the local authorities that have been working closely with the Scottish Government to reduce those figures. They have done that mostly by focusing efforts on prevention—preventing the most vulnerable from becoming homeless in the first place—and, crucially, by building many more houses in the affordable sector.

We have made progress, but more needs to be done. I hope the Secretary of State will look seriously at how Scotland has reduced the rate of homelessness, and consider what might be emulated in a different context.

The housing crisis cannot be fixed overnight, but the first step is to acknowledge the roots of the problem. It is very difficult to avoid the conclusion that under-investment in social housing by successive UK Governments has been a costly oversight and a big mistake. It is important that this Government acknowledge that their approach has been short-sighted and short term and that it has short-changed us all. Selling off the housing stock will not solve the problem, nor will pushing disabled tenants into the private sector.

**Sammy Wilson** (East Antrim) (DUP) *rose*—

**Dr Whiteford:** Sorry, I will not give way as I am winding up. Such schemes avoid the real challenge, which is a need for a step change in investment in social housing. If the Government really want to house people and give them a decent place in which to live, they should understand that it is about security of tenure and having a place that people can call their home. I fear that until we are prepared to put money into building social housing, which incidentally would boost our economy and help our struggling construction industry, we will be back here repeatedly debating these issues over the next five years.

3.4 pm

**Jake Berry** (Rossendale and Darwen) (Con): As this is the first housing debate in which I have spoken in this Parliament, I will take the opportunity to draw Members' attention to my declaration of interests as a landlord and a solicitor in the Register of Members' Financial Interests. I also take the opportunity to welcome the shadow Secretary of State and our new Secretary of State to their places. I look forward over the coming months to debating many issues around housing here in this Chamber.

I support the Government's new right-to-buy policy of extending home ownership to 1.3 million housing association tenants. As a flagship policy of the last general election, the policy demonstrates the Conservative party's commitment to home ownership and helping people achieve their aspiration of owning their own home. I hope that, through debate in this Chamber, this excellent policy will be improved. There are two areas on which I wish to focus today, although I do understand that the policy is still being developed.

Rural exception sites, as set out by the National Planning Policy Framework, are often owned and managed by housing associations. Members will probably be aware of such sites in their own constituencies. They are often outside a village boundary, and always outside existing planning policy. They are built in locations where market housing would not be acceptable because of local planning constraints. The local community may come forward with a site, but those sites can be brought forward only where there is proven and demonstrable need for affordable housing. I am talking here about areas such as the Lake district, Dingle's Way in Cornwall, which I have visited, and local areas in my constituency.

If such rural exception sites were to become subject to the right to buy, it would be very difficult, if not impossible, to see how they could be replaced. The Government have made a commitment for a one-to-one replacement following exercise of the right to buy policy in the local area—that was in the Department for Communities and Local Government's own guidance. That is not possible with rural exception sites. They are by their very nature exceptional and there is not the land available to replace that needed affordable housing. Will the Minister confirm that, as he develops the new extension to the right-to-buy policy as it affects housing associations, he will consider exempting rural exception sites from the policy, and inform the House what assessment he has made of the impact of this policy on social housing, particularly in national parks?

The second point on which I wish to focus is the discount available to housing association tenants. The discount is significant and will, I think, attract housing

association tenants who want to own their own home. But will the Government consider doing that by way of equity loan rather than a straight discount?

We have seen the equity loan scheme used to great success as part of the hugely popular Help to Buy scheme. The reason why I propose an equity loan rather than a straight discount is that the interest rate will be payable after five years and, crucially, the Government will keep an equity stake in those houses as property prices increase. That will ensure a better return for the taxpayer and will enable the Government to benefit on a long-term bat on the property market, especially in areas of high demand, such as central London. This policy has, as its aspiration, a one-for-one replacement. It may be that an equity loan scheme, which will see more money coming back to the Government when the property is subsequently disposed of, will enable us to aim for a one-to-one-and-a-quarter replacement, or a one-to-one-and-a-half replacement as the policy matures over the years.

It is clear to me that an equity loan, as opposed to a straight discount, would not be a clog on the sales of right-to-buy properties. As I have said, the scheme has been used very successfully in Help to Buy. Crucially, it creates a level playing field between those in the social sector who are looking to exercise their right to buy with the help of the Government and those in the private sector looking to exercise Help to Buy with the help of the Government. I hope that, as the Government develop this policy, they will consider those two points. I look forward to working with Ministers over the course of the legislation to see whether those ideas can be incorporated.

Finally, let me touch briefly on the private rented sector. All of us who hold constituency surgeries will know that the British housing journey has changed. Traditionally, people would expect to be in private rented accommodation for a couple of years and then move into a house that they own. Now, people live in the private rented sector for up to 10 years or more. The assured shorthold tenancy has failed to change as the British housing journey has changed and is often not fit for purpose for people who are going to be in the private rented sector for a long period. That is why I support the work the Government have done on promoting family-friendly tenancy. I hope the Minister will be able to give us details of the uptake of such tenancies and, crucially, what stage he has reached in negotiations with lenders to ensure that, when lending to buy-to-let landlords, they have removed from their facility agreements some of the preclusions on granting tenancies in excess of one year.

I will not be supporting the Opposition's motion, but I look forward to taking part in more debates in this Parliament.

3.10 pm

**Ms Karen Buck** (Westminster North) (Lab): I am absolutely delighted that our first Opposition day debate of this Parliament is about housing, because very few issues are more important to the economic and social life of the country. As is often the case, it is important to look at the particular, rather than the general, in order to get a proper understanding both of the Government's proposals and of the nature of the problems we face, and I want to talk about London in that context.

London faces unique challenges and has done for many years, but that is even more the case at present. We are now the second most expensive city in the world in terms of house prices. To buy a home in London, one needs nine times the average salary, which is a record figure. It is no coincidence that home ownership has become less feasible for Londoners. The number of homeowners has shrunk: fewer than half of all London households are now in home ownership, and in my constituency just three out of 10 households own their own homes.

Social housing supply is also shrinking—we have already heard about some of the consequences of that—so demand inexorably turns to the private rented sector, pushing up rents, but also pushing up state subsidy in the form of housing benefit. It now costs the taxpayer £9 billion a year to subsidise private housing alone. Between 2010 and 2014, the Government spent £115 billion subsidising housing demand through home ownership support and housing benefit. I believe very strongly that there are better ways than that and the Government's latest proposals to spend that money.

I do not think it is feasible for everyone to own their own home, but I very much support methods of encouraging home ownership for those for whom it is feasible. I regret—this is a particular problem in London—that the shared-ownership model of supporting home ownership for people on low incomes is broken. We need to put fresh life into it and I believe that that is probably a better way of supporting an increase in home ownership in higher-cost areas.

The simple fact is that the Government's proposal for the right to buy housing association properties is massively expensive and we do not have answers from them as to how it will be properly funded. The National Housing Federation estimates that it will cost £11.6 billion, and the hon. Member for Uxbridge and South Ruislip (Boris Johnson), in his capacity as the Mayor of London, described it before the election as a crazy measure that would require “massive subsidies.”

**Sadiq Khan:** My hon. Friend will be aware that, for every 10 council properties sold, only one new property is built, and the concern about extending the right to buy to housing association properties is that it will reduce the already finite stock. If the Government proceed with their proposal and I table an amendment proposing that there should be a legal obligation to replace sold properties in the local area on a like-for-like basis, would my hon. Friend support that amendment?

**Ms Buck:** I absolutely agree with my right hon. Friend that the issue with right to buy is replacement, as has been the case for some years. I will come to that in a moment.

The Government tell us that, in order to fund the cost of the discount for housing association sales, the replacement of properties and the investment in brownfield regeneration, they intend to force local authorities to sell high-value stock. We are not yet clear about whether they propose a regional solution whereby a third of properties would be sold by region, or whether they will require each individual local authority to sell those properties. As my right hon. Friend has said, it will be extremely difficult to replace properties.

What will be the consequences of forcing local authorities to sell off their stock? Put simply, they will not be able to meet their housing obligations, carry out tenant transfers, relieve overcrowding, assist people with high medical priorities or assist homeless households. In London, it is estimated that, in my local authority, which is one of the high-value areas that will be most affected, the proposal will end lettings. We have roughly 400 lettings a year from void stocks—there will be no more. How are such consequences meant to respond to constituents' housing needs?

**Dawn Butler:** On housing need, the household benefit cap has affected my constituency of Brent Central more than the whole of Wales put together. It affects 2,252 households and 4,646 children, and the Government's proposals will just exacerbate that problem.

**Ms Buck:** That is another London problem and it also very much a problem for the cash flow of housing providers, including housing associations, about which the Government have no answers.

Forcing London local authorities to sell higher-value properties will reduce our stock by up to two thirds. That means that there will be no provision in those London areas and housing need will be displaced into other local authorities.

**Stephen Pound** (Ealing North) (Lab): Will my hon. Friend give way?

**Ms Buck:** I am not going to give way again, because other Members want to speak.

The proposal will also result in further costs for the housing benefit bill. People who would have been housed in relatively low rent local authority stock will now have to be placed in the private rented sector, where the properties are much more expensive.

As my hon. Friend the Member for Wolverhampton North East (Emma Reynolds) has said, Lord Kerslake from the other place has estimated that the proposal will also result in the loss of £5 billion-worth of housing investment in London. I do not know how Londoners approaching an election next year are going to feel about the fact that, despite the incredibly high pressure on housing in the capital, they are going to lose £5 billion-worth of housing stock.

There are a number of unanswered questions about how this is all going to work, some of which have been asked by my hon. Friend. I would have loved to have gone through them, but, because time is pressing, I will not do so. We will return to them in the Bill. The Government have, however, failed to answer one critical point, and I think that is deliberate. They are talking about a one-for-one replacement. There have been no guarantees, but they are not talking about a like-for-like replacement. We know perfectly well that properties sold from the local authority stock tended to be of better quality and provided family-sized accommodation, but there is no guarantee that replacement properties under this proposal will provide such accommodation.

This is a fundamentally flawed scheme in many important respects. We have heard this week that Conservatives returned in the election have finally—and too late—begun to make clear their concerns about the

[Ms Buck]

bedroom tax. Would it not be wonderful if for once the Government could recognise the flaws in a scheme before they implemented it rather than afterwards?

3.18 pm

**Chris Philp** (Croydon South) (Con): Thank you, Mr Deputy Speaker, for the opportunity to make my maiden speech. Let me also take the opportunity to wish you a very happy birthday today, although I do not wish to blot my copybook by mentioning which birthday it is. It is a particular pleasure to follow the hon. Member for Westminster North (Ms Buck), who has, I know, taken a long-standing interest in housing issues.

I pay tribute to my predecessor, the right hon. Sir Richard Ottaway. He was an officer in the Royal Navy before he came to this place, he served as Michael Heseltine's Parliamentary Private Secretary, he served on the Front Bench in opposition and he served in the Whips Office in John Major's Government—a fairly challenging task, but one that we hope will not need to be repeated during the course of this Parliament, judging by the size of last night's majority.

Sir Richard served with great distinction as Chairman of the Select Committee on Foreign Affairs and in that capacity was banned by the Chinese from entering Hong Kong—a sure sign that he must be doing something right. There was, however, one biting disappointment late in Sir Richard's career. I refer, of course, to the Westminster dog of the year event, in which his beloved spaniel Roxy was beaten by an Alsatian from Stoke-on-Trent South and a poodle from Surrey Heath. Fortunately, I can report that Sir Richard has now recovered from the abject humiliation of being beaten by the Justice Secretary's poodle and I know that hon. Members will want to join me in wishing Sir Richard, Lady Ottaway and their spaniel Roxy well in their life after Parliament.

Croydon South is a fantastic constituency with diverse communities ranging from Coulsdon through Purley, Kenley, Selsdon, Sanderstead and Waddon to Croham. I shall try to be of service to everybody in the constituency, regardless of their background. Some people think of Croydon South as having sprung up in the 1920s and 1930s, but let me correct them. The earliest constituents in Croydon South turned up in Neolithic times, on my doorstep at a beautiful place called Farthing Downs in Coulsdon, in the year 10,000 BC. I lay claim to Croydon South being the longest continuously inhabited constituency in the country.

Urbanisation came with the arrival of the railway in 1841, if Members will forgive me for skipping over the intervening 12,000 years in the interests of the time limit. I can see that you approve of that, Mr Deputy Speaker. Many of us today rely on the railway to get into London, but I am sorry to say that Southern has not been performing well recently. It has been terrible. But I am pleased to report that the Rail Minister, the Under-Secretary of State for Transport, my hon. Friend the Member for Devizes (Claire Perry), whom we met the week before last, has promised personally to get to grips with this serious problem.

Kenley airfield in the constituency was in the front line of this country's defence during the battle of Britain. The extraordinary feats accomplished in that

summer, 75 years ago, serve to remind us of what this nation can achieve when we pull together as one United Kingdom.

My father's family has lived in south London for generations. I well remember my first Crystal Palace game at Selhurst Park 24 years ago on Boxing Day 1991, against Wimbledon. The score was one all, if anyone was wondering. I was brought up in the area and went to a local grammar school and I firmly believe that grammar schools give children from ordinary backgrounds like mine the opportunity to achieve their full potential.

People in Croydon South believe that hard work and enterprise are the best ways of combating poverty and promoting prosperity. Businesses such as the Wing Yip Chinese supermarket on Purley Way and BSW Heating in Kenley are the lifeblood not just of our economy but of our society. I share those values. Over the past 15 years, I have set up and run my own businesses in this country and overseas. I set up my first business when I was 24. I started by driving the delivery van myself, and eventually floated that company on the stock market. My grandfather also drove a delivery van and he grew up in Peckham. I think he would be very proud, if he were still with us, to see his grandson speaking on the Floor of the House today.

I am pleased to be speaking in a debate on housing, in which I should quickly declare an interest as a business I set up is involved in this area. It is vital that we secure more housing for young people. Home ownership is a fundamentally good thing, which is why I fully support the extension of the right to buy. I am pleased to report that in my constituency and that of my hon. Friend the Member for Croydon Central (Gavin Barwell), housing starts increased by 251% from 593 in 2013 to 2,084 in 2014. That has been made possible by developing suitable brownfield sites and I fully support the Government's plans to use surplus public sector land to develop more housing as well as getting local development orders in place on 90% of brownfield sites by 2020 to ensure that the increase in housing supply that is so essential continues.

I am very grateful for the opportunity to make my maiden speech today and I wish good luck to other new Members who are doing the same today.

3.24 pm

**Clive Lewis** (Norwich South) (Lab): Thank you, Mr Deputy Speaker—and birthday boy—for allowing me the privilege of delivering my maiden speech to the hon. Members of this House in such an important debate. All this week, I have listened to a variety of maiden speeches, which have come in as many shapes, sizes and colours as the Members who sit in this House. Such diversity of speeches and Members is to be warmly welcomed. Outside this Chamber, our country is equally if not more diverse and it is right and proper that this place should reflect that reality.

As Norwich's—and indeed Norfolk's—first-ever black MP, I like to think that I am making my own small personal contribution to that challenge. Half Grenadian, half English, I am proud of the rich heritage I have inherited from both sides of my working-class family. On my Grenadian side it was my father's passion for trade unions and socialism that, it could be argued, ultimately led me to this place. On my mother's English

side, listening to the tales of my grandfather, a paratrooper who fought fascism in Normandy in the second world war, I developed an interest in the military—an interest that would ultimately lead me to become a reservist infantry officer, culminating in a tour of Afghanistan in 2009. But let me advise the House and any would-be armchair generals listening that it would be a grave error to mistake my service for a guarantee of support for future military adventurism. It is not. Better the House should see me as a pragmatic dove, sadder and wiser for my experience with the limitations of firepower when it comes to achieving our long-term security.

Let me tell the House a little more about my constituency, Norwich South, and the city that sent me here to be its voice unto power. The previous MP to be sent here was my predecessor Simon Wright. As both a teacher and an MP, he has given many years of his life to public service—service given dutifully and to the best of his ability. For that I thank him on behalf of our city.

For those who have not had the pleasure of visiting the fine city of Norwich, let me assure them that it is far more than the home of Alan Partridge and Radio Norwich. It is one of only a few cities with two cathedrals, it has an historically iconic marketplace and it has at its centre what is considered one of the finest examples of an 11th-century Norman castle in western Europe. Looking out from the top of Norwich castle, one sees our city spread out in uneven but concentric circles—the closer to the castle, the older the buildings. Moving out from the sites of historical slums, one begins to see the advent of 19th and 20th-century affordable social housing.

My fear is that future generations of my city will look out from that castle and ask themselves, “What happened to the social housing of the 21st century?” Having listened to the Queen’s Speech, my fear is that the answer will be, “The foresight and wisdom of past generations spanning more than a century was squandered for the short-term gain of a few.” Today, as we debate the crucial issue of housing, we have a Government who are, in effect, seeking to forcibly asset-strip housing associations. Not content with that, they would also force local authorities to sell off their already scarce housing stock to fund this supreme tragic folly.

In my humble opinion, this is a policy as economically incompetent as it is ideologically obnoxious. In one fell stroke it will increase the division between those who own properties and those who do not. It will raise rents, increase the housing benefit bill, fuel house price inflation, further segregate my city and increase the number of homes that are owned as mere units of speculation. For many of my constituents it is not an asset they desire, but a roof over their head and a place they can call home. As their MP, this is what I will fight for. Some may call that radical, but if striving for decent affordable homes for my constituents garners me that label, I will wear it with pride, for both Norwich and Norfolk have a long history of bearing radical sons and daughters.

Take Robert Kett and his rebellion against the injustice of land enclosure in the 16th century. Kett led the poor and disfranchised of my city and beyond as they defied the wealthy who wished to take their land from them. Fast forward to today, and the robber barons are back. Take some of the academy chains operating in Norwich, such as the Inspiration Trust. Not content with taking over our schools and giving parents no say in their children’s education, it craves ever more power and wealth. Now it wants to take from the people of Norwich

the Hewett local authority school and the £60 million of land it sits on—land that belongs to the people of my city. Then there is the Earlham early years Sure Start centre in one of the most deprived parts of my city, now told by its new landlords—again, the Inspiration Trust—that it is to be evicted and must find new premises. Indeed, the robber barons are back.

But now, as then, the people of Norwich are defiant. They will not go silently into the night. They will not be asset-stripped and thrown out on to the streets without a fight—a fight I am proud to be part of. At the end of it all, I only hope I fare slightly better than Robert Kett. Captured by the nobles, he was eventually executed and his body left hanging in chains from Norwich castle. The Inspiration Trust is ruthless, but I hope not quite that ruthless.

I hope, then, that the spirit of Norwich—its defiance in the face of injustice; its desire, as the saying goes, to “do different”—will move and guide me in the years ahead, because now, more than ever, my constituents need hope: hope that we in this House can articulate an alternative to the politics of despair that austerity represents. My constituents deserve nothing less, and nothing less will they get from me.

3.30 pm

**James Cartlidge** (South Suffolk) (Con): I congratulate the hon. Member for Norwich South (Clive Lewis) on his maiden speech. As a Suffolk MP, it is good to see that there are some good things coming out of Norfolk.

I want to draw the House’s attention to my interests. I am a controlling shareholder in a mortgage broker and property portal that is focused on the shared ownership sector. It includes First Steps, which will be of interest to London MPs.

According to the Intermediary Mortgage Lenders Association, if current trends in tenure continue, two decades from now, for the first time since the early 1970s, the majority of Britons will rent their home. I have spent my commercial life focused on first-time buyers, and I do not want to live in a country where home ownership is restricted to the few. That is why I strongly support the measures proposed by my right hon. Friend the Secretary of State to support home ownership, particularly the extension of the right to buy. It is important to remember that this is not just about getting on the property ladder; it is about people keeping a roof over their head. Housing repossessions are at the lowest level for nine years; indeed, repossessions and arrears are falling. I welcome that. We must never forget that a key element of any housing policy is a strong economy in which people can afford to pay their mortgages, gain employment to obtain mortgages, keep paying their rent, and so on. I am proud to be a Conservative in a Government who are delivering a strong economy where people can get on the ladder and get on in life.

I set up my company in 2004. I was originally a mortgage broker, although we have since diversified, and I want particularly to focus on mortgages. I have to say to the shadow housing spokesman, the hon. Member for Wolverhampton North East (Emma Reynolds), that when we started in 2004 I was absolutely shocked and appalled by some of the practices in the mortgage lending industry. I was stunned that people who already had an adverse credit history and huge unsecured debts

[James Cartlidge]

would call us up seeking a mortgage. Indeed, they were often able to obtain one, on a self-certified basis, through so-called adverse, heavy-adverse and super-adverse products. One very famous American bank even had a “credit builder” product, which basically meant “unlimited-adverse”. People could have missed as many payments as they wanted and still obtain a mortgage.

Those were bad days for the mortgage industry. They were overseen by the Financial Services Authority, which was set up by Gordon Brown in 1997. When he did so, he said that it would give stability to the financial sector. For me, the biggest failure of the Labour Government was their failure to regulate the mortgage sector. I was a business owner in the mortgage sector, and we constantly received correspondence from the Financial Services Authority—huge reams of regulation and gobbledegook. Every six months we had to submit a capital adequacy return. Northern Rock would have been doing the same thing, so why could not the FSA have spotted what was happening? It was an incredible failure to regulate banking. Let us not forget that 1998 to 2007 was the most unprecedented period of growth in house prices in this country, so when Labour Members table a motion about first-time buyers and affordability, they must recognise their own culpability in this matter.

One specific issue that I feel very strongly about is the growth of buy-to-let. I would never criticise anybody who has invested in property, especially given that we have had such problems in our pensions sector, not least because of the tax brought in—again—by Gordon Brown. I do not blame anyone for doing that, and I do not think we should do anything to clamp down on existing buy-to-let, because that would force rents up. However, when we look at new entrants to the market in the years ahead, we have to start to take account of the fact that the assets in buy-to-let will shortly hit £1 trillion. The key point about buy-to-let is that it is not a level playing field. Those properties are properties that first-time buyers wish to buy as well.

Three key aspects illustrate why buy-to-let is not a level playing field. The first is stamp duty. If I buy my first property, I pay the same rate of stamp duty as someone buying their 15th buy-to-let portfolio property. I do not think that is acceptable. Then there is tax relief, which has been raised by hon. Members in all parts of the House. If we were to give first-time buyers the ability to offset their mortgage repayments against tax, we would be told that that was stimulating house prices, yet we feel quite happy that a buy-to-let landlord should be able to do the same. Again, I have a real problem with that.

The most important point is about mortgages. If someone telephones our biggest mortgage bank, which was bailed out at great cost by the public, they will find that a residential customer—a first-time buyer or home mover—has to have a capital repayment mortgage, which is absolutely right, but that a buy-to-let landlord can get a mortgage for the same property from the same bank on an interest-only basis. The Intermediary Mortgage Lenders Association has stated:

“The ‘triple lock’ of the new regulatory landscape—the mortgage market review (MMR), Basel 3 capital adequacy rules and macro-prudential regime, disadvantages first-time buyers relative to buy-to-let borrowers and may help to entrench the decline of owner-occupation going forward.”

That is what the mortgage lending industry says. It went on:

“For example under the MMR at an interest rate of 4%, first time buyers required to take out a capital repayment mortgage will face monthly mortgage payments 58% higher than a landlord”, who is probably borrowing to lend the property out to frustrated first-time buyers.

**Julian Knight (Solihull) (Con):** I am very interested in my hon. Friend’s analysis of the buy-to-let mortgage market. I would point out, however, that the oversight of that market has been far better under this Government with their regulation of financial services than during the Labour party’s time in government.

**James Cartlidge:** It has to be said that the oversight of mortgages could not have been worse: it was a very grave failure under the FSA.

The thing about the level playing field is that I want to see a country where first-time buyers on average earnings have a realistic prospect of buying a home, which is not that ambitious. I am a one nation Conservative, and I do not want to be in a two nation country with those who own property and those who have absolutely no chance of doing so. That is the key point. There are those who will feel that owning their own home is a long way away, but they want to feel that they have a chance. That is one reason why I support measures such as the extension of the right to buy and the Help to Buy individual savings account deposits. We want to give people opportunity.

As we move forward, Mr Speaker—[*Interruption.*] Sorry, Madam Deputy Speaker. It is the force of very short habit, as I have only just got into the House.

I want us to consider such points, because we need a level playing field. House prices are affected not just by building and the supply of building; demand factors are critical as well. House prices collapsed in 2008 not because we suddenly built more homes, but because of the economy and what happened to mortgage finance. I hope that my right hon. and hon. Friends will take cognisance of these points.

3.37 pm

**Richard Burgon (Leeds East) (Lab):** Thank you, Madam Deputy Speaker, for calling me to make my maiden speech this afternoon. I congratulate my hon. Friend the Member for Norwich South (Clive Lewis) on his truly inspirational maiden speech.

The constituency of Leeds East—or East Leeds as we locals call it, because it is not just a constituency; it is a distinct area as well—is a place I could not be prouder to represent. Leeds East is my home, and my family have lived and worked in Leeds East for over 100 years, ever since coming from Ireland to look for work.

Before I talk about Leeds East, I want to talk about my predecessor, George Mudie. He served our community for nearly 40 years: first, as a local councillor in Seacroft in Leeds East; then as leader of Leeds City Council; and then as our MP. For me, he embodied the ethos of public service. In an age when so many are so cynical about elected representatives, he remains loved and respected across East Leeds and across Leeds. People know he was in politics for the right reasons—not to feather his nest or carve out a career come what may,

but to make life better for ordinary people. To listen to him speaking up for his constituents, for our area and for accountable, well-funded public services in public hands was to witness someone speaking with a real moral force that no kind of synthetic media training could match. The memory of George Mudie's tireless work as our MP lives on in the minds and hearts of all those whose lives he improved.

From Crossgates to Colton, from Halton Moor to Harehills, from Swarcliffe to Seacroft and Gipton, Leeds East is a fantastic place. People are friendly, people—including perhaps their MP—"tell it how it is", and people by and large have always supported the correct team, whether that be in football or in politics. But all is not well in Leeds East, and housing is one of the major issues in my constituency. It is a constituency where the percentage of people owning their home has gone down, where the percentage of people renting a council house is markedly down and where the percentage of people renting from private landlords is markedly up. Wages are too low, rents are too high and Leeds City Council does not have enough council houses or enough money to build enough more. Too many people are priced out of buying a house.

In the past four years, the number of people in Leeds East who are in work but who have to rely on housing benefit has increased by nearly 80%—not a surprise when one in five people in work in Leeds East do not get paid a living wage and more and more have been pushed on to zero-hours contracts. Last year, there were over 18,000 people in Leeds on the council house waiting list. So-called "affordable homes" are affordable in name only, at 80% of the market rent, and it must not be forgotten that 1,440 homes in Leeds East are hit by this Government's cruel bedroom tax. For the first time in not far off a century, mothers and fathers across Leeds East face the reality that their children have less chance of getting a council house and of being able to afford to buy a home than they did when they were their age. The people of Leeds East deserve better. They need a Government who will not just "leave it to the market" when it comes to housing and everything else; a Government who will control rent increases; a Government who will give local councils the money they need to build council houses; a Government who will not force councils and housing associations to deplete their housing stock at bargain-basement prices; a Government who will resist the big building companies' pursuit of quicker and easier profits and ensure that brownfield sites are built on first in an effort to best protect our green belt; and a Government who will not choose to hit the most vulnerable with policies such as the bedroom tax.

Fundamentally, people in Leeds East need a Government with an alternative economic strategy, and an economy that works in the interests of ordinary people, not just in the interest of big business and the super-rich. The economic divide we now have in the UK makes a mockery of the Conservative rhetoric of one nation. Our nation is in fact divided into those whom the current economic system serves and those whom the current economic system uses and, all too often, abuses.

In politics, in life and in the economy, I believe that fulfilment of potential only comes when, in the words of the Leeds United song, we are "Marching On Together". There is such thing as society and there is such a thing

as community. I am proud of the society and community I come from and I look forward to standing up for the people of East Leeds in this House in the years ahead.

3.42 pm

**Mims Davies** (Eastleigh) (Con): East Leeds and Eastleigh—so close and yet so far.

It is a pleasure to speak following some fine maiden speeches on both sides of the House. I welcome the housing Bill. It will give the right to buy to those people who made the effort to contact me during the election campaign to say that it would make a difference to their life, their planning, their schools and their children. My hon. Friend the Member for Rossendale and Darwen (Jake Berry) raised the issue of family-friendly policy. Those on the Conservative Benches should look at that, and I would be supportive of it.

I thank the Housing Minister for meeting me soon after I walked into the House and for allowing me to make representations about concerns in my constituency. However, I want to highlight a different point. We have heard a lot about community and about challenges, but we have heard very little about people actively being involved in the choices for their community. There has been scaremongering, and I would find it worrying if I were trying to get involved in housing at a local level or in local community activism to secure, for example, a rural exception site. People want a home for their children and grandchildren, but there has been a lack of local planning in my patch. It concerns me that there is a lack of brownfield development in Eastleigh. There is no local plan and no five-year land supply, and there is not one neighbourhood plan. People are not involved, which is fundamentally wrong given that we have a localism agenda that people could get involved in.

The lack of involvement of parish councils in my area concerns me. One plan introduced in 2011 would have helped to bring forward a much-needed bypass, which would have been part of a way of ensuring controlled development. That has not happened in Botley, because it was discouraged by the local council, which, as a borough council, was keen to prevent local people from getting involved.

One person's new carpet and shiny new kitchen is another person's concern about losing green space, so decisions will always be finely balanced. We need more parish councils and more local people to be involved in making their communities the place they want to live in. With the Localism Act 2011, we have the ability to look forward to the next 20 or so years.

The lottery of the planning inspectors is the other reason why I am on my feet. We need fairer planning rules, so that we can find the right balance. I was concerned to find in my inbox today a letter from a developer telling me how one local bypass would be brought forward, because it had had the idea and was already working on it with the council. However, that was different from my information. The problem is that there is no plan, so there is nothing to work from. That is what I am seeking to highlight.

Many of my constituents have taken the time to write to me about their concerns time after time, and it would be remiss of me not to bring their comments to the House. The lack of a local plan means that historic sites in my area, with listed buildings within their curtilage,

[*Mims Davies*]

are under threat, such as Stoneham Park and the Bursledon windmill. That is lamentable. We can do something about housing if we actively involve ourselves as communities.

There are 9,000 parish councils across the UK, but six in 10 people do not have a parish council and do not get involved in neighbourhood planning. The Government have put localism on the statute book so that if people do not feel that they are adequately involved, they can get involved. I am delighted that the Government will continue to promote that, alongside the changes that will be made in the housing Bill.

**Antoinette Sandbach** (Eddisbury) (Con): In my constituency, both Winsford and Malpas have successfully adopted local plans under the neighbourhood planning process, and Audlem is currently consulting on its neighbourhood plan. Does my hon. Friend agree that the process gives local communities the ability to have direct input and control over planning in their environment and prioritise where they want affordable housing?

**Mims Davies:** I absolutely agree. I feel that the right balance has been lost in this debate and the pressures, because we are not accepting that local people want a say. The lack of neighbourhood plans and the lack of infrastructure around houses have not been mentioned. To get people involved, we need the right balance of needs. In my constituency the process is piecemeal and hostile—people feel that they are sitting ducks, and they do not feel involved in the process. That is lamentable, because there are ways for people to be involved. I would like to see that happen sooner rather than later.

I absolutely agree with the right to buy. I point out my entry in the Register of Members' Financial Interests—I am a landlord. I know that people have views on both sides of the argument, but the good news is that if we get these things right, our constituents will see the benefit. Perhaps they will be able to be part of the Help to Buy mortgage scheme, which has brought 127 people on to the housing ladder in Eastleigh, or the NewBuy completion scheme, which has brought 15 people on to the ladder. I support the Department for Communities and Local Government in that, and I welcome the Secretary of State's comments today, but I would like more of a balance in how housing is brought forward. I thank my constituents for raising the issue to the top of my agenda.

When I was standing for election, one of my Labour counterpart's main advertising sites was in the centre of one of the towns and pointed out the failure of the local plan to bring about housing for constituents in Eastleigh. At the local level, many people in Eastleigh are on the same side.

3.49 pm

**Stephen Pound** (Ealing North) (Lab): What an honour and delight it is to see you enthroned, as to the manner born, Madam Deputy Speaker; and may I praise the two marvellous epoch-making maiden speeches we have just heard? My hon. Friend the Member for Norwich South (Clive Lewis) owes his origins to Grenada via Ealing en route for Norwich. He would have been very welcome to stay in Ealing, although perhaps not as a parliamentary candidate. I rather suspect that an extremely

distinguished former Member of this House, Colin Burgon, is a relative of my hon. Friend the Member for Leeds East (Richard Burgon) and appears to be in the Gallery.

**Richard Burgon:** That's my dad, Colin's brother.

**Stephen Pound:** Sorry, it's Colin's brother.

We are speaking today on an incredibly important subject. Last Friday morning, I went to the extreme east end of the District line, where a family from my constituency have been housed in temporary accommodation at the other end of London. The children have to get up at 7am to carry on attending their primary school in Northolt in my constituency. It takes an hour and a half to get there, before the day has even started. This is the reality of the housing crisis in the nation as a whole, but particularly in London. The housing that that family could once have aspired to has been sold. It is one of the cruelest ironies that some 42% of temporary accommodation that we provide under the private sector leasing scheme in Ealing is former council housing.

What are the Government proposing? Are they talking about a sensible house building programme? Are they talking about fiscal incentives and mechanisms to assist people in buying properties? No. They are proposing one of the most cruel, stupid and brutal pieces of legislation I have heard of in my life. Harold Macmillan was mentioned earlier, a man who spoke for a time when we thought that housing was something that should be built, not sold off, and something that is not a bribe but an entitlement and a right.

I have great respect for the Secretary of State for Communities and Local Government. He is a good man, but he has fallen among asset strippers here today. Harold Macmillan talked about selling off the family silver. Well, we are talking about selling off the family shelter. The idea is that the Government can go to a charitable housing association and say, "We are going to nationalise you and then we're going to liquidate you and sequester your assets." How on earth can anything think for a moment that that is a logical or sane way to go forward?

I wish to do the Conservative party a favour. I wish to save them from themselves. I know there is no chance whatsoever of this proposed legislation actually seeing the light of day and becoming an Act. It simply cannot work. There will be legal challenges. As soon as we start to drill down into the minutiae, it will be realised that the Government simply cannot take a private asset and sell it off as a possible bribe to the future. If they want to take the logic of this forward, why not go to every single private landlord—including the hon. Member for Eastleigh (Mims Davies), who confessed to being a landlord—and say to them in an attempt to expand the property-owning democracy that made this nation great, "We're going to take your property. You are a private landlord, just as a housing association is a private landlord"? Where is the logical difference?

**Meg Hillier:** Will my hon. Friend give way?

**Stephen Pound:** I wish I could, but I cannot.

I believe in the fairly basic precept that no person should have a second home as long as there is one person who has no home. Will the proposed legislation—I

address specifically the issue of extending the right to buy, the sequestration of housing associations—make any difference whatsoever? It will. It will make matters a great deal worse. Housing associations will lose their collateral base. They will lose their ability to borrow. There will not be some great freeing up of assets spreading across the nation. Rather, there will be the same slithering, slimy people scurrying around the remnants of our housing estates trying to persuade people to buy their property, to realise their assets and to free up the money in their property. These poodle-faking spivs have had the time of their lives under Conservative Governments. We do not want to see it reach an efflorescence again under this ludicrous Bill.

In case after case in our surgeries, every one of us surely hears heartbreaking stories arising from the housing crisis. If someone is ill, they can go home until they feel better. If they lose their job, they can go home and apply for other jobs. If they lose their home, they are on a slippery slope to perdition. Homelessness means not just not having a home; it means being on the street and losing one's health and one's future. I spoke earlier about a primary school child making a one-and-a-half-hour journey in the morning and afternoon. What will be the corrosive effect of that on future generations? It will destroy their hopes, their dreams and their ability to learn and become good citizens.

The Bill will not help. Let us save the Conservative party and say, "Get away from this nonsense of trying to bribe the future with their own property", and let us look at building new housing. That is what it is all about. That is the important thing. Let us do that and get rid of this insanity of trying to sell something that does not belong to the Government in the first place.

3.55 pm

**Kit Malthouse** (North West Hampshire) (Con): I also congratulate you on your ascension, Madam Deputy Speaker.

I join the Secretary of State in lamenting the lack of humility from Labour over their previous policy. It was my colleague on the London Assembly, the charming Tom Copley, who blew the lid off its record by revealing that more social housing was built in the final year of Margaret Thatcher's Administration than in the whole of the 13 years of Labour. The situation is even worse than that, however, because during those 13 years Labour created an unsustainable housing market, with rapidly rising prices, very thin mortgage equity requirements and a much looser credit situation than now. It then crashed the market and, once it had been revived, decided that the best thing to do was to propose a tax on it—the mansion tax. That is no solution to what is an extremely pressing problem.

There is much to commend in the Government's plan presented in our manifesto and the proposed Bill, which addresses access to the market as well as supply. The brownfield register; the housing zone; the promotion of garden towns, the starter homes—all that is extremely welcome, but there are two areas I particularly want to address. One is the extension of right to buy, which I support. It has much potential to enable the same social change and progression that the right to buy council housing did during the 1980s and 1990s.

I want, however, to bring two areas to my right hon. Friend's attention. One was eloquently highlighted by my hon. Friend the Member for Rossendale and Darwen (Jake Berry): exceptions for small rural communities, particularly in extremely delightful areas to live, such as large parts of my constituency, where there is pressure on housing already—I will not elaborate on that. Secondly, will the Secretary of State consider a transferable discount, so that housing association tenants can realise the value of their discount and transfer it into the private sector, with various conditions applied. That might solve the problem of disposing of the house, but also give them the freedom to move on.

The second area I want to talk about, which sadly is not mentioned in the motion, is the role of the planning system, particularly the Planning Inspectorate. One of the revolutions that the previous Government introduced was the notion of local neighbourhood plans. I am pleased to say that large parts of my constituency have embraced the idea with extreme enthusiasm. From larger settlements, such as Whitchurch, Oakley, Kingsclere and Overton, to small villages, such as St Mary Bourne in the middle of my constituency, people have worked hard on their local neighbourhood plans. It has excited much interest in the community and quite a lot of debate, and for the first time in these areas, people feel as if planning is something being done with them, rather than to them.

Still hovering above them, however, is the role of the Planning Inspectorate. I hope that over the next few months or weeks, as we debate the Bill, we can address the issue of the inspectorate and the game of poker that its existence creates in the planning system for local authorities. Far from smoothing the passage of planning applications, the planning inspectorate is more often used, I find, as an excuse to slow things down, as a complicated game of chicken is played between developer, local authority and local community about what each thinks the planning inspector will deal with. If localism is really to take hold, locally elected democratic representatives, including the Mayor of London—even with his vast majority and mandate, he has to bear in mind the chap in a suit from Bristol—will have to play a part in dealing with the possibly negative effect of the planning inspectorate. I think that any fear and loathing generated in communities by this problem needs to be addressed.

Finally, let me say a few words about homelessness. The shadow Secretary of State tried to offer a simplistic solution to the rough-sleeping problem by saying that it is just about housing. That does a disservice to those many people who unfortunately find themselves on the street. There are complicated issues relating to mental health, alcohol, drug addition, previous life experience—particularly for the high proportion of rough sleepers who have been in the forces and might have post-traumatic stress disorder or other mental health problems—that need to be addressed. Having worked as a councillor on this issue, I am aware that many people living on the street are very hard to help. Offering them just housing as a solution will often not get them very far.

It was Ronald Reagan who said:

"There is no limit to the amount of good you can do"

in politics,

"if you don't care who gets the credit."

[Kit Malthouse]

I am extremely pleased to see my right hon. Friend the Secretary of State in his place on the Front Bench. We were councillors together, and he has worked very hard on the localism agenda over the last five years. It is good to see him in a position where he is able both to achieve great things for housing in this country and to take much of the credit.

4.1 pm

**Catherine West** (Hornsey and Wood Green) (Lab): It is an honour to give my maiden speech today in the birthplace of Westminster democracy—a model that many other countries have used as a blueprint for their fledgling democracies. We must never forget that others look to us for leadership internationally not just on democracy, but on human rights, too.

In the constituency of Hornsey and Wood Green, democracy features strongly. In the year I was born, 1966, the Conservative Hugh Rossi was elected and remained the MP until 1992, when he resigned. He was followed by the Labour Minister Barbara Roche who was the MP until 2005, when the Liberal Democrats' Lynne Featherstone won the seat. Tory, Labour and Liberal over a relatively short space of time—democracy is certainly alive and kicking in Hornsey and Wood Green. My predecessor, Lynne Featherstone, was well respected locally for her ministerial work on gay marriage and her campaigning for an end to the vile practice of female genital mutilation—causes that I am sure she will continue to pursue.

I am very pleased to speak on housing and equally happy that my hon. Friends have brought this crucial matter forward as an Opposition debate so early in this Parliament. I am pleased, too, to see a fresh face in the Government. I am not sure what happened to his predecessor, but it is with a huge sigh of relief that those of us who come from local government see a slightly different face. I hope that this will presage some positive moves around the housing agenda.

My constituency is one of great contrasts, with households on low incomes living in the graceful, but dilapidated, Victorian Noel Park estate. I was always amazed by our Victorian and even our post-war predecessors who saw the need to invest in housing for working communities and made it happen. In coming months, so much energy will be spent on needlessly debating the merits of the “right to buy” for housing stock where people are securely housed, when we could be getting stuck into building more for the many who lack housing security. There are so many excuses why we cannot do that, when we should be determined to build, build, build to address the critical imbalance between the supply and demand for housing.

In the west of my constituency, leafy boulevards of Edwardian splendour nestle in the foothills of Alexandra Palace Park and run along the boundaries of the spooky Highgate and Queen's woods—28 hectares of ancient woodland known for its archaeological treasure trove of Roman pottery. The famous landmark of Alexandra Palace, originally known as “the Palace of the People” was leased to the BBC in 1935 for its new television service, and its glass dome provides a magnificent backdrop, which today's shoppers can gaze at from the Wood Green shopping city. One hundred and eighty languages

are spoken in our local schools. As an immigrant myself, I am proud of our rich diversity. Immigration is too commonly seen as a handicap when, in truth, it is our strength.

Recent research has shown that households privately renting in Hornsey and Wood Green spend £250 of the average weekly wage of £500 on rent. Guidelines issued by Shelter, the national housing charity, state that a third of average weekly earnings should be spent on housing costs, not 50% as is the case in Hornsey and Wood Green. Costly housing is holding back the London economy, making London unaffordable for the workforce, and creating public health problems as a result of overcrowding. In short, “generation rent” needs a break. It is good to see so many London Members here today. Not a day goes by without a London Member of Parliament or councillor hearing someone's heartbreaking story about overcrowded housing.

The knock-on effect of high-cost rented housing is that fewer young people can purchase their own homes. The Government's much-flaunted Help to Buy scheme has helped fewer than 20 households in my constituency. Meanwhile, the deregulation of pensions in recent times is fuelling the “buy to let” market and pushing up prices. There is nothing short of a housing crisis. People in housing need are being failed by this Government—and I am tired of hearing Members talk about what we did in the Labour Government. That is ancient history. I have been here for one month, and for me it is ancient history. I do not intend to let up on the fact that the housing benefit bill is costing the public purse dear, and that is a national disgrace.

The only way out of this spiral is increased housing supply. Whether young people are trying to get on to the housing ladder or trying to rent a social home, councils must be permitted to build more affordable homes. That is the most efficient way. They must also be allowed to insist that 50% of all newly built homes are genuinely affordable, not with rents at 80% of the market rate. That is utterly unaffordable for average or middle-income households. To date, in the current Parliament, I have not heard anyone make a commitment to addressing the crucial issue of housing supply. We ignore it at our peril, but that is symptomatic of the tin ear of this Administration when it comes to investment in vital housing infrastructure—and, for that matter, any kind of infrastructure. There is also the crucial issue of social mobility for our young people, which our society desperately lacks.

Thank you, Madam Deputy Speaker, for indulging me in my first speech in Parliament. I look forward to standing up for the people of Hornsey and Wood Green, challenging the housing inequality in our society, and fighting for the things that matter.

**Several hon. Members** *rose*—

**Madam Deputy Speaker (Natascha Engel):** Order. The Front-Bench speeches will begin at 4.10 pm. That does not give the next speaker much time, but I look forward to a very potted speech from Suella Fernandes.

4.7 pm

**Suella Fernandes** (Fareham) (Con): Thank you, Madam Deputy Speaker. In the interests of time, I will rapidly condense my planned speech.

I congratulate the hon. Member for Hornsey and Wood Green (Catherine West) on speaking eloquently and passionately about her constituency, and about what she hopes to achieve in the House. I wish her well. I also congratulate my hon. Friend the Member for Croydon South (Chris Philp) on an excellent maiden speech. He spoke about real aspiration, hard work and getting on, which are key values of his and guiding principles of this Conservative Government. I have no doubt that he will make an invaluable contribution during his time in the House.

I must declare an interest, as a barrister specialising in planning law who has represented local planning authorities and house builders at planning inquiries.

“Housing is the first of the social services. It is also one of the keys to increased productivity. Work, family life, health and education are all undermined by crowded houses.”

Those words are taken from the Conservative manifesto of 1951. The 1951 election, about which we have heard a great deal today, was narrowly won by Winston Churchill, who appointed Harold Macmillan as his Housing Minister. Macmillan achieved great feats, delivering more than 300,000 houses between 1952 and 1953 alone. He achieved that by liberating the market and providing incentives for house ownership, and he increased supply considerably. Thirty years on, Margaret Thatcher and Lord Heseltine achieved the same with the right to buy, and today, another 30 years on, I am proud to be part of a Conservative Government who are continuing that tradition of home ownership, helping people who are working hard, counting their pennies and saving in order to afford a home for their families—all in the name of responsibility, aspiration and the securing of a financial future.

The facts speak for themselves. Housing completions have increased hugely. Some 200,000 new starter homes and the Help to Buy ISAs are directly helping first-time buyers get on to the housing ladder. In my constituency, a total of 258 new homes were started in 2014. It is crucial that sufficient schools and infrastructure are provided to meet demand. The hypocrisy on the Labour Benches is astonishing given the present-day failure, because let’s look at Wales: Labour-run Wales has a paltry delivery record on home ownership, and has the lowest house building rate per capita of the constituent nations of the United Kingdom. In the UK overall house building increased by 28% in 2013, but it declined by 12% in Wales. Rent controls, which are being used in Sweden and New York, are failing. They are socially divisive and are decreasing supply.

I am proud to say that housing is the key to social mobility. It is the building block for social justice and it is at the heart of aspiration. Both the achievements of the last five years and the programme for the future are well thought-through plans of which Macmillan would be proud.

4.11 pm

**Dr Roberta Blackman-Woods** (City of Durham) (Lab): I welcome you, Madam Deputy Speaker, to your new role. It is a pleasure to see you in the Chair.

It has been an interesting—but quite short—debate. I congratulate in particular the Members who made their maiden speeches. The hon. Member for Croydon South (Chris Philp) spoke passionately about the achievements

of his constituents and his predecessors. My hon. Friend the Member for Norwich South (Clive Lewis) reminded us of the importance of increasing the diversity of Parliament and this Chamber. He conjured up an amazing image of cathedrals and castles in Norwich and of their being defiant against injustice, which I am sure we would all want to emulate. My hon. Friend the Member for Leeds East (Richard Burgon) spoke very movingly about the wide range of issues facing his constituents and how the actions of this Government and the previous Government are exacerbating them. He did a very good job in speaking up for all his constituents and speaking about the support they need and are not getting from this Government. My hon. Friend the Member for Hornsey and Wood Green (Catherine West) gave a moving speech. She reminded us of the problems facing “generation rent” and the difficulty young people have in getting into the housing market, the need to promote social mobility and, especially in London, the need to address rising house prices, which are putting housing beyond the reach of so many.

Elsewhere in the debate we heard a wonderful speech from my hon. Friend the Member for Westminster North (Ms Buck), who highlighted the particular problems of housing in London and the need to breathe new life into shared ownership. The hon. Member for South Suffolk (James Cartlidge) made some interesting points about the need to reform buy to let and I will be interested to see how those on his Front Bench respond to them. The hon. Member for Eastleigh (Mims Davies) made some interesting points about the need to do more to promote neighbourhood planning and ensure that infrastructure is in place to support new housing—a point emphasised by the hon. Member for Fareham (Suella Fernandes).

**Helen Hayes** (Dulwich and West Norwood) (Lab): Does my hon. Friend share my concern that the removal of section 106 and community infrastructure levy tariffs from the proposed new starter homes programme will result in our building communities that are not well enough supported by the infrastructure and the services that they need to be successful in the future?

**Dr Blackman-Woods:** My hon. Friend makes an excellent point; it is one that we made a number of times when we were opposing the Government’s changes to section 106 agreements. Those changes are incredibly short-sighted and will lead to a long-term dearth of the infrastructure that our country so desperately needs.

Our housing market is in crisis because the Government are failing to build the homes that our country needs. We need 245,000 homes to be built every year in England alone, just to keep up with demand, but only 125,000 new homes were built in England between April 2014 and March 2015. Recent figures from an LSE report demonstrate clearly that house building figures were much lower under the coalition Government than under the previous Labour Administration. Indeed, house building fell during that time to its lowest level since the 1920s.

Between 2011 and 2014, the total shortfall against the need for new homes was a massive 515,000. This has led to record numbers of young people in their 20s and 30s living with their parents. Analysis by the estate agent Savills has shown that in areas such as the south-east,

[*Dr Blackman-Woods*]

where there is high demand and a strong employment market, approvals for new builds are “falling well below objectively assessed need”.

In other words, even the homes that are being built are not necessarily in the places with the most acute housing need.

As a result of the Government’s continuing failure to tackle barriers to housing supply, prices are continuing to rise, reflecting sky-high demand. Even though there is deflation in other parts of the economy, the annual rate of house-price inflation is now 8.6%. House prices have outstripped wage inflation and hit an affordability ceiling in all parts of the country, with figures for last year showing a salary-to-house-price ratio of 10 times across the UK. Houses are unaffordable right across the country, with a rate of seven times in the north-west and 14 times in London. As prices are pushed beyond the reach of an increasing majority of us, home ownership has fallen to a 30-year low.

**Rachael Maskell** (York Central) (Lab/Co-op): Does my hon. Friend acknowledge that there are now real issues with recruiting to our vital public services because people cannot afford to live in our cities any more?

**Dr Blackman-Woods:** Indeed; my hon. Friend makes an excellent point.

The Government’s flagship Help to Buy scheme is also stuttering to a halt, with completions falling by 43% in the last quarter of last year and at the beginning of this one. The record on private renting is no better. For renters who aspire to home ownership, the future poses huge challenges. Around 11 million people are now renting privately. They are not just young people trying to get on to the housing ladder: 1.4 million of them are families with children, and almost half of private renters are over the age of 35. The undersupply of private rented homes is making housing unaffordable for many, particularly those who rely on that sector. Rents are rising, and between 2008-09 and 2013-14, the mean average private rent increased from £153 a week to £176 a week—an increase of 15%. The increase in London was 21%.

What are the Government doing about this? Absolutely nothing. Indeed, the previous Conservative chairman, the right hon. Member for Welwyn Hatfield (Grant Shapps), denied that private rents were rising, much to the incredulity of Labour Members. The Tories’ record on social renting is no better. In 2013-14, only 10,840 social rented homes were delivered. That was a 71% decrease from the 37,000 delivered in 2012-13. Furthermore, despite Government promises to replace every home sold through the right to buy, that simply did not happen—for every 10 sold, only one had started to be built to replace them.

The Government therefore have real questions to answer about their extension of the right to buy scheme. In particular, we must have better answers about how the extended scheme will be financed. Selling off expensive council houses to fund the policy will mean that, for some areas of London and for other inner cities too, all council housing might need to be sold, with like-for-like replacement unlikely to be achieved. That point was well made by my hon. Friend the Member for Sheffield

South East (Mr Betts) and my right hon. Friend the Member for Tooting (Sadiq Khan). I look forward to hearing from the Minister how the scheme is to be financed.

All the measures that the Government have put in place, however, do not tackle the issue of homelessness.

**Stewart McDonald** (Glasgow South) (SNP): Will the hon. Lady give way?

**Dr Blackman-Woods:** I am out of time.

I hope to hear from the Minister how his Government will address the massive undersupply of housing, deliver more social housing for rent, tackle barriers to home ownership and produce a private rented sector that offers stable and secure housing for the people relying on it. In moving the motion, we are asking the Government to bring forward a comprehensive plan to address the housing crisis that our country is facing and to do so now. I look forward to hearing what the Minister has to say. I urge all Members to vote for our motion.

4.21 pm

**The Minister for Housing and Planning (Brandon Lewis):** I welcome you to your new role, Madam Deputy Speaker. This is my first time at the Dispatch Box with you in the Chair.

I will first touch on some of the speeches made by my hon. Friends and other hon. Members in an interesting debate, which has included some great contributions. I was slightly surprised that the hon. Member for Banff and Buchan (Dr Whiteford) gave a critique of Labour’s past performance—something we agree on and which I know was something to be worried about. We are disappointed that the SNP, as she said, has ended the right to buy in Scotland, therefore crushing the opportunity for aspiration for so many people.

**Dr Whiteford:** Will the Minister give way?

**Brandon Lewis:** I will not, given the time that is left, I am afraid.

My hon. Friend the Member for Rossendale and Darwen (Jake Berry) made a great contribution and gave some superb ideas for us to look into. He rightly outlined the work that we have done for family-friendly tenancies with the model tenancy agreement that the Government launched in the previous Parliament. I look forward to working with him over the months ahead to ensure that we will do what we can to deliver homes for people throughout our country and across tenures.

In particular, I wish to congratulate my hon. Friend the Member for Croydon South (Chris Philp) on his maiden speech. He made a good start in the House by respecting the comments of Mr Deputy Speaker and keeping himself short and tight in his words, while outlining his clear passion for his area and his experience as a man from London, although I would question his loyalty to Crystal Palace football club. I am a supporter of Queen’s Park Rangers, so that might be one area where we fail to agree, but his passion and knowledge of housing will be a great contribution to the House, particularly his clear passion for the use of public sector and brownfield land.

The hon. Member for Norwich South (Clive Lewis), one of my new neighbours as a fellow Norfolk MP, gave an interesting maiden speech, with an interesting outline of the Norwich that I know best as the city of ale, as I am a former pubs Minister. I look forward to him joining us in putting pressure on Labour-run Norwich City Council to use the powers and money that it has to build council houses in Norwich. I have met the council about that and I encourage him to join me in nagging it to go further.

I thank my hon. Friend the Member for South Suffolk (James Cartlidge) for a thoughtful speech. He outlined some of the issues and problems left by the Labour party because of its failure to regulate properly, which led to some of the problems in the economic crash that Labour gave us just before it lost its majority in Parliament in 2010.

The hon. Member for Leeds East (Richard Burgon) in his speech outlined his 100-year family background in the area, which he is clearly and rightly proud of. I am pleased that he, along with other Members, has given a clear message to the House that he has a focus on housing. I am sure that he will want to join me in congratulating the Leeds area on having the highest number of beneficiaries of the equity loan Help to Buy scheme in the entire country, for which it can thank a Conservative-led Government.

I congratulate my hon. Friend the Member for Eastleigh (Mims Davies) on another excellent and thoughtful contribution, which outlined the importance of local plans. She rightly seeks to ensure that absolute pressure is put on her local authority to deliver a local plan to serve the constituents she has been elected to represent. I hope that the council will have listened to her speech and taken note, and will deliver that local plan which it so badly needs and should rightly deliver for its residents.

The hon. Member for Ealing North (Stephen Pound) gave a typically robust, if a little far-fetched, outline of the Government's policies, but I look forward to debating with him further when we come to the housing Bill later this year. *[Interruption.]* Yes, it was not a maiden speech, but it was close.

My hon. Friend the Member for North West Hampshire (Kit Malthouse) made a thoughtful and helpful contribution, as I know he will do throughout his time in this Parliament. As with my hon. Friend the Member for Rossendale and Darwen, I particularly noted his comments about rural exception sites, and we will come back to that as part of the housing Bill in due course.

I congratulate the hon. Member for Hornsey and Wood Green (Catherine West) on her maiden speech, in which she paid a clear tribute to her predecessor. Again, I thank her for showing that she will have a clear focus on housing, and I hope she will join me in making sure we deliver the housing we need across our country.

I thank my hon. Friend the Member for Fareham (Suella Fernandes) for giving a short but insightful speech, supporting good-quality development and highlighting the poor delivery of housing under the last Labour Government.

I am fortunate, as the Minister for Housing and Planning, to be able to build on excellent work done by my predecessors, including my hon. Friend the Member for Hertford and Stortford (Mr Prisk), who did fantastic groundwork on the private rented sector, setting it up to

be the strong and growing sector it is today, and in his general work on housing. My hon. Friends the Members for Henley (John Howell) and for South Norfolk (Mr Bacon) have also contributed through work on neighbourhood planning and on the NPPF. My neighbour, the hon. Member for South Norfolk, has done fantastic work on custom-build and right to build. That is all contributing and will go on to contribute further to build the homes we need across our country.

I was surprised at a couple of things said by the Opposition Front Benchers, not least because we are still not entirely clear—I do not know whether any Labour Members are—about whether they support or do not support the aspiration to own that people who benefit from right to buy will have. Conservative Members absolutely support that. It is deeply ironic, at best, that the Opposition have called today's debate at all, in order to raise the alarm about the housing crisis that they created. It is a little like listening to the arsonist ringing the fire brigade to report a house that they burned to the ground. Let us remember where we have come from: in 2010, they left this country with the lowest level of peacetime house building rates since 1923, with millions of first-time buyers locked out of the market and—let us be clear about this—with a net loss of some 420,000 affordable houses. That was a shameful track record to leave this country.

Let us contrast that with what has happened during the past five years of a Conservative-led Government. We have had the job of clearing up the mess, and progress has been made. *[Interruption.]* Labour Members may not like to hear this, but let me give them some facts. Housing starts and the number of first-time buyers have doubled since 2009, and those continue to rise. Councils are building at the fastest rate in 23 years; just five years of a Conservative-led coalition built more social housing than 13 years of Labour. As my right hon. Friend the Secretary of State rightly said, we were the first Government since the 1980s to finish with a larger stock of affordable homes than we started with.

We plan for a brighter and a bigger future, which the Opposition cannot come to terms with. My right hon. Friend the Secretary of State has set out a clear goal and a clear mission for him and for us in this Parliament, which is to ensure that everyone who works hard can aspire to have a home of their own. More than 1 million tenants in housing association properties will be helped to buy a home. Some 200,000 starter homes will be built with a 20% discount for first-time buyers, and 95,000 homes will be built on brownfield land. We will help communities to have more control over house building and we will build 275,000 more affordable homes, which is the fastest rate in more than 20 years. As my right hon. Friend said, we have a rich legacy on which to draw.

Today we have heard the difference between a Government with plans to fulfil housing goals and an Opposition who want to frustrate them. We are offering working people a ladder, and the Opposition are telling them to form a queue. We will build more homes that people can afford. We will make it easier for local people to build the homes they need for the future in the places they want to build them. Above all, we will support the aspirations of working people who want to buy a home of their own.

*Question put.*

*The House divided: Ayes 281, Noes 321.*

**Division No. 7]**

**[4.29 pm**

**AYES**

Abbott, Ms Diane	Day, Martyn	Irranca-Davies, Huw	Pennycook, Matthew
Abrahams, Debbie	De Piero, Gloria	Jarvis, Dan	Perkins, Toby
Ahmed-Sheikh, Ms Tasmina	Debbonaire, Thangam	Johnson, rh Alan	Phillips, Jess
Alexander, Heidi	Docherty, Martin John	Johnson, Diana	Pound, Stephen
Ali, Rushanara	Dodds, rh Mr Nigel	Jones, Gerald	Powell, Lucy
Allen, Mr Graham	Donaldson, rh Mr Jeffrey M.	Jones, Graham	Qureshi, Yasmin
Anderson, Mr David	Donaldson, Stuart Blair	Jones, Helen	Rayner, Angela
Arkless, Richard	Doughty, Stephen	Jones, Mr Kevan	Reed, Mr Jamie
Ashworth, Jonathan	Dowd, Jim	Kane, Mike	Reed, Mr Steve
Austin, Ian	Dowd, Peter	Kaufman, rh Sir Gerald	Rees, Christina
Bailey, Mr Adrian	Dromeey, Jack	Kerevan, George	Reynolds, Emma
Bardell, Hannah	Dugher, Michael	Kerr, Calum	Reynolds, Jonathan
Barron, rh Kevin	Durkan, Mark	Khan, rh Sadiq	Rimmer, Marie
Beckett, rh Margaret	Eagle, Ms Angela	Kinnock, Stephen	Robertson, Angus
Benn, rh Hilary	Eagle, Maria	Kyle, Peter	Robinson, Gavin
Berger, Luciana	Edwards, Jonathan	Lammy, rh Mr David	Robinson, Mr Geoffrey
Betts, Mr Clive	Efford, Clive	Lavery, Ian	Rotheram, Steve
Blackford, Ian	Elliott, Julie	Law, Chris	Ryan, rh Joan
Blackman, Kirsty	Esterson, Bill	Leslie, Chris	Salmond, rh Alex
Blackman-Woods, Dr Roberta	Evans, Chris	Lewell-Buck, Mrs Emma	Saville Roberts, Liz
Blenkinsop, Tom	Farrelly, Paul	Lewis, Clive	Shah, Naz
Blomfield, Paul	Fellows, Marion	Lewis, Mr Ivan	Shannon, Jim
Boswell, Philip	Ferrier, Margaret	Long Bailey, Rebecca	Sharma, Mr Virendra
Bradshaw, rh Mr Ben	Fitzpatrick, Jim	Lucas, Caroline	Sheerman, Mr Barry
Brennan, Kevin	Fleelo, Robert	Lucas, Ian C.	Sheppard, Tommy
Brock, Deidre	Fletcher, Colleen	Lynch, Holly	Sherriff, Paula
Brown, Alan	Flint, rh Caroline	MacNeil, Mr Angus Brendan	Shuker, Mr Gavin
Brown, Lyn	Flynn, Paul	Mactaggart, rh Fiona	Siddiq, Tulip
Brown, rh Mr Nicholas	Fovargue, Yvonne	Madders, Justin	Simpson, David
Bryant, Chris	Foxcroft, Vicky	Mahmood, Mr Khalid	Skinner, Mr Dennis
Buck, Ms Karen	Gapes, Mike	Mahmood, Shabana	Slaughter, Andy
Burden, Richard	Gardiner, Barry	Malhotra, Seema	Smeeth, Ruth
Burgon, Richard	Gethins, Stephen	Mann, John	Smith, rh Mr Andrew
Burnham, rh Andy	Gibson, Patricia	Marris, Rob	Smith, Angela
Butler, Dawn	Glass, Pat	Marsden, Mr Gordon	Smith, Cat
Byrne, rh Liam	Glindon, Mary	Maskell, Rachael	Smith, Jeff
Cadbury, Ruth	Godsiff, Mr Roger	Matheson, Chris	Smith, Nick
Cameron, Dr Lisa	Goodman, Helen	Mc Nally, John	Smith, Owen
Campbell, rh Mr Alan	Grady, Patrick	McCabe, Steve	Smyth, Karin
Campbell, Mr Ronnie	Grant, Peter	McCaig, Callum	Spellar, rh Mr John
Champion, Sarah	Gray, Neil	McCarthy, Kerry	Starmer, Keir
Chapman, Douglas	Green, Kate	McDonald, Andy	Stephens, Chris
Chapman, Jenny	Greenwood, Lilian	McDonald, Stewart	Stevens, Jo
Cherry, Joanna	Greenwood, Margaret	McDonald, Stuart C.	Streeting, Wes
Clwyd, rh Ann	Griffith, Nia	McDonnell, Dr Alasdair	Stringer, Graham
Coaker, Vernon	Gwynne, Andrew	McDonnell, John	Stuart, Ms Gisela
Coffey, Ann	Haigh, Louise	McFadden, rh Mr Pat	Tami, Mark
Cooper, Julie	Hamilton, Fabian	McGarry, Natalie	Thewliss, Alison
Cooper, Rosie	Hanson, rh Mr David	McGinn, Conor	Thomas, Mr Gareth
Cooper, rh Yvette	Harman, rh Ms Harriet	McGovern, Alison	Thomas-Symonds, Nick
Corbyn, Jeremy	Harpham, Harry	McInnes, Liz	Thompson, Owen
Cowan, Ronnie	Harris, Carolyn	McKinnell, Catherine	Thomson, Michelle
Cox, Jo	Hayes, Helen	McLaughlin, Anne	Thornberry, Emily
Coyle, Neil	Hayman, Sue	Mearns, Ian	Timms, rh Stephen
Crausby, Mr David	Healey, rh John	Miliband, rh Edward	Trickett, Jon
Crawley, Angela	Hendrick, Mr Mark	Monaghan, Carol	Turley, Anna
Creagh, Mary	Hendry, Drew	Monaghan, Dr Paul	Turner, Karl
Creasy, Stella	Hepburn, Mr Stephen	Moon, Mrs Madeleine	Twigg, Derek
Cruddas, Jon	Hillier, Meg	Morden, Jessica	Twigg, Stephen
Cryer, John	Hodge, rh Margaret	Morris, Grahame M.	Umunna, Mr Chuka
Cummins, Judith	Hodgson, Mrs Sharon	Mullin, Roger	Vaz, rh Keith
Cunningham, Alex	Hopkins, Kelvin	Murray, Ian	Vaz, Valerie
Cunningham, Mr Jim	Hosie, Stewart	Newlands, Gavin	Weir, Mike
Dakin, Nic	Howarth, rh Mr George	Nicolson, John	West, Catherine
Danczuk, Simon	Hunt, Tristram	O'Hara, Brendan	Whiteford, Dr Eilidh
David, Wayne	Huq, Dr Rupa	Onn, Melanie	Whitehead, Dr Alan
Davies, Geraint	Hussain, Imran	Onwurah, Chi	Whitford, Dr Philippa
		Osamor, Kate	Williams, Hywel
		Oswald, Kirsten	Wilson, Corri
		Owen, Albert	Wilson, Sammy
		Paterson, Steven	Winnick, Mr David
		Pearce, Teresa	Winterton, rh Ms Rosie

Wishart, Pete  
Wright, Mr Iain  
Zeichner, Daniel

**Tellers for the Ayes:**  
**Susan Elan Jones and**  
**Phil Wilson**

#### NOES

Adams, Nigel  
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  
Baron, Mr John  
Barwell, Gavin  
Bebb, Guto  
Bellingham, Mr Henry  
Benyon, Richard  
Beresford, Sir Paul  
Berry, Jake  
Berry, James  
Bingham, Andrew  
Blackman, Bob  
Blackwood, Nicola  
Blunt, Crispin  
Boles, Nick  
Bone, Mr Peter  
Borwick, Victoria  
Bottomley, Sir Peter  
Bradley, Karen  
Brady, Mr Graham  
Brazier, Mr Julian  
Bridgen, Andrew  
Brine, Steve  
Brokenshire, rh James  
Bruce, Fiona  
Buckland, Robert  
Burns, Conor  
Burns, rh Mr Simon  
Burrowes, Mr David  
Burt, rh Alistair  
Cairns, Alun  
Carmichael, Neil  
Cartledge, James  
Cash, Sir William  
Caulfield, Maria  
Chalk, Alex  
Chishti, Rehman  
Chope, Mr Christopher  
Churchill, Jo  
Clark, rh Greg  
Clarke, rh Mr Kenneth  
Cleverly, James  
Clifton-Brown, Geoffrey  
Coffey, Dr Thérèse  
Collins, Damian  
Colvile, Oliver  
Costa, Alberto  
Cox, Mr Geoffrey  
Crabb, rh Stephen  
Crouch, Tracey  
Davies, Byron  
Davies, Chris  
Davies, David T. C.  
Davies, Glyn

Davies, James  
Davies, Mims  
Davies, Philip  
Davis, rh Mr David  
Dinenage, Caroline  
Djanogly, Mr Jonathan  
Donelan, Michelle  
Dorries, Nadine  
Double, Steve  
Dowden, Oliver  
Drax, Richard  
Drummond, Mrs Flick  
Duddridge, James  
Duncan, rh Sir Alan  
Duncan Smith, rh Mr Iain  
Dunne, Mr Philip  
Ellis, Michael  
Ellison, Jane  
Ellwood, Mr Tobias  
Elphicke, Charlie  
Eustice, George  
Evans, Graham  
Evans, Mr Nigel  
Evennett, rh Mr David  
Fabricant, Michael  
Fallon, rh Michael  
Fernandes, Suella  
Field, rh Mark  
Foster, Kevin  
Fox, rh Dr Liam  
Francois, rh Mr Mark  
Frazer, Lucy  
Freeman, George  
Freer, Mike  
Fuller, Richard  
Fysh, Marcus  
Gale, Sir Roger  
Garnier, rh Sir Edward  
Garnier, Mark  
Gauke, Mr David  
Ghani, Nusrat  
Gibb, Mr Nick  
Gillan, rh Mrs Cheryl  
Glen, John  
Goldsmith, Zac  
Goodwill, Mr Robert  
Gove, rh Michael  
Graham, Richard  
Grant, Mrs Helen  
Gray, Mr James  
Grayling, rh Chris  
Green, Chris  
Green, rh Damian  
Greening, rh Justine  
Grieve, rh Mr Dominic  
Griffiths, Andrew  
Gummer, Ben  
Gyimah, Mr Sam  
Halfon, rh Robert  
Hall, Luke  
Hammond, Stephen  
Hancock, rh Matthew  
Hands, rh Greg  
Harper, rh Mr Mark  
Harrington, Richard  
Harris, Rebecca

Hart, Simon  
Haselhurst, rh Sir Alan  
Hayes, rh Mr John  
Heald, Sir Oliver  
Heappey, James  
Heaton-Harris, Chris  
Heaton-Jones, Peter  
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  
Hunt, rh Mr Jeremy  
Hurd, Mr Nick  
Jackson, Mr Stewart  
James, Margot  
Javid, rh Sajid  
Jayawardena, Mr Ranil  
Jenkin, Mr Bernard  
Jenkyns, Andrea  
Jenrick, Robert  
Johnson, Boris  
Johnson, Gareth  
Johnson, Joseph  
Jones, Andrew  
Jones, rh Mr David  
Jones, Mr Marcus  
Kawczynski, Daniel  
Kennedy, Seema  
Kirby, Simon  
Knight, rh Sir Greg  
Knight, Julian  
Kwarteng, Kwasi  
Lancaster, Mark  
Latham, Pauline  
Leadsom, Andrea  
Lee, Dr Phillip  
Lefroy, Jeremy  
Leigh, Sir Edward  
Leslie, Charlotte  
Letwin, rh Mr Oliver  
Lewis, Brandon  
Lewis, rh Dr Julian  
Liddell-Grainger, Mr Ian  
Lidington, rh Mr David  
Lilley, rh Mr Peter  
Lopresti, Jack  
Lord, Jonathan  
Loughton, Tim  
Lumley, Karen  
Mackinlay, Craig  
Mackintosh, David  
Main, Mrs Anne  
Mak, Alan  
Malthouse, Kit  
Mann, Scott  
Mathias, Dr Tania  
May, rh Mrs Theresa  
Maynard, Paul  
McCartney, Jason  
McCartney, Karl  
McLoughlin, rh Mr Patrick  
Menzies, Mark  
Mercer, Johnny  
Merriman, Huw

Metcalf, 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  
Murrison, Dr Andrew  
Neill, Robert  
Newton, Sarah  
Nokes, Caroline  
Norman, Jesse  
Nuttall, Mr David  
Offord, Dr Matthew  
Osborne, rh Mr George  
Parish, Neil  
Patel, rh Priti  
Pateron, rh Mr Owen  
Pawsey, Mark  
Penning, rh Mike  
Penrose, John  
Perry, Claire  
Phillips, Stephen  
Philp, 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, Mr Laurence  
Robinson, Mary  
Rosindell, Andrew  
Rudd, rh Amber  
Rutley, David  
Sandbach, Antoinette  
Scully, Paul  
Selous, Andrew  
Shapps, rh Grant  
Sharma, Alok  
Shelbrooke, Alec  
Simpson, rh Mr Keith  
Skidmore, Chris  
Smith, Chloe  
Smith, Henry  
Smith, Julian  
Smith, Royston  
Soames, rh Sir Nicholas  
Solloway, Amanda  
Soubry, rh Anna  
Spelman, rh Mrs 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 Mr Desmond  
 Syms, Mr Robert  
 Thomas, Derek  
 Throup, Maggie  
 Timpson, Edward  
 Tolhurst, 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, Mr Edward  
 Vara, Mr Shailesh  
 Vickers, Martin  
 Villiers, rh Mrs Theresa

Walker, Mr Charles  
 Walker, Mr Robin  
 Wallace, Mr Ben  
 Warburton, David  
 Warman, Matt  
 Watkinson, Dame Angela  
 Wharton, James  
 Whately, Helen  
 Wheeler, Heather  
 White, Chris  
 Whittaker, Craig  
 Whittingdale, rh Mr John  
 Wiggin, Bill  
 Williams, Craig  
 Williamson, rh Gavin  
 Wilson, Mr Rob  
 Wollaston, Dr Sarah  
 Wood, Mike  
 Wragg, William  
 Wright, rh Jeremy  
 Zahawi, Nadhim

**Tellers for the Noes:**

**Guy Opperman and  
 Jackie Doyle-Price**

*Question accordingly negatived.*

## Climate Change

4.43 pm

**Caroline Flint** (Don Valley) (Lab): I beg to move,

That this House believes that the UN Framework Convention on Climate Change conference in Paris in 2015 is vital in ensuring that the target of keeping global temperature increases below two degrees is met; further believes that the UK Government should push for ambitious emissions targets for all countries, strengthened every five years on the basis of a scientific assessment of the progress towards the two degrees goal, a goal of net zero emissions in the second half of the century, transparent and universal rules for measuring and reporting emissions, climate change adaptation plans for all countries, and an equitable deal in which richer countries provide support to poorer nations in their efforts to combat climate change; and further notes the importance of making adequate plans for domestic mitigation and adaptation and ensuring communities are protected from the worst effects of climate change, including flooding.

It is an absolute pleasure, Madam Deputy Speaker, to be under your wise chairship for my first Opposition day debate of this Parliament. I also welcome the Secretary of State for Energy and Climate Change to her new position and offer my congratulations to the Minister of State. I had rather hoped that it would be a different woman running the Department of Energy and Climate Change, but such is life.

I also take this opportunity to pay tribute to the former Member for Vale of Clwyd, Chris Ruane, who served as my Parliamentary Private Secretary. Mr Speaker once described him as an incorrigible delinquent, which I think he meant kindly. To me, he is a loyal colleague and friend and he will be much missed from the House, not least for his outstanding work on voter registration to ensure that as many people as possible do not lose their right to vote.

I want to pay particular tribute to the former Member for Rutherglen and Hamilton West, Tom Greatrex. He served as shadow Minister on my team for four years and I could not have asked for a better right-hand man. Tom's knowledge of energy policy was respected on all sides, and the House is a poorer place for his absence.

Why have we chosen to use half of our first Opposition day in this new Parliament to debate climate change? We have chosen to do so because some have recently tried to argue that we do not need to worry about climate change any more and that temperatures have not risen for 18 years, but that is wrong. The earth's average surface temperature has indeed risen since 1996, and even using 1998 as a starting point, which was an unusually warm year, the world has got warmer.

**David T. C. Davies** (Monmouth) (Con) *rose*—

**Caroline Flint:** Can the hon. Gentleman be a little patient?

The scientific consensus is shown by the fifth assessment of the Intergovernmental Panel on Climate Change, published last year, which said that warming of the climate is “unequivocal” and that human influence on the climate is clear. We have chosen the subject because this is a crucial year in keeping the global rise in temperatures below 2 °C and avoiding catastrophic damage to the planet. That 2 °C target was agreed at the UN conference in Cancun in 2010. As we know, above that the risks of climate change move beyond our

control. We have chosen the topic because this year our country needs to show international leadership, especially in Europe. As the official Opposition we have a role to play in helping to encourage the Government to get the best possible deal in the fight against climate change at the Paris climate conference towards the end of this year.

**Stephen Doughty** (Cardiff South and Penarth) (Lab/Co-op): In the light of the incontrovertible evidence that my right hon. Friend has just cited and the importance of the conference later this year, does she not find it extraordinary that there are still Conservative Members who deny the existence of climate change? I noted the hon. Member for Monmouth (David T. C. Davies) trying to intervene.

**Caroline Flint:** It is extremely worrying that so many Government Members are still in denial and refuse to accept the views of the majority of scientists around the world. Not only are they a threat to the environment; they are a threat to the jobs and opportunities these changes bring.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): My right hon. Friend and I have worked on environmental issues for a long time. Does she agree that there are very good people on the Government Benches who are extremely good on the environment and would like to speak out more, but are worried that that might harm their prospects in their party?

**Caroline Flint:** My hon. Friend is right. We want to hear more of those voices in the months ahead. Despite the fact that we will have our disagreements across the House, on this issue political consensus is key to playing our part not only on our national stage, but on the world stage.

**David T. C. Davies:** Will the right hon. Lady give way?

**Caroline Flint:** I will give way shortly.

We have chosen the subject for this debate not only for environmental but for economic reasons. The floods last year showed that climate change and more extreme weather events are felt in the constituencies of many Members in all parts of the House, which makes it a matter of national as well as international security. My hon. Friend the Member for Garston and Halewood (Maria Eagle) will discuss the domestic mitigation and adaptation necessary to protect our communities, but let us not lose sight of the green jobs and investment that are the prize for making the right decisions now about the future of energy and energy efficiency in a new, cleaner economy.

**Dr Andrew Murrison** (South West Wiltshire) (Con): I am listening with great interest to the right hon. Lady. The Government in which she served made a big thing about lots of eco-measures, one of which was the building of 10 eco-towns. Can she remind the House how many were actually built?

**Caroline Flint:** The eco-towns were such a good idea that the coalition Government did not dump it—they called them garden towns instead. We have just had a debate on the need for more housing. If we build, we

should do it in a more sustainable way, creating communities like those great garden cities of the past that took account of transport, jobs and health. If the hon. Gentleman is saying that he does not believe that housing is important, he is on the wrong side of that debate.

**Andrew Gwynne** (Denton and Reddish) (Lab): My right hon. Friend mentioned flooding, which has been a very serious issue in recent years. The previous Conservative-Liberal Democrat coalition Government cut the Environment Agency's flood defence budget by a massive 21% and cut the capital grants for flood schemes by 31%. Was not that incredibly short-sighted?

**Caroline Flint:** My hon. Friend is absolutely right: it was incredibly short-sighted. Not long after that, the Prime Minister said that he would sign a cheque for whatever amount to sort out the problem. After the event is not good enough. We need to take action before these events to make sure that we address not only the financial costs for the communities affected but the devastating social costs that families and businesses suffer from if we do not get this right.

In government we passed the Climate Change Act 2008, which legally bound us to reducing carbon emissions by 80% by 2050. It is worth remembering that back in 2008 only five Members of Parliament voted against this ground-breaking legislation, and that strong consensus influenced policy around the world. There are now climate change laws in 66 countries, and even more are developing them. Denmark, Finland and Mexico have all now passed their own climate change Acts with legally binding emissions targets. Labour is proud of its leadership on climate change. We doubled renewable energy generation and put in the work to make sure that the UK was a global leader in a range of clean energy technologies. Two thirds of the renewable projects that came online in the past five years started under the previous Labour Government, and we can be proud of the jobs that those projects have created.

We put climate change on the agenda at the G8 in Gleneagles in 2005, making sure that this issue was discussed at the highest levels. We welcome the agreement that the G7 countries reached this week to phase out the use of fossil fuels by the end of this century and to cut greenhouse gases by 40% to 70% by 2050 from 2010 levels. That is positive, but only if the Paris conference sets out staging posts on how to get there.

**Mr Ian Liddell-Grainger** (Bridgwater and West Somerset) (Con): I am sure that the right hon. Lady knows what I am going to ask. Does she agree that the way forward on a lot of climate change is to restart the civil nuclear programme in this country as quickly as possible and start the building of Hinkley C and the other power stations we need to reduce climate change?

**Caroline Flint:** As the hon. Gentleman knows, I am pleased to have visited Hinkley, and to have recently visited Anglesey as well. My hon. Friend the Member for Ynys Môn (Albert Owen) speaks up very much for his constituents and the jobs that would derive from the power that the nuclear power station generated for the future. Because nuclear power is a difficult issue, I am proud that the previous Labour Government decided that it had to be part of the mix if we were going to

[Caroline Flint]

meet our climate change targets. Labour took that position when this Prime Minister said it should be a last resort and the Liberal Democrats were against it. They have obviously changed their tune in the intervening years, and I am pleased about that. However, as the hon. Gentleman will be aware, a lot of outstanding issues need to be resolved in the months ahead. I hope that the Secretary of State will give this due care and attention to make sure that we do not stall in what should be an important part of the mix in our energy generation.

**Mr Angus Brendan MacNeil** (Na h-Eileanan an Iar) (SNP): One of the outstanding issues that we are facing was mentioned last week in *The Sunday Telegraph*, which carried a story about the potential threats to onshore wind if the Government change the financial support mechanisms. No clarity has apparently come from the Government since then. From within the industry, I am being told that civil servants are uncertain as to what the steer is from Ministers. Do we not need a statement from the Government, or some other clarification as to what exactly they mean, because investment in the sector is being frozen? What is the right hon. Lady's view?

**Caroline Flint:** I will come to that shortly, and I hope that I will answer all the hon. Gentleman's questions.

In Paris we need to agree a set of tough, ambitious targets that will keep us under 2 °C and we need a goal of net zero global emissions in the second half of the century, but those ambitious targets must also be strengthened every five years on the basis of a scientific assessment of the progress towards that 2 °C goal. We cannot just keep relying on crunch moments, as we saw in Copenhagen, to deliver the targets we want. Fighting to limit climate change is part of an ongoing process that will require continual commitment. Transparent rules for measuring, verifying and reporting emissions are vital to that. This is going to work only if there is widespread confidence that everyone is playing by the same rules. We need a fair deal between richer and poorer nations, because the richer nations have a duty to help poorer countries get access to clean heat and power.

There are reasons to be optimistic, but only 39 countries have put in plans for emissions reductions to the United Nations framework convention on climate change, despite the fact that the deadline has passed. We welcome those plans, but an analysis submitted earlier this year shows that we are not on track.

What should we do both at home and abroad to set the right example and to give the talks the best possible chance of success? First, we need to show leadership at home on clean energy: we need to walk the walk as well as talk the talk. Yesterday, we got the news that the Swansea Bay Tidal Lagoon project had received development consent from the Secretary of State, which is very welcome.

**Carolyn Harris** (Swansea East) (Lab): As my right hon. Friend will be aware from her recent visit to my constituency, the Tidal Lagoon Swansea Bay is a global game changer in renewable energy. Does she agree that Wales led the way in providing the fuel for the industrial

revolution and, now that we are entering the era of the climate change revolution, that Wales and specifically Swansea East will lead this next revolution?

**Caroline Flint:** Absolutely. Just as the railways were so important in the 19th century and just super-highways will be so important, so clean energy is important. It is an energy industrial revolution that we should embrace. I am very pleased to pay tribute to my hon. Friend, as well as to my hon. Friends the Members for Swansea West (Geraint Davies) and for Aberavon (Stephen Kinnock), for the work that they have done to support the project. The Welsh Assembly and, I should say, the former Member for Swansea East, Siân James, deserve massive credit, as do local councillors who have fought hard for it.

I would, however, tell the Secretary of State in relation to yesterday's announcement that more steps need to be taken to take us closer to the clean energy and green jobs that we will need. I urge her to have a look at whether the civil servants working with the company can get a bit of shift on and get some of the documentation into the Commission as soon as possible so that it can start to check it out for state aid. With such projects, to get shovels in the ground—or whatever they will use in the bay—people need to know the timescale so that they do not miss it because of the weather and the seasons. I urge the Department to help make that work happen sooner rather than later.

**Caroline Lucas** (Brighton, Pavilion) (Green): I welcome this debate. I was delighted to notice earlier today that nine Labour Members of the European Parliament joined the Greens in voting for a Europe-wide moratorium on fracking. Will the right hon. Lady reconsider her and her party's position on fracking given the importance of what she has just said—that what we do at home sends a really strong signal about the seriousness with which we treat leaving fossil fuels in the ground?

**Caroline Flint:** As the hon. Lady will know, we have been very clear—we made it very clear at the tail end of the last Parliament—that no fracking should take place unless the safeguards that we set out in amendments in Parliament are in place to allow it to go ahead. She knows as well as I do that 80% of our heating comes from gas, so we have to think about where gas fits into the picture, but fracking has to be done safely. She will also know that I think we should have a review of the possibilities for green gas, because all the evidence shows that that could be a major contributing factor in making sure that we can still heat our homes as we come off fossil fuel gas.

More steps need to be taken to bring us closer to realising clean energy and green jobs, but with yesterday's announcement the Government are sending out some damaging mixed messages. The Queen's Speech reiterated their commitment to fighting climate change, but also followed through on their plans to make it more difficult to build onshore wind projects. No one is saying that we should not be sensitive to the best places in which to place onshore wind farms, but let us be serious: that is not what is going on. As we saw in the last Parliament, we have a Government searching for ways to placate their Back Benchers. The moves currently being briefed out to end the renewables obligation a year early shows

that the Tories are bad for green business. Investors have been spending money in good faith under an agreed framework. There are nearly 1,000 projects with planning permission. I would like the Secretary of State to clarify whether those 1,000 projects will be affected by the statements we have heard since the general election.

That damages investment not just in onshore wind but in other technologies—it damages confidence that the Government will not withdraw support from them or move the goalposts. Onshore wind is currently the cheapest type of clean energy. The Government's actions mean that it may cost consumers more in the long term. The truth is onshore wind could be cheaper than new gas generation by 2020.

**Glyn Davies** (Montgomeryshire) (Con): Does the right hon. Lady accept that in some parts of the country there is massive opposition—overwhelming opposition—to the imposition of onshore wind on the scale proposed and that any Government that do not listen to the people will find that they are not electable?

**Caroline Flint:** Of course there should be a debate and people should raise their concerns. That is what the planning framework is about, but the hon. Gentleman knows as well as I do that the former the Secretary of State for Communities and Local Government sat on planning applications that had been agreed at a local level. I do not know what the answer to that is. It seems that when the public agree with something a big Secretary of State sits on them and—[*Interruption.*] By big, I mean the office of the Secretary of State. As we know, DCLG is a big office—it is much bigger than DECC, sadly, but there we go. I digress. The hon. Gentleman seriously cannot have it both ways. During the Parliament, we had a consultation on the guidelines. A number of Conservative Back Benchers thought that that was great and we were going to see an end to onshore wind farms. Actually, the consultation did nothing to change the guidelines on that. They were led up the hill and down again. I believe that there are ways in which we can enable communities to see greater benefits from these projects. I would like to see more community-owned wind farms. I would like communities to get more out of the wind turbines and the benefits to go directly into households in the communities. Rather than taking a more positive approach to the issue, the Tory party is just saying no.

**Mr Sheerman:** I am sure that my right hon. Friend would agree that Labour Members and many Members on the Conservative Benches want evidence-based policy—there has not been an ideological knee-jerk reaction saying all wind power is bad. I could give the example of the east coast of Yorkshire, where we have had an all-party, positive attitude. We have been working across parties together to get the vast investment with Siemens to get wind power from the sea.

**Caroline Flint:** I agree. There is a gap between what the Government say and what they do. That is bad—

Several hon. Members *rose*—

**Caroline Flint:** I am going to make some progress because it is a short debate.

That gap is bad for jobs and for tackling climate change and it does not bode well. Leadership needs to be shown in the months ahead.

By this time next year we could have a binding agreement from 196 countries that puts us on a path to a sustainable future, but it will require us to show real leadership. It used to be said we would never get a deal without the world's biggest emitters stepping up. Well, America and China have already taken one step with a deal that could see China's emissions peak in 2030 and would see the US reduce its emissions to 26-28% below 2005 levels by 2025.

The current bid from the EU for “at least” a 40% reduction in emissions by 2030 does not go far enough. We are already signed up to a tougher target of 60% by 2030 at home, because of the Climate Change Act and the fact that we met our first carbon budget. We should be doing everything possible to toughen the EU position. The “at least” in the EU submission makes it possible to do that. The EU has already met its 2020 target five years early. I think we should be more ambitious. In his statement today, the Prime Minister said we needed to be ambitious, so can I ask the Secretary of State, what does ambition in the EU look like?

We also have to recognise the link between the sustainable development goals being negotiated in September and the Paris conference, because we will not make progress in reducing poverty unless we succeed in limiting the effects of climate change, which we know devastates communities and affects food security, transport and jobs. It leads to the displacement of people with no home or hope, and to the costs that follow in disaster relief. I am proud that under the last Labour Government, the Department for International Development led the world in helping countries adapt to climate change, such as Bangladesh, where 300,000 people were helped in raising their homes above sea level.

**Mr Peter Lilley** (Hitchin and Harpenden) (Con): Is the right hon. Lady going to address the issue of cost? She criticised me and four others for voting against the Climate Change Act, but I did so because the impact assessment showed that the potential costs were twice the maximum benefits. According to the Government, the costs will now reach something like £400 a household by 2020. Will she address that issue?

**Caroline Flint:** The problem is that although the right hon. Gentleman is right that there is a cost to change, there is a bigger cost to doing nothing at all. The investment that we make will not only help us make energy cheaper and homes warmer but create job and investment opportunities. He might like to stay in the 19th century, but I would like to take us forward to a better—[*Interruption.*] I am sorry, but that is what it is—“Let's stay with what has gone on in the past, even though we know that it is not fit for purpose for the future.” There is everything to gain from having a cleaner-energy future. However, I am glad in some respects that he continues to be a minority voice in the House on the issue.

**Stephen Doughty:** I absolutely agree with my right hon. Friend's point. Does she agree that the Stern report made it clear that the medium and long-term

[Stephen Doughty]

costs to this country and many others, particularly developing countries, will be far greater than the costs of not dealing with the challenge of climate change now?

**Caroline Flint:** Absolutely. At the moment we are ranked sixth in the world for green goods and services. Just think how many more jobs we could create if we moved up to third or fourth place. The benefits would not just be at home, because we can export new technologies abroad. One example is carbon capture and storage. Not only can the technology be applied to fossil fuels, but it has industrial applications for our energy-intensive sectors.

We had an awful lot of shilly-shallying in the past five years about support for carbon capture and storage—nobody was quite sure where the money was and what it was being spent on. I ask the Secretary of State whether we will see any cuts in support for CCS in the forthcoming emergency Budget. She will obviously say, “I can’t say, that’s a matter for the Chancellor,” but I really hope that the new DECC team is putting its shoulder to the wheel to ensure that such cuts do not happen. There was too much interference from the Chancellor in the past five years—he did not work for investment and did not support this area of public policy.

**Ian Lavery** (Wansbeck) (Lab): Is it not a shame that although we are now in a position to develop carbon capture and storage, the coalition Government, in their last throes, denied the British deep-mine coal industry the opportunity to prosper by not allowing state aid? We will be developing carbon capture and storage for countries around the globe that import coal, but we will not have the jobs to deal with it.

**Caroline Flint:** My hon. Friend is right. It was exactly like the coalition Government’s approach to CCS, which I do not think they ever fully embraced. There were delays and delays in the state aid procedure, until it just ran into the election period and was done for. We all heard the comments of the Minister whose former responsibilities straddled DECC and the Department for Business, Innovation and Skills, and we all know now that his warm words counted for absolutely nothing.

**Andy McDonald** (Middlesbrough) (Lab): Will my right hon. Friend share in my congratulations to the Teesside Collective, which is embarking on a feasibility study on bringing CCS to Teesside? That would not only bring climate benefits but mean that industries on Teesside could be retained and inward investment could be attracted.

**Caroline Flint:** I very much welcome the work that is happening there. CCS is sometimes talked about as though it were not yet working anywhere, but as far as I am aware there are eight working projects happening around the world as we sit here. I thought that we were a country that wanted to back innovation, technology and invention. Was it not the Chancellor who said that we wanted to be the makers? What happened to that?

**Luciana Berger** (Liverpool, Wavertree) (Lab/Co-op): Does my right hon. Friend share my bitter frustration and disappointment that before 2010 we were, according

to the US environment group Pew, third in the world in terms of innovation and investment in this incredible sector? In the past five years we have gone so far backwards in terms of the green investment bank, solar and the green deal—the list goes on. The next five years should be an opportunity that the Government grasp.

**Caroline Flint:** We left a legacy that formed a firm foundation for new endeavour. We should have been going up, not down. The sad thing is the other side of this: energy efficiency. I think some 400,000 fewer homes were insulated as a result of the changes the Government made to energy insulation programmes—another missed opportunity. I really hope this new team will grasp it and, when it is in the national interest, work with everybody, including us.

**David Mowat** (Warrington South) (Con): Will the right hon. Lady give way?

**Caroline Flint:** I have taken a lot of interventions. I will just get to the end of my speech now, because a lot of colleagues want to speak in this debate.

Progress in energy efficiency is the other area that could stimulate jobs and investment while helping to reduce fuel poverty. I hope that when we come to discuss this matter, perhaps in another debate, the Government will be open to taking about some of Labour’s proposals to deliver energy. I have to say that they were widely welcomed by industry and campaigners fighting fuel poverty.

In the previous Parliament, we wanted the Government to back our target for decarbonising the electricity supply by 2030, because that would have given investors the certainty they need. It was argued then that a decarbonisation target would be set in this Parliament, but the Conservative manifesto ruled that out. We hope to see such a target set in 2016 in line with the fifth carbon budget from the Committee on Climate Change, which will make its recommendations at the end of the year. Will the Secretary of State confirm that that will happen? Will the Prime Minister’s pledge to be the greenest Government ever be revived in this Parliament?

This is a year with great potential. In 2008, there was consensus across the political parties over the Climate Change Act 2008. The Act sparked investment, created jobs and cut emissions. Before 2010, the Prime Minister promised the greenest Government ever, but by the end of the Parliament the husky was dead and the Prime Minister talked about “cutting the green crap”. [Interruption.] Those were the Prime Minister’s words, not mine. I am just quoting him. We all know the Chancellor could never be described as the greenest Chancellor ever. I hope the Secretary of State, with her all-female House of Commons team, will put the Chancellor and Prime Minister back on track so we can all be proud of what we can achieve in December. I commend the motion to the House.

5.12 pm

**The Secretary of State for Energy and Climate Change (Amber Rudd):** It is a great pleasure to see you in the Chair, Madam Deputy Speaker. Let me start by thanking the right hon. Member for Don Valley (Caroline Flint) for giving the House an early opportunity to debate this issue. I wish her luck in her own election going forward.

Let me first set out the strength of the Government's commitment on combating climate change. The Government are committed to taking robust, effective action to tackle climate change here at home and on the international stage. Climate change, as the right hon. Lady said, is not a party issue. It is not a Conservative, Labour, Liberal or even a Scottish National party issue. It is not exclusively left-wing or right-wing, if we can use those terms anymore. Climate change brings together all the parties in this House, and indeed countries across the globe. The G7 on Monday demonstrated just how far the major developed economies are aligned.

The pledge signed by the leaders of the main UK parties in February this year ahead of the election, which was brokered by the Green Alliance, underlines our domestic unity. We are pledged to work together to achieve a fair, legally binding global climate deal; to work together to agree domestic carbon targets; and to work together to accelerate the transition to a low-carbon economy. We are united here in this United Kingdom, because climate change represents a threat to our national prosperity, our national security and our way of life. The science of climate change is sound. While uncertainties remain, especially on scale and pace, there is a lot we do understand. The evidence continues to point in one direction: a world warming due to human activity.

As an island nation surrounded by the sea, with an open economy dependent on trade, we cannot bury our heads in the sand. We are exposed to the ramifications of a world 2° warmer or more. Margaret Thatcher, one of the first world leaders to put climate change firmly on the international stage, told the World Climate Conference 25 years ago that,

"the threat to our world comes not only from tyrants and their tanks...The danger of global warming is real enough for us to make changes and sacrifices, so that we do not live at the expense of future generations."

She was right on this, as on so much else.

Acting on climate change also represents an opportunity for us to build a stronger, more resilient, more efficient low-carbon economy that conserves resources and energy instead of wasting them; that preserves a healthy natural environment; and that puts Britain at the forefront of the green global transition that must happen if we are to protect this planet for future generations. Getting a global deal on climate change in Paris in December is one of my highest priorities this year. I want, therefore, to talk about the international picture and the prospects for agreement, but first I want to set out how we in the UK, through the actions of successive Governments and with cross-party support, have been living up to our responsibilities on climate change.

**Mr MacNeil:** In an earlier intervention, I was seeking clarity on the issue of onshore wind. What is happening to the support mechanism? It is affecting jobs, the economy and even farming businesses. Will the Secretary of State clear that up today or make a statement to the House in due course? People need to know, especially if we are to meet our 2020 targets. Are we using onshore wind, or is she going to go for more expensive renewables?

**Amber Rudd:** Onshore wind is, of course, an incredibly important area. The hon. Gentleman will be aware that our manifesto said we would remove subsidies for onshore wind, and we will act on that manifesto pledge. We also

said in the manifesto that we would consult with the devolved Administrations—a process, he might be aware, that I have begun—and I will continue to do that until we have arrived at a firm policy. He can rest assured, however, that I will make sure the House is the first to know on that matter.

**Mr Gavin Shuker (Luton South) (Lab/Co-op):** I congratulate the right hon. Lady on her welcome promotion. She talked about global leadership and the G7. Is she not disappointed that the targets coming out of the agreement this weekend only referred to 2100, and why did it take the German Chancellor to put this issue on the agenda? Where has Britain been on this when hosting similar events?

**Amber Rudd:** I do not agree at all with the hon. Gentleman's interpretation of the G7 communiqué. I met with non-governmental organisations and businesses at an event hosted by the Green Alliance on the same day, and they were delighted by the strong signal being sent out by the G7 that getting an answer and following it was a priority this year. The House should be in no doubt that there has been strong leadership from this Government, as there was from the previous Government.

**David Mowat:** On the point about leadership and the German Chancellor, is my right hon. Friend aware that Germany has commissioned more coal-fired power stations in the past four years than in the previous two decades, that those coal-fired power stations will be totally unabated and that, partly as a consequence, its emissions are now 30% per capita higher than in the UK?

**Amber Rudd:** My hon. Friend is right. I am aware that the German Chancellor has her own political issues to address, but because of that, it was particularly warming—encouraging rather than warming, perhaps—to see her taking such strong leadership on this and making sure it remained at the top of the agenda. Since my hon. Friend mentions coal, I take the opportunity to say how important carbon capture and storage remains to us. I spoke several times in debates last Parliament on this subject. The right hon. Member for Don Valley and her team should be in no doubt that we remain committed. We have spent, or put aside, more than £1 billion. We have two tests going ahead, one in Aberdeen and one in Yorkshire, and we are running a competition that we hope to take forward over the next six to nine months. There is a lot of activity going on. The whole purpose is to ensure that we can have a form of unabated coal going forward.

**Graham Stuart (Beverley and Holderness) (Con):** My right hon. Friend is right to talk about carbon capture and storage and the two projects, and I hope that the White Rose project will get Government backing in due course. It is fair to point out that the Labour Government said in 2003 how urgent it was to bring CCS forward as it was critical to any hope of meeting our targets by 2050—and they failed completely and utterly to deliver anything by 2010. We should take no lessons on that particular subject from Opposition Members.

**Amber Rudd:** My hon. Friend is right to point that out. Opposition Members may carp at what we do, but they failed to take action themselves. I would ask for a little bit more support on the good changes that we are making.

**Mr MacNeil:** The right hon. Lady is kind in giving way, but I want to press her further on when the Conservative manifesto promises will kick in. There is much uncertainty in the onshore wind energy sector at the moment, and investors and developers are daily—sometimes almost hourly—beating a path to my door. They need to know.

**Amber Rudd:** I am aware of the pressing need to get a full answer on this question. I have put a lot of pressure on my Department to make sure that we establish exactly what is in the pipeline and what existing commitments are. The hon. Gentleman will have to bear with us a little longer, but I am aware that we need to give him a full answer as soon as possible.

I said I wanted to speak about the national picture. I stand here as one of a long line of Members who, over the past few decades, have helped to place Britain at the forefront of action on climate change. I want to pay particular tribute to my predecessors in the Department of Energy and Climate Change—Greg Barker and Ed Davey. The last Government achieved what they set out to do, making us the greenest Government ever. *[Interruption.]* I particularly want to pay tribute to former Secretary of State Ed Davey's role in securing an ambitious EU 2030 framework deal.

The package requires all member states to make significant emissions reduction efforts, just as we are already legally committed to do under the Climate Change Act 2008. It substantially levels the playing field for UK business and industry to compete fairly across the EU, with UK leadership replicated across the world's biggest trading bloc. That leadership is underpinned by the 2008 Act—an ambitious piece of legislation, the first of its kind in the world, supported by all parties.

In this Parliament, I know I can rely on sound advice and support from many colleagues, including my hon. Friends the Members for Beverley and Holderness (Graham Stuart), who has just spoken, for Richmond Park (Zac Goldsmith) and for Ruislip, Northwood and Pinner (Mr Hurd).

**Mr Nick Hurd** (Ruislip, Northwood and Pinner) (Con): I join others in really welcoming my right hon. Friend and my hon. Friend the Member for South Northamptonshire (Andrea Leadsom) to their incredibly important positions at this very important time. I know how concerned my right hon. Friend is about fuel poverty. Does she agree with the Committee on Climate Change that low-carbon heat can play a much bigger role in helping to reduce both carbon and fuel poverty? Is she minded to look again at how the incentives around low-carbon heat work, particularly for low-income households?

**Amber Rudd:** I thank my hon. Friend, who is entirely right. Low-carbon heat is an area that we urgently need to address. We are looking in the Department at different ways of doing that. We are looking around the rest of the world, trying to establish what works, and we are taking a hard look at how to achieve what my hon. Friend rightly said is such an important way of addressing both fuel poverty and our carbon targets.

There are, of course, many Opposition Members who have an equally admirable track record in raising climate change up the agenda and in helping to put in place the practical policies that mean we are living up to our

commitments. Overall, I believe that the United Kingdom can be proud of the progress made in meeting the climate change obligations that we have collectively put in place.

The carbon budget system ensures that each successive Government undertake the long-term planning necessary to meet long-term targets, rather than defaulting to short-term thinking. I pay tribute to the work of the Committee on Climate Change in providing independent advice to the Government and the devolved Administrations and in monitoring our progress. It was confirmed in September 2014 that the UK met its first carbon budget and that we were on course to meet the second and third budgets through to 2022. In the last Parliament, the Government also maintained the ambition of the fourth carbon budget. Thanks to the actions of successive Governments and the structures we have put in place, UK greenhouse gas emissions are 30% lower than the baseline set in 1990.

**Dr Alan Whitehead** (Southampton, Test) (Lab): If we look at the detail of the fourth carbon budget and the assumptions it makes about residential building insulation and wind insulation necessary to get even to the beginning of this fourth budget, does the Secretary of State agree that we are nowhere near being able to meet those terms at the moment, and that on the basis of present policies we shall not remotely be able to do so?

**Amber Rudd:** The hon. Gentleman is well known for working in this field. I respect him, and have debated with him on other occasions. He has made a good point: there is definitely an issue with the fourth carbon budget. However, it is too early to give up on it yet. We will be looking at policies, and it is my firm hope that we will be able to come back and reassure the hon. Gentleman in due course.

Provisional figures show that under the last Parliament greenhouse gas emissions fell by a mammoth 15%, and that, even as the economy grew, they continued to fall. The carbon intensity of the economy as a whole fell by 6% between 2013 and 2014. Britain is demonstrating that economic growth and emissions reduction can go hand in hand.

**Patrick Grady** (Glasgow North) (SNP): Is the Secretary of State aware of a letter that is published in today's *Financial Times*? It is signed by 80 of the country's biggest businesses, who call for ambitious action by the Government. That shows that there is a consensus throughout society, both in business and in the wider third sector. The letter says:

“Failure to tackle climate change could put economic prosperity at risk.”

What is the Secretary of State's response?

**Amber Rudd:** The hon. Gentleman is absolutely right. The great thing about the battle against climate change is that it is cross-party and also cross-business. Businesses support us because they understand that it makes good business sense, and they also understand that their customers want it, just as our constituents do.

Britain is demonstrating that economic growth and emissions reduction can go hand in hand. That is of immeasurable worth as we enter a key period in our international negotiations.

**Stephen Doughty:** We all want to see emissions falling. Celsa Steel in my constituency uses one of the most efficient steel-making processes in the European Union—it is in the top 10%—and has invested massively in a carbon-efficient steel workshop. However, it is competing against increasingly carbon-inefficient steels that are coming from, for instance, China and Turkey. Will the Secretary of State agree to meet me and representatives of Celsa, to discuss how we can drive down emissions while at the same time not offshoring them to countries such as China and Turkey?

**Amber Rudd:** That is a very good point, and I, or my hon. Friend the Minister, will certainly meet the hon. Gentleman to discuss it. He is right: we must make certain that none of our carbon reduction programmes leads to carbon leakage. We must ensure that we keep business and industry here, and that we keep growing employment while also maintaining those commitments. Let me add—slightly controversially, given that I have spoken so much about consensus—that the way to deliver that is to have a strong economy, and some might draw attention to the difference between the parties in that respect. If we have a strong economy, we can lead the way.

Through our actions, we are providing a guiding light for others. We are demonstrating that climate-friendly economies can be successful economies, and that the low-carbon sector provides opportunities for jobs and investment. Britain's low-carbon sector grew at 7% last year, outstripping the growth levels in other parts of the economy. It is now valued at around £122 billion, and supports nearly half a million jobs. It is larger than the aerospace, pharmaceuticals and chemicals sectors, and equivalent to the gross value added by the food and drinks sector.

Clean power is booming. Over £42 billion has been invested in renewables, nuclear and carbon capture and storage since 2010, and that investment is spread across all regions and countries in the UK. Last year the UK attracted a massive 30% share of renewable power investment in the EU.

**Mr James Gray** (North Wiltshire) (Con): I warmly welcome my right hon. Friend to her new job, and very well deserved it is too. While I support everything that we can do with regard to renewable energy, does she not agree that we have a particular problem in the south-west, namely the vast solar farms that are springing up across the land? Hundreds of acres of good agricultural land in my constituency are being wasted, and replaced by the vanity mirrors that are solar farms. Is there any way of limiting them to industrial sites, schools and so on?

**Amber Rudd:** My hon. Friend is right. We have introduced limitations for large solar farms, and we will consider what else we can do in this regard. I also agree with him that solar energy is best dealt with by community energy projects. It should not be on people's houses; it should be on public buildings and factories. That is an excellent way of generating solar energy, and it has become much more affordable and possible since the price has fallen so much under this Government and the previous one.

Last year was our best year ever for new build renewable energy finance according to Bloomberg New Energy Finance, with the UK ranked 4th in the world behind

only China, the US and Japan. Renewable generation now provides almost a fifth of our electricity needs and often exceeds that. Last Saturday afternoon, for instance, renewables provided as much as 42% of Great Britain's electricity. Not only are we increasingly using clean energy, but we are increasingly saving energy as well. Thanks in part to the Government's energy efficiency drive, energy consumption fell by 7% between 2013 and 2014.

**Bob Stewart** (Beckenham) (Con): I was astonished by that figure of 42%. Will my right hon. Friend kindly say how it came about, because it is fantastic if that is the case?

**Amber Rudd:** It was windy and sunny. A good combination of renewable energies is required to reach such high achievements.

**Luciana Berger:** I welcome the Secretary of State to her post. She is reading out some very positive statistics, but has she reflected on our fuel poverty statistics? She will know that in the previous Parliament her Government scrapped the target to eradicate fuel poverty by 2016 and I wonder whether she can update the House on progress in eliminating what is a scourge across our country.

**Amber Rudd:** Fuel poverty is an incredibly important issue, which must be addressed. I share the hon. Lady's concerns. I was pleased that fuel poverty fell under the last Government and we will shortly announce policies to make sure we do that again. We did meet our targets on creating over 1 million houses with home efficiencies, and of course creating a more competitive market is also the way to achieve that. So there is a suite of policies to be addressed.

**Robert Neill** (Bromley and Chislehurst) (Con): I, too, welcome my right hon. Friend to her post. Does she recognise that advances in technology—such as much more sophisticated filters—can make gasification technology to burn waste particularly appropriate in urban areas, and they can be readily linked into district heating schemes and well targeted towards areas of fuel poverty? Can we do more to encourage and incentivise that?

**Amber Rudd:** My hon. Friend is right. District heating schemes are an excellent way of addressing reducing heat and making sure that we have a more efficient way of delivering it. The great thing about this sector is that there is so much technological innovation. So much is being done and we do not really know which innovation will be the big winner, but we must make sure that we continue to support them through our Innovate UK programme with the Department for Business, Innovation and Skills and other initiatives.

I shall quickly make some comments about the international picture before finishing, so that colleagues have time to speak. We agree with the sentiment behind this motion. Only a global response at the scale required can hope to keep a 2° pathway within reach. A global deal can help ensure that the transition to a low-carbon world happens as cost-effectively as possible with a more level playing field for business, because business plays a very important part in making sure that we can deliver on these targets and make this transition.

[Amber Rudd]

A global deal will protect the most vulnerable countries and share the burden. Paris will be a seminal moment in this process. It will not be the last word. Indeed, holding 195 countries to their commitments will be as challenging as bringing them to agreement in the first place, but that should not curtail our ambitions. In Paris we need to ensure that all countries come forward with emissions reduction contributions that keep that target within reach. The agreement needs to be legally binding, so we can all have certainty in what each country is doing.

**Stewart McDonald** (Glasgow South) (SNP) *rose*—

**Amber Rudd:** I will not give way again. I want to allow other colleagues time to make their speeches.

This agreement needs to be based on a set of rules that define commitments and how they can be met, so that each country's progress can be tracked and there is no room for backsliding. Indeed, we want the opposite to be the case. We need to build in a process for regular reviews, so that ambition can be further increased.

Both the US and the EU have already made public their so-called intended nationally determined contributions. Those publically declared cover 31% of global emissions, and we are still waiting for others to come forward, including China, which is expected to declare in the next month or so. As we speak, officials are gathered in Bonn at the United Nations framework convention on climate change inter-sessional, focusing on improving the text to be agreed in Paris and seeking to make progress on key elements such as effective rules and mitigation ambition.

The last Government set out their strategy for Paris in September last year. Although I agree with the sentiment of this motion—which I note was lifted verbatim from Labour's green manifesto—I am afraid that we will not be able to support it in the Lobby this evening. In setting this Government's detailed approach and to ensure that we maximise our negotiating position, I need to take stock of the results of the Bonn inter-sessional. In the signals we send to our negotiating partners, we will need to be precise in our language and united in our text. I am sure that the right hon. Member for Don Valley will understand that. Tackling climate change is not just a noble aim. It is not just the right thing to do. It is an economic and social imperative.

**Several hon. Members** *rose*—

**Madam Deputy Speaker (Natascha Engel):** Order. Before I call the next speaker, I should like to inform the House that after the Scottish National party spokesperson has made his speech I shall impose a six-minute time limit on Back-Bench speeches.

5.35 pm

**Callum McCaig** (Aberdeen South) (SNP): I, too, would like to congratulate the Secretary of State on her promotion. I look forward to working with her in this role, and I hope that the majority of our discussions will take place in a constructive manner, although that might not always be the case. I also want to thank Labour colleagues for securing the debate.

Climate change is clearly a matter of great importance to those in the Chamber and in the constituencies that we represent, as well as to the globe on which we reside. We are facing an historic challenge, and it is one by which this generation of political leaders at home and abroad will be judged. The conference in Paris will be a seminal moment, and it is incumbent on us to do everything we can at home to enable us to act responsibly at the conference and show leadership to the world on what needs to be done. The effects of climate change will be felt at home and abroad, and its mitigation needs to be addressed at international level, at national level and within our local communities. Indeed, some of the actions taken in local communities could have the greatest impact on delivering what is required.

Turning to competency, the Scottish Parliament has a climate change Minister and has introduced climate change legislation that in many ways leads the world. A curious quirk demonstrates how this issue has grown in importance. When the Scottish Parliament was set up, it was those matters that were not spelled out in black and white in the Scotland Act 1998 that were to be retained in Westminster. I am not convinced that, were we to go through that process again, this place would decide that it was appropriate to devolve the issue of climate change to Scotland, but I am glad that it was devolved. That signifies just how important climate change has become in the intervening 18 years or so.

I mentioned the fact that the Scottish climate change legislation was world-leading. We have made a legally binding commitment to reduce carbon emissions by 42% by 2020, and by 80% by 2050. The figures for 2013 were published yesterday, and they show that we are three quarters of the way towards achieving our 2020 target. There has been a 34.3% reduction in our carbon emissions since 1990, which is higher than the UK percentage and among the best in Europe. Those targets are tough and, due to some technical changes, they might not have been met year on year, but had they not been put in place, the changes in Scottish society and the Scottish economy that have enabled those reductions would not have taken place.

Action relating to renewable energy and fuel efficiency has largely been behind that drive. I will talk about renewables in a moment. The investment in fuel efficiency in people's homes has been hugely important. Levels of fuel poverty in Scotland are very high, largely due to the historic inadequacies of the building stock. It takes more fuel to heat the buildings, which obviously has a societal impact, in that people cannot afford to heat them. One in three houses has received support relating to fuel efficiency. That has helped to reduce emissions and, above all, has had the short-term human impact of reducing fuel poverty in Scotland.

Aileen McLeod, the Scottish Minister for Environment, Climate Change and Land Reform, has written to the Secretary of State about a joint approach to such challenges. I hope that that will be acted on, although there has been mention of discussions with the devolved Administrations. There are cross-cutting competencies and we need to be singing from the same hymn sheet on them.

I am pleased to be joined in the Chamber by my hon. Friend the Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron), who is the SNP spokesperson for climate justice. One of the sad ironies of climate

change is that those countries that have contributed least to carbon emissions will pay the biggest price as the changes to our climate come into being. We have a moral duty to act on that and the climate justice angle will I am sure be raised by my hon. Friend in the Chamber and in this Parliament to great effect.

Renewable energy has been a major part of the progress made in Scotland. We are now at the stage where nearly half of our electricity demand is met by renewable sources. A large part of that is from onshore wind, which has delivered large reductions in carbon emissions and enabled diversification in the economy of Scotland. My hon. Friend the Member for Na h-Eileanan an Iar (Mr MacNeil)—I am from Aberdeen, where Gaelic is not spoken, so I cannot pronounce his constituency name very well—has said that removing the subsidies prematurely has the potential to damage the economy of Scotland severely, to damage our ability to meet the targets that we have set in Scotland and to damage the United Kingdom targets.

I understand the Government's mandate to remove subsidies, but I do not believe that that mandate stretches to Scotland in the same manner. The planning aspects are clearly different. I hope that in the consultation to be undertaken with the Scottish Government nothing to do with how that might be progressed will be left off the table. An important factor is that there are not the same political difficulties with onshore wind in Scotland, although there are clearly some. Significant investment in the pipeline could also be damaged and, if there are going to be problems, grace periods need to be brought in.

In work commissioned by the London School of Economics it was suggested that the No. 1 priority for tackling climate change is investor confidence in the low-carbon economy. Changing the goalposts for onshore wind will damage such confidence. As has been said from the Labour Benches, that will damage not only onshore wind, but the entire range of renewable technologies.

**Stewart McDonald:** My hon. Friend is making a very reasonable speech. Does he share my frustration, however, that a community-led project in my constituency, the Castlemilk and Carmunnock wind park trust, which was set up by local people to reap the financial rewards of renewable energy, has had a horse and coach driven through it by a Labour-run council, depriving the area of more than £1 million since its inception? Surely communities should be empowered to deal with such things.

**Callum McCaig:** That is a disappointing scenario and I share my hon. Friend's frustration. Onshore wind has the potential to provide a win-win situation for communities to see investment that they might not otherwise have dreamed of—though that might not be the case in Glasgow—as well as a reduction in our carbon emissions.

Scotland is doing well with carbon reduction. Given the nature of our geography and the potential renewable resources in our nation, we are willing, able and well disposed to do a large part of the carbon reduction heavy lifting on behalf of the United Kingdom. However, that can only be done in partnership while the required powers rest in this place. I reiterate the need for that detailed and meaningful consultation with the Scottish Government.

I was pleased to hear the Secretary of State mention innovation, which will be required for a number of the renewable technologies that will play their part in meeting our climate change obligations. Offshore wind has the potential to deal with that; specific considerations in Scotland make it slightly more difficult there than in other places, owing to the depth of the water, but the resource there is unparalleled. We need the ability, through the contracts for difference mechanisms, to enable offshore wind in Scotland to take off and take up the heavy lifting on carbon reduction.

Clearly, there is a requirement for base-load, and I was pleased to hear the Secretary of State mention carbon capture and storage. I gently correct her by saying that Peterhead is not Aberdeen—it is a fair while up the road and the differences are stark, both for those resident in Aberdeen and those resident in Peterhead; we are friendly but competitive. CCS, too, has the potential to be transformational in how electricity generation and heat generation can be decarbonated.

Time is clearly of the essence, both in this Chamber and, more pressingly, as the temperatures—

**David Mowat:** I was interested to hear the hon. Gentleman mention “base-load” and “heavy lifting”. He will know that the low-carbon technology that does most to reduce emissions in this country is civil nuclear, and the same applies worldwide; we are talking about double the amount of renewables. That is clearly base-load, and civil nuclear is cheaper, even now, than wind, so is it something he advocates in terms of heavy lifting and base-load?

**Callum McCaig:** It is not something I would advocate in that regard, and I do not believe it is cheaper. The strike price for the new power station at Hinkley is £10 higher per megawatt-hour than the one for onshore wind.

**David Mowat:** I am afraid the hon. Gentleman may have inadvertently misled the House about the strike price for nuclear at Hinkley compared with that for onshore wind. The strike price in legislation for onshore wind is higher than that for nuclear at Hinkley Point C.

**Callum McCaig:** The figures I have seen are £82.50 as opposed to £92.50, but if I am wrong about that—I will check it—I will be more than happy to withdraw that statement. I do not believe that nuclear is safe or that it is an appropriate part of the energy mix.

**Dr Whitehead:** If the hon. Member for Warrington South (David Mowat) looked closely at the difference in the strike prices for Hinkley nuclear and for onshore wind, he would see that the years over which the price is given are quite different—it is twice as long for Hinkley as for onshore wind. The hon. Member for Warrington South, rather than the hon. Member for Aberdeen South (Callum McCaig), is misleading the House.

**Madam Deputy Speaker (Mrs Eleanor Laing):** Order. I am sure that the hon. Member for Warrington South (David Mowat) would not be misleading the House—otherwise, he would not be an honourable Gentleman. If he is inadvertently misleading the House, I am sure he will correct his point. Usually, it is a matter of how

[Madam Deputy Speaker]

one interprets statistics, and the hon. Member for Southampton, Test (Dr Whitehead) must not accuse another hon. Gentleman of misleading.

**Dr Whitehead:** I am sorry, Madam Deputy Speaker. May I apologise for the inadvertent omission of the word “inadvertent”?

**Callum McCaig:** I am not entirely sure where to go with that, Madam Deputy Speaker, in case I get into trouble. I do not know whether to say that the hon. Member for Southampton, Test (Dr Whitehead) is correct, but I agree with him on this: my understanding is that the deal for the new nuclear power station is over twice as long a period as that on offer to anything in the renewables sector. I do not believe that nuclear is safe, and I believe that there are other ways. On providing that base-load, I would rather to see thermal generation, but with carbon capture and storage built in as standard.

As I was saying, we have a short window of time and we require action. This is a welcome debate, I look forward to hearing more about this issue and I hope that in future we will recognise the contributions of Scotland and the other devolved Administrations, and the part they play in the UK’s achieving what is required.

5.49 pm

**David T. C. Davies (Monmouth) (Con):** No one has ever denied that carbon dioxide is a global warming gas. No one has ever denied that there is more CO<sub>2</sub> in the atmosphere since we started industrialising. Not many people are bothering to deny the fact that there has been an increase in temperature of about 0.8 °C over the past 250 years, and although it is a bit more questionable than some would have it, there is no need to question it at the moment. It follows that CO<sub>2</sub> emissions that are man-made have had some impact on temperatures. What does not follow is the argument that is so often put forward, which is that CO<sub>2</sub> emitted by mankind has been completely responsible for the very minor increase in temperature that we have seen over the past 250 years. Nobody that I have met has ever, ever denied that the climate changes. I have met many people who are sceptical about the current policy and none of them has suggested that the climate does not change; the climate has always changed and it always will. The existence of glaciers is testament to the fact that the climate has always, and will always, change.

The climate has been changing over the past 2,000 years. It was warmer during the Roman period, a fact that is acknowledged in the Intergovernmental Panel on Climate Change’s most recent summary for policy makers. It said that it is warmer now than it has been for 1,400 years—as though 1,400 years is a long time. The problem is that, because we all live to be, hopefully, three score years and 10, we think of 70 years or 100 years as being a long time, but the Earth has been around for 4.5 billion years, and 100 years is the blink of an eye.

I hope that when my right hon. Friend the Secretary of State goes to Paris, she will deploy the same sceptical mindset about some of the things she is told that she

always deployed when we worked together on the Council of Europe in Strasbourg. I hope she will bear it in mind that it was warmer during the Roman period, cooler during the dark ages, and then warmer again during the medieval period. It then became much colder, and up until about 1800 we had what is called the little ice age when ice fairs were held outside Parliament on the Thames. It was at about that time that we started to industrialise. It was a coincidence that we industrialised at the same time as we came out of the little ice age, and it absolutely must follow that some of the temperature increase that has taken place—about 0.8 °C—must be due to the fact that the Earth was naturally warming up anyway, and the IPCC will not deny that.

**Stephen Doughty** *rose*—

**David T. C. Davies:** I am delighted to give way to Opposition Members who disagree with me, because, unlike the shadow Secretary of State, I am not afraid to have this argument.

**Stephen Doughty:** The hon. Gentleman keeps quoting the IPCC, but does he not recognise that one of the IPCC’s recent reports said that 100% of the climate change—the warming—over the past 60 years was due to humans and that the IPCC was 95% convinced about the argument overall. The IPCC has been very clear on this point.

**David T. C. Davies:** Let me read out something for the hon. Gentleman. Under the title “Summary for policymakers” on page 17, fourth paragraph down, the IPCC says:

“It is extremely likely that more than half of the observed increase in global average surface temperature from 1951 to 2010 was caused by the anthropogenic increase in greenhouse gas concentrations and other anthropogenic forcings together.”

What that means in simple English is that slightly more than half of the increase that has taken place in the second half of the 20th century is down to man. The overall increase over the past 250 years is 0.8 °C, but in the second half of the 20th century, the increase was about 0.5 °C. What the IPCC is saying in this report is that slightly over half of that is likely to have been man-made.

**Stephen Doughty** *indicated dissent.*

**David T. C. Davies:** The hon. Gentleman can see the report for himself. We are talking about well under half of the total increase in temperature that has taken place.

**Stephen Doughty** *indicated dissent.*

**David T. C. Davies:** The hon. Gentleman can shake his head, but that comes from the IPCC. [*Interruption.*] I am happy to give way to the shadow Secretary of State if she wants to correct me on something. Even the IPCC is not saying that the increase in temperature is a result of man-made carbon emissions. It is saying that some of it is, and that the overall amount is well under half. On the basis of that, we are going ahead with a set of policies that have caused massive increases in energy bills for home owners and businesses. I say to the right hon. Lady that, with all due respect, none of the Opposition Members will back her when the policies that she may sign up to come home to roost, as they will create higher

energy prices for businesses such as Celsa, which the hon. Gentleman has mentioned. It is absolutely outrageous that steel companies and other manufacturers are finding it difficult to manufacture in this country because they are paying so much more for electricity than their competitors in the rest of Europe.

The reality, of course, is that it costs—I listened with great interest to this discussion—roughly £95 per MWh to generate electricity from both nuclear and onshore wind, and £150 per MWh to do it from offshore wind, so it is very expensive. It costs about £50 to do it from gas and about £30 from coal. We can therefore be absolutely certain that the more we rely on renewable energy, the more we will have to pay for it. No politician from any party should run away from that. They should be willing to go out and make the argument for paying more if they think it is a good idea, but nobody is doing that. Nobody on either the Government or the Opposition Benches thinks it is a good idea to put up energy bills, so why on earth are we prepared to support policies that increase them?

If we are going to do that, we should make absolutely certain that it is not just the UK that will do so. We generate about 2% of the earth's total man-made carbon dioxide emissions, so we will have no impact whatsoever on the temperature if we unilaterally decide to whack up taxes and start making people pay more money. If there is going to be an agreement, it absolutely has to be global.

What worries me is that, while a graph on which 1 cm represents 100 years may show a slight increase, the reality is that the earth has been around for so long that if we went back 100 million years, it would have to be represented by 10 km and that would show periods with more naturally created CO<sub>2</sub> in the atmosphere, as well as greater and smaller temperatures. We would have to go back only 30 cm—about 1,300 years ago—to see the Younger Dryas, a climatic event that was never properly explained but which was entirely natural and during which there was a sudden drop in temperature by about 15 °C within the space of just a few decades.

Somebody cited Margaret Thatcher, a lady of whom I am always happy to call myself a fan. In her book “Statecraft”, in a chapter called “Hot Air and Global Warming”, she actually repudiated much of what she had written when she pointed out that people were getting quite hysterical about this. I think she was absolutely right and I urge the Secretary of State to be very cautious when she gets to Paris, and to remember that there is a difference between healthy scepticism and denial.

5.56 pm

**Dr Alan Whitehead** (Southampton, Test) (Lab): We are discussing what I hope will be a global agreement. I hope it will be sorted out in Paris this December, that it will be sustainable and that everybody will play their part in making sure that global warming is curtailed and that the global temperature rise stays below 2 °C by 2050. It is extremely important that the UK takes a robust approach to the conference and that it bases its approach on our own climate change architecture, including the Climate Change Act 2008 and our carbon budgets, in order to make sure that the EU's offer to the conference is also as robust as possible.

The EU has collectively offered an intended nationally determined contribution of a 40% cut of 1990 levels by 2030. At the moment the UK is going along with that, but the problem is that if we look at the 38 INDCs that have so far been placed on the conference table, including the EU's collective commitment, we will see that they will not get us below 2 °C. Indeed, we are looking at a prospective global temperature increase of between 2.9 °C and 3.1 °C, so it really is in the interests of a proper agreement, and of the UK's existing commitments on climate change, that we produce a robust alternative and suggest that the EU increases its contribution, if possible, to 50%, because that is what the UK has committed to in our own carbon budget. In the little time available between now and the December conference, I urge the Secretary of State to push for that increase to the EU's INDC, in order to emphasise just what we can do to secure a global agreement. Of course, that depends not only retrospectively on what the UK has achieved through its carbon budgets and related architecture to date but on what extent the UK can prospectively ensure that it can meet those commitments in the future. That is where we run into some trouble with the future commitments.

I mentioned the fourth carbon budget in an intervention, and it was, I recall, accepted by the previous Government after some hiccups. Among other things, according to the Committee on Climate Change, that carbon budget not only produces a gateway of reducing emissions by 50% by 2025 but makes assumptions such as that 23 GW of wind power will have been installed by 2020, that 2 million solid-wall homes will have been insulated for energy efficiency purposes by the early 2020s, and that 90% of homes will have had their lofts and cavity walls insulated by that period. The UK is failing hopelessly in reaching all those measures. That difficulty will be compounded by the policies being proposed, which mean that our commitments are facing in precisely the opposite direction over the next few years.

Earlier today I asked the Prime Minister for his commitment that the budgets for home energy efficiency would be maintained. He gave no answer on that, but unless they are maintained and substantially increased we will fail miserably to get anywhere near the fourth carbon budget targets. Similarly, if we do not rapidly unravel the question of what is happening with wind power, we will fall miserably short of the targets. If onshore wind developers cannot get their renewable obligations stamped, they will go into the levy control framework to try to get their schemes sorted out. We know that the levy control framework is already bust as far as offshore wind is concerned, and it will become more crowded. The much-vaunted Swansea Bay development might come on stream if someone does a levy control framework-based contract for difference arrangement for it, but that someone will have to be the Secretary of State. Unless the levy control framework works in such a way that that can happen, that will fail too.

We must remind ourselves that carbon budgets are not just for Christmas. They need to be worked out properly and if we are to ensure that our commitments in Paris can be maintained we need urgently to get to work on the carbon budgets and to make them work. That means that we in this country must stay by our commitments on climate change in the future.

6.3 pm

**James Cleverly (Braintree) (Con):** I am obliged to you, Madam Deputy Speaker, for calling me to speak in this debate and I thank the hon. Member for Southampton, Test (Dr Whitehead) for a riveting speech.

Right hon. and hon. Members might not be aware that there is a town called Braintree in Massachusetts in America. My predecessor, Brooks Newmark, embodied that transatlantic bridge as he was born in Connecticut before he came to the UK to go to school at the age of nine. Those who knew Brooks will remember a fierce intellect that drove success at both Oxford and Harvard universities and in the financial services sector. Any Member who was intimidated by that academic and commercial success need no longer fear now that I stand here in his stead.

Brooks was a Whip and a Minister and was well liked in the constituency. He was a huge support to me during my campaign and he was also supportive of other candidates in target constituencies, particularly my hon. Friend the Member for Colchester (Will Quince). It is fair to say that in the months after my selection Brooks and I hung out together quite a bit.

Since its creation, Braintree has had a history of strong MPs. Its first, Tony Newton, is still held up as a model constituency MP. He was able to do that while negotiating a successful ministerial career in the House. His Labour successor, Alan Hurst, was also highly spoken of, despite serving for considerably less than Tony's 23 years.

Braintree has pre-Roman roots and was a medieval market town, but came into its own in the 16th century when Flemish weavers came to the town and brought with them their state of the art weaving techniques, heralding 250 years of future prosperity. Blooming foreigners!

The other town in my constituency is Halstead, which is also famous for its weaving industry and is typified by a wide high street leading up to the church at the top of the hill from the River Colne which runs through the town. My constituency stretches to the Suffolk border to its north and east and to Cambridgeshire in its north-western corner, and has a constellation of villages and hamlets scattered through it. In that constellation are a number of binary stars including Earls Colne and White Colne, Sible Hedingham and Castle Hedingham, and Steeple Bumstead and Helions Bumstead. There might be a degree of sibling rivalry between some of my villages. It is best not to ask directions to the famously beautiful village of Finchingfield from either of the neighbouring villages, Great Bardfield or Weathersfield.

It is appropriate in this climate change debate that I recognise the excellent work done by Braintree District Council. Many of the buildings in my constituency are adorned with solar panels, and I am a great believer in industrial, residential, agricultural and municipal buildings having solar panels, perhaps on their roofs, but I will fight hard to prevent the beautiful fields in my villages from being spoiled by row upon row of photovoltaic cells.

Small and medium-sized businesses typify my constituency and I will fight hard on their behalf. I hope the Government can help relieve congestion on the A120, a road so regularly and heavily congested that many drivers cut through Braintree in order to bypass the bypass. Rail services need to be greatly improved to

unlock the business potential in my constituency. But transport infrastructure alone is not enough. We also need digital infrastructure. Mobile signals in the rural parts of my constituency are sorely needed, as is superfast rural broadband.

These parochial issues, important though they are, are not the only reason that we are collectively sent to this place. We live in an increasingly competitive global economy and we, as a nation, must rise to that challenge or be swept aside. The challenge from former colonial countries now competing and in some cases overtaking us cannot be ignored. Throughout our nation's history we have been at our best when we are globally focused on international trade—when we are indeed a nation of shopkeepers. I will fight for infrastructure investment in my constituency and for a good deal for my constituents, but I will also fight to keep this nation an internationally focused competitive trading nation.

6.9 pm

**Huw Irranca-Davies (Ogmore) (Lab):** I pay tribute to the hon. Member for Braintree (James Cleverly) for an excellent maiden speech. He will clearly contribute well, in the years ahead of us, to the business of this House. It was very good indeed. I also pay tribute to all those who have made their maiden speeches today and in the past few weeks. I am now far from a maiden myself, but I do feel a flush of second youth.

Having stepped back from the Front Bench after nearly a decade, I am glad to step forward boldly and early into the climate change debate. This is an issue that I have understudied in parts such as DEFRA's marine and natural environment Minister in the previous Labour Government and as a DECC and a DEFRA shadow Minister in the previous Parliament. Stepping out of the shadows of shadow ministerial responsibilities brings a touch more freedom, and I intend to use it. Today, from these green Benches, I intend to speak of green government and of leadership, and, in particular, of climate change. Like sustainable development itself, our actions and inaction on climate change are a matter not only of looking after this planet and the delicate ecosystems on it, but of social justice and equity between the people and generations who live on different parts of this interconnected planet and those yet to arrive. I want my three teenagers to grow up in a world that is healing and not hurting.

As we begin this crucial Parliament, and this crucial year for climate change, it is worth casting our minds back to the stark diagnosis of the Stern review, and its prognosis. In 2006, Stern cited evidence demonstrating that

“ignoring climate change will eventually damage economic growth.”

He continued:

“Our actions over the coming few decades could create risks of major disruption to economic and social activity, later in this century and in the next, on a scale similar to those associated with the great wars and the economic depression of the first half of the 20th century. And it will be difficult or impossible to reverse these changes.”

I think that Stern was right in his prognosis and may even have underestimated the damage already done, as subsequent research and real-life evidence is showing. Equally importantly, he was right when he said that the benefits of strong early action considerably outweighed the costs. He said:

“Tackling climate change is the pro-growth strategy for the longer term, and it can be done in a way that does not cap the aspirations for growth of rich or poor countries. The earlier effective action is taken, the less costly it will be.”

That is still true. We truly, urgently, relentlessly need to get on with the actions that flow from that.

I say to the House today: let’s feel the love! That was the theme of the brilliant and ongoing campaign by the Climate Coalition, supported by hundreds of thousands of people, young and old, including my constituents, who lobbied and lobbied and persuaded the Prime Minister, the then Leader of the Opposition and the then leader of the Liberal Democrats to put their signatures to a climate change pledge brokered by the wonderful and clearly very persuasive Green Alliance, which I had many dealings with in government on the marine Bill, climate change adaptation, biodiversity plans, and much more. I have the document here. It says: “Show the love. If you feel the love, show it!”

The party leaders and the current Prime Minister did feel the love—all together in one room, amazingly—and they signed and they pledged. They pledged that in this very special year of 2015, nine years on from Stern, they—and this Prime Minister—will work from now until Paris at the end of the year, and beyond, to reach that agreement on tackling climate change, with the UK playing its part in ensuring an ambitious outcome. They pledged to seek a fair, strong, legally binding, global climate deal that limits temperature rises to below 2° C; to work together, across party lines, to agree carbon budgets in accordance with the Climate Change Act; to accelerate the transition to a competitive, energy-efficient low carbon economy; and to end the use of unabated coal for power generation.

**Rebecca Pow** (Taunton Deane) (Con): I would like to show the hon. Gentleman some love—I am not sure what kind. I totally agree that this is such an important issue that it needs to be about everybody deciding what to do—there should not be disagreement. I am delighted that this Government realise this and are forging their way ahead, following the lead of my right hon. Friend the Secretary of State, but also Margaret Thatcher before her, and the Prime Minister, who has really pushed all this forward.

**Huw Irranca-Davies:** I thank the hon. Lady. I agree that we need to find cross-party agreement on major, substantial issues to drive this forward and support leadership at a global and a UK level. There will be differences, and we will have to argue out those differences, but we need to focus on the big, substantial goal.

I give credit to the Prime Minister for his commitment. In accepting that commitment, he said:

“Climate change poses a threat not just to the environment, but also to poverty eradication abroad and to economic prosperity at home.”

He was right, so now we need the Prime Minister who was decisive with his pen before the election to be equally decisively in his actions right now. From now until Paris later this year is the time during which actions must speak as loud as the written words.

The G7 is the first test. Many have already been a little less than praiseworthy of the outcomes of the G7 summit, which simply shows the mountain we still have to climb. Oxfam has praised it faintly, declaring it

“a stuttering start on climate change”.

It has stated that there were some new and significant steps, but firmly says that the G7 is not pulling its weight and must put words into action by phasing out coal, the dirtiest of all fossil fuels.

The excellent Oxfam briefing paper “Let Them Eat Coal” puts the case starkly and eloquently. To reassure colleagues from coal communities like mine in south Wales, the general secretary of the International Trade Union Confederation is telling in her endorsement of that paper when arguing rightly and saliently for a “just” transition involving dialogue with workers and their unions, and one where their future and that of their families and communities is secured. She goes on:

“Climate change is serious. It is already destroying lives and livelihoods. All governments and all industries need a plan for a transition to decarbonise with clean technologies and energy is the key.”

She adds:

“This is the most significant challenge the world will face in the next 30 years but we must start now or we will lose the war on climate change with horrendous consequences for all working people and their communities. Governments and responsible industries must heed the call for a just transition with a transparent and ambitious plan that puts working families and their communities at its heart.”

In closing, I say to the Secretary of State that, as the climate campaign advocates and as spring is in the air, “Let’s do it, let’s fall in love.”

6.17 pm

**Dr Tania Mathias** (Twickenham) (Con): Thank you, Madam Deputy Speaker. I of course loved the speech of the hon. Member for Ogmere (Huw Irranca-Davies). I congratulate my hon. and gallant Friend the Member for Braintree (James Cleverly) on an excellent maiden speech.

I am very pleased to be speaking on climate change. My constituency of Twickenham has many homes at risk of flooding. Most Twickenham residents are very aware of their carbon footprint and know the three Rs of “Reduce, Reuse, Recycle”. People come to Twickenham because of the quality of life, and it is also a destination place for heroes.

As hon. Members will know, the previous MP, Dr Vince Cable, is highly respected and was a brilliant local constituency MP. He was also in the Cabinet, and the apprenticeship programme for which he was responsible has benefited Twickenham greatly. He served Twickenham for 18 years, and I am very privileged to follow on from that record. I am also very privileged to follow on from Toby Jessel, who served Twickenham for 27 years. I may be the first woman MP for Twickenham, I may be the first woman MP from one of my university colleges, I may be the first Conservative MP from my school, but I am not the first Twickenham MP to put Twickenham residents first in everything they do in Parliament.

On that note, I was saddened to read Toby Jessel’s maiden speech. When he made it in 1970, he mentioned that aircraft noise was a problem for Twickenham residents. In the 21st century, it is still a problem for Twickenham residents. As you know, Madam Deputy Speaker, three quarters of a million people suffer from Heathrow noise pollution of 55 dB, and a quarter of a million people suffer from Heathrow noise pollution of 57 dB. We know that noise pollution is related to cardiovascular

[Dr Tania Mathias]

events such as stroke and heart attacks. I am against Heathrow expansion. I am against night flights. Twickenham residents deserve a better quality of life.

Nevertheless, Twickenham is still a great place to live. We are top for culture. We are top for sport. We are top for science. Noel Coward was born in my constituency. JMW Turner built a house in my constituency and painted the River Thames from his back garden. Eel Pie Island has hosted the best bands. Olympic canoeists train on my part of the River Thames. Olympic athletes train on Twickenham's running tracks and we will be hosting the rugby world cup. Furthermore, no laboratory is better than the laboratories in Twickenham: the National Physical Laboratory and the Laboratory of the Government Chemist.

Beyond all that, we are a place for heroes. Teddington Lock is where the little ships assembled before going to Dunkirk, but I want to talk about the unknown heroes and heroines in Twickenham. Many years ago, when I first came to Twickenham, one of my neighbours, Jack Green, was the perfect neighbour: he would not invite me in for a cup of tea—it was always a glass of whisky. As he stood in his living room, his wife Winnie would wander in and out. She did not know who she was. She did not know where she was. She had dementia. Every time she came into the room, Jack would smile and say something cheery. When he died, we realised he had looked after her 24 hours a day and never ever asked for help. He was an unknown hero.

That is why I support the Care Act 2014. We need to identify these carers. That is why I support health and social care integration. Unknown heroes and heroines need help.

I have worked in the NHS for many years and there are many heroes and heroines in the NHS, but the NHS needs more of our help. I want people to choose the NHS first. By that I mean top cleaners should choose to work in the NHS first. Top administrators and top managers should choose the NHS first. All our scientists should think about working in the NHS first because we need more heroes and heroines in the NHS.

Madam Deputy Speaker, when you come to Twickenham, as you surely must, I will show you the memorial to the little ships that assembled before going to Dunkirk. Then I will take you to the Memorial hospital in Teddington. As you walk around the constituency, know that you are brushing shoulders with unknown heroes and heroines because that is what defines Twickenham.

6.22 pm

**Chris Matheson** (City of Chester) (Lab): I thank you, Madam Deputy Speaker, for calling me to address the House for the first time. I pay tribute to the hon. Members for Braintree (James Cleverly) and for Twickenham (Dr Mathias) not only for their maiden speeches but for setting the bar so high. I also pay tribute to my predecessor as Member for City of Chester, Stephen Mosley, who will be missed in this House, not least because he was here so often. He was justly proud of his record as one of the most active Members in the Chamber, always, as he would put it, championing Chester. He was very proud of our city. For me, however,

his greater contribution was his work, so often undervalued, on the Select Committee on Science and Technology promoting the importance of science across Government and beyond. As a non-scientist, I recognise that that is an area where the UK still has a world-leading position that must be protected. Indeed, in the area of climate change, our scientific expertise should present an opportunity, as much as man-made climate change is a threat. My right hon. Friend the Member for Don Valley (Caroline Flint) talked about the potential for a revolution in engineering.

I therefore urge consideration of two issues related to today's debate. First, those in our academic science sector must be given the support to take their research wherever it takes them. Knowledge for the sake of knowledge and learning for the sake of learning are as sound foundations as any on which to base scientific research. Secondly, when technological applications spin off our science base into industry, we must maximise the return to the UK by ensuring that the full value of that innovation remains in the UK. The value of any product is in the knowledge that is used to create it, but also in the skills used to manufacture it. We must retain the value of that product by retaining high-tech manufacturing in the UK and resisting the short-term appeal of low-cost manufacturing countries that allow the value added by our science base to seep out of Britain over the years.

I grew up in rural Cheshire, and my happy childhood within a strong family and community has shaped much of my outlook. I now live in the county town, Chester, and it remains a wonderful place to live, and especially to visit. I urge all hon. Members to spend a weekend there, to walk along the banks of the River Dee; to visit Chester races, one of the oldest racecourses in the country; to visit Chester zoo, where the North of England Zoological Society does so much globally leading work in conservation and ecological research; and to enjoy the rich history of my city.

We are very proud of our history in Chester, dating from the Roman era. Deva, to give Chester its Roman name, was host to a Roman garrison for 400 years, and the remains of the Roman amphitheatre and gardens are still a sight to behold today. The city walls date originally from this time, but they have been rebuilt many times since. In the middle ages, every village nearby needed a giant to scare off evil spirits, and Chester was a centre for giant-making. We still have a giants parade through the city even today.

Chester is also a centre for the financial services. MBNA, Bank of America, M&S Bank and Lloyds Banking Group all have major presences in the city, and I urge any business looking to invest or relocate to consider the merits of Chester—its beauty, its quality of life, its transport links, its skilled workforce and, if I may, its enlightened electorate.

But it is to Chester's manufacturing base that I wish to turn, particularly in the context of this debate. In the immediate vicinity we have major employers such as Airbus, Vauxhall-General Motors and Toyota, some of which I am proud to have worked with when I was an official of the Unite trade union. These top-level businesses generate skills and value for the area and drive growth through the supply chain. Our manufacturing sector has shown adaptability and innovation in responding to the increased threat posed to the planet by climate

change. The successful employers in my area that I have mentioned have responded not just in the products that they make but in the way in which they make them. Innovation in design and investment in skills are good for the environment and good for the economy.

Yet industry can respond to the challenges of climate change only if we have the skills to do so. Ours should be a high-skill, high-wage economy, not least because the richest and most successful countries are those with the highest wages and the highest skills. Top-level businesses can drive growth through the supply chain, and we should look to other countries that have policies that are constant, not stop-start, and long term, not short term.

Our skills base can create decent skills through proper apprenticeships and through engineering and science, not through cheap and cheerful qualifications that have little genuine value at the end. Sadly, it seems that the Government's industrial policy and priorities at the moment are focused on further attacking trade unions rather than on building skills and building partnerships involving employers and employees to achieve common aims together.

With its history, heritage and culture, our leisure and shopping in the city, including the famous rows, and our financial services and manufacturing, Chester should be a model of a successful mixed economy. It is my home and the area where I grew up, and today I pledge my commitment to my constituents to serve them with diligence, fairness and good grace, and never to lose a sense of my gratitude nor lose sight of the honour they have bestowed upon me.

**Several hon. Members** *rose*—

**Madam Deputy Speaker (Mrs Eleanor Laing):** Order. I have to reduce the time limit to three minutes. I am sorry that not everybody will be able to be called this afternoon, but we have had some excellent maiden speeches.

6.28 pm

**David Mowat** (Warrington South) (Con): I will use the first part of my three minutes to congratulate my hon. Friends the Members for Braintree (James Cleverly) and for Twickenham (Dr Mathias) and my near neighbour, the hon. Member for City of Chester (Chris Matheson) on their excellent maiden speeches this afternoon.

We have had Opposition day debates on energy many times over the past five years, and I am delighted to say that this is one of the first motions that I am happy at least not to oppose, even if we are not going to vote for it. Climate change clearly matters to us all, and it is worth reflecting on why the solution is so difficult. Why is the world struggling to keep the increase at 2° C or keep the level of carbon dioxide at 450 parts per million?

It is important to understand the context: the UK is responsible for 1.5% of global emissions. The hon. Member for Southampton, Test (Dr Whitehead), in an interesting speech, made the point that the initial submissions for the EU offer on climate change are significantly less onerous than those in our own Climate Change Act 2008. That is something we will have to fix in Paris, because it is not right. Emissions in the UK are, roughly speaking, 30% lower than those in Holland and Germany, and they are among the lowest in the EU.

France has very low emissions—even lower than Scotland—because it has civil nuclear power at the heart of its energy production. The issue we have is how to get the rest of Europe and the rest of the world to do anything that comes close to the 2008 Act's 80% emission target by 2050.

Four things have made that more difficult than it needs to be. First, we have confused renewables with decarbonisation. We have gone after renewables targets when we should have been going after decarbonisation targets. The impact has been that we have not spent enough time on either carbon capture and storage or nuclear power. We also have not spent enough time looking at gas as a very viable alternative to coal. I will mention just one statistic as I wrap up in the last 30 seconds. If the world were able to replace all our coal with gas, that would be the equivalent to increasing the amount of renewables we have by a factor of five. Those who oppose fracking need to think about that. This is a very serious issue and it will not be solved by slogans.

6.31 pm

**Kerry McCarthy** (Bristol East) (Lab): At the weekend I met Action/2015 campaigners in Bristol, with my hon. Friend the Member for Bristol West (Thangam Debbonaire), to discuss inequality, poverty and climate change. Tomorrow night I will be meeting members of UK Youth Climate Coalition to talk to them about how they can lobby MPs, and next Wednesday we will be lobbied by those taking part in the Big Climate Summer rally. I hope that this means we are seeing climate change back firmly on the political agenda.

The Labour Government led the way with the Climate Change Act 2008. The Act has now, in one form or other, been adopted by 99 countries around the world. Since then, however, the UK has stepped off the international stage. We failed to push for a stand-alone climate change goal in the sustainable development goals, we have not secured the ambitious EU targets we need, and at home the Government failed to include a 2030 target to decarbonise the power sector in its Energy Bill.

Any deal reached in Paris should include a goal to phase out fossil fuel emissions and a transition to a low carbon global economy by 2050. It is very good news that the G7 has decided that the decarbonisation of the global economy should be completed by the end of this century. As a step towards this, will the Energy Secretary commit to phasing out coal without carbon capture technology by 2023?

Back in 2010, the coalition agreement talked about becoming

“champions for British companies that develop and support innovative green technologies around the world, instead of supporting investment in dirty fossil-fuel energy production.”

That did not happen, however. Earlier this year, figures obtained by *The Guardian* through an freedom of information request showed that UK Export Finance gave £1.13 billion in export credits to “dirty” energy operations abroad, compared with just £3.6 million to clean energy—and £3.2 million of that was for a single deal, an offshore wind farm in Germany. Joining the USA and France in stopping support for coal through export credits would send a strong signal to the rest of the G7 and G20.

[Kerry McCarthy]

May I ask the Minister to comment on last week's report by a UN panel of experts released to coincide with UN environment day, which ranked products, resources, economic activities and transport according to their environmental impacts? The experts concluded that both energy and agriculture needed to be decoupled from economic growth if we are to meet our climate goals. Agriculture is on a par with fossil fuel consumption because both rise rapidly with increased economic growth. Environmental impacts rise roughly 80% with a doubling of income. That is simply unsustainable. By 2050, global consumption of meat and dairy is expected to have risen by 76% and 65% against a 2005-07 baseline. That is simply incompatible with the objective of limiting warming to 2°.

The final point I would like to make in the very limited time available to me is that the Financing For Development conference in Addis Ababa in July is very important. Will the Minister urge the Chancellor to attend?

6.34 pm

**Jeremy Lefroy** (Stafford) (Con): I congratulate the hon. Member for City of Chester (Chris Matheson) on his excellent maiden speech and his generous tribute to Stephen Mosley. I would very much reiterate his comments. I also congratulate my hon. Friends the Members for Braintree (James Cleverly) and for Twickenham (Dr Mathias) on their fantastic maiden speeches. The Conservative party is in extremely good hands with such people on our Benches.

In the short time I have, I would like to concentrate on why I believe the issue of climate change is so important. My reasons come from a very practical standpoint. I lived in Tanzania for 11 years on Mount Kilimanjaro and I saw the diminution of the glaciers there, which continues to this day. I also worked—I refer to my entry in the Register of Members' Financial Interests—in small-scale agriculture, and I saw the impact on smallholder farmers across the world of both erratic rainfall and unseasonable events, such as hail storms that could destroy crops and droughts that could mean they had no crops at all. That is why adaptation is so critical, and the work of the Department of Energy and Climate Change and the Department for International Development is incredibly important.

My approach is also practical in the area of distribution. We have talked about generation quite a lot, but the distribution of power is vital, which is why I ask my right hon. Friend the Secretary of State to mention smart grids and interconnectors between the UK and elsewhere, allowing us to balance generation both within the UK and across Europe.

Finally, I would like to reiterate the comment made by the hon. Member for Cardiff South and Penarth (Stephen Doughty) about high energy-intensive users. We have to be practical. We do not want imported carbon emissions. We have a large trade deficit, and perhaps one reason our carbon emissions have decreased over the past 20 years is that we have a substantial deficit in manufactured goods. As we seek to increase our trade and cut that deficit, we might see an increase in emissions related to those exports, despite the energy

efficiency of our industries. We have to adopt a practical approach, like the French and Germans do. We also have to remember that our house-building programme, which is vital, depends on the availability and manufacture of bricks and tiles in this country, often from Stoke-on-Trent in Staffordshire, part of which area I represent. We have to make sure that we do not drive the manufacture of those products overseas by policies that might have those unfortunate consequences.

6.37 pm

**Mr Gavin Shuker** (Luton South) (Lab/Co-op): Climate change is development in reverse. A changing climate threatens the poorest people in the poorest parts of the world, and it is one of the gravest development challenges we face. Global warming slows growth and creates new poverty traps for families and communities already struggling to survive. Failing to tackle it will not only stifle progress on poverty alleviation, but cause millions of people to fall back into poverty. If temperatures continue to rise on current trends up to 2030, Malawi, Uganda and Zambia alone face an increase in poverty of up to one third.

When someone's very survival is under threat from failed crops or natural disasters, from thriving diseases or conflict over resources, economic development and other priorities become a romantic ideal. The recent news of the agreement by the G7 to decarbonise fully the global economy should be welcomed by all sides, but the lack of more immediate binding targets from the world's richest nations points to a profound lack of global leadership. The news from Bonn that negotiations are floundering just six months from what must be a historic climate change agreement is also deeply worrying.

There is an opportunity coming up to address this matter, but it is not in December in Paris; it is in September at the sustainable development goals conference. It would allow us to set binding targets that are achievable in our own lifetimes and during our own political careers. Therefore, I urge the Secretary of State and her counterpart in DFID to ensure in September that the climate change situation remains a stand-alone goal in the post-2015 sustainable development goals, with the 2° target embedded in the language. Although I welcome her to her position, I was disappointed that she did not get the opportunity to speak about the September conference in her opening remarks. Environmental sustainability should be integrated within the attendant targets. We need measures on mitigation and adaptation and we need to make sure that both are adequately funded.

It is vital that the UK Government lead by example and push for ambitious emissions targets for all countries, strengthened every five years on the basis of a scientific assessment of progress made towards the 2° goal. The poorest people in the poorest parts of the world deserve nothing less.

6.39 pm

**Ms Angela Eagle** (Wallasey) (Lab): We have had an excellent, if short, debate on this vital issue. I begin by welcoming the Secretary of State to her role and the Minister of State, who will be replying to the debate, to hers. I would like to compliment all Members who made their maiden speeches—the hon. Members for

Braintree (James Cleverly) and for Twickenham (Dr Mathias) and my hon. Friend the Member for City of Chester (Chris Matheson). We all enjoyed hearing three excellent maiden speeches. I am sure that their constituents will enjoy reading them and will enjoy their contributions over this Parliament and into the future.

We have heard some excellent speeches from across the House. We know that the global climate is warming and that human activity is contributing to that change. That is solid, established scientific fact, which even the hon. Member for Monmouth (David T. C. Davies) accepted. As global temperatures increase, so do the associated risks of drought, forest fires, the melting of the polar ice caps, sea-level rise and flooding. The consequential devastating impact of such risks on people around the world is obvious.

The fifth assessment report of the Intergovernmental Panel on Climate Change, completed in 2014, makes it clear that to control these risks, we have to limit global temperature rise. That is why 2° of warming has long been accepted by economists, climate scientists and world Governments as the level above which the risks associated with climate change become unacceptably high. Dangerous climate change beyond 2° means natural disasters and human suffering on a massive scale in the decades ahead.

We in the UK will not be immune. We are already seeing the impacts of climate change here, with increasing incidence of severe weather events such as the flooding of winter 2013. Indeed, the chance of a catastrophic flood happening in England within the next two decades, causing in excess of £10 billion in damage, is one in 10, so inaction is not an option—a point with which the Secretary of State agreed.

This year will be a critical one for efforts to keep global climate change below 2° of warming. The UN Framework Convention on Climate Change talks in Paris at the end of this year are a massive opportunity to get Governments from all over the world to agree to binding emissions reduction targets. This is a moment when politicians world wide need to be ambitious about what we can achieve through international co-operation. That will include agreeing in September a stand-alone commitment to combat climate change in the sustainable development goals, as my hon. Friend the Member for Luton South (Mr Shuker) said. It also means pushing for success in Paris in December, with all nations committing to emission reduction targets for the first time. More work needs to be done, however. Based on the pledges made by Governments so far, as my hon. Friend the Member for Southampton, Test (Dr Whitehead) said, global warming would be limited only to around 3°—insufficient to prevent the worst possible consequences of climate change.

Prior to the Kyoto talks in 1997, there was concern that the world lacked enough ambition. It was Lord Prescott and a newly elected Labour Government, leading from within the EU bloc, who fought for the toughest target possible. The UK has done it before and we have to do it again. I hope Ministers and the Secretary of State will rise to that challenge, as Lord Prescott did.

We welcome the historic commitment by the G7, led by Germany, to agree to phase out fossil fuels by the end of the century, but let us be clear—that is 85 years from now, and the truth is that it would be better if we were able to go faster. That is why our own domestic

targets, enshrined in the Climate Change Act 2008, commit the UK to an 80% reduction of carbon emissions by 2050.

We need the UK Government to push for ambitious emission reduction targets for all countries, which the Secretary of State said she would. We need them strengthened every five years, based clearly on the scientific evidence, which she also accepted. We need to see net zero global emissions in the second half of this century, alongside transparent and universal rules for measuring them, which apply to all nations. It is simply not enough just to set targets if each country has a totally different method of accounting for its carbon emissions. Again, the Secretary of State appeared to be sympathetic to that call.

We also need a global deal that recognises the unique responsibilities of each nation. Richer countries that have played a far greater role in contributing to global emissions need to support and empower poorer nations, so that they can combat climate change and deal with its consequences. That point was made by the hon. Member for Aberdeen South (Callum McCaig), whom I welcome to his Front-Bench responsibilities.

Let us be clear: such a deal would be good for the United Kingdom. Achieving a global deal will mean reducing our own exposure to costly climate impacts, but it also presents an almost unparalleled economic opportunity to create new jobs and growth throughout the world. Many of our own citizens and UK companies could be part of that. The International Energy Agency, of which the UK is a member, expects nearly \$7.8 trillion to be invested in renewable energy over the next 25 years in what Lord Stern has described as the “new energy-industrial revolution”. The UK should take advantage of that rapidly growing market. It should grab a slice of the worldwide action to enable UK companies to innovate and succeed, creating the good jobs of the future here in the UK.

**Thangam Debonnaire** (Bristol West) (Lab): Will my hon. Friend join me in asking the Minister why the Government are not sorting out the chronically under-performing green deal, which could help to keep people warm, cut their fuel bills, tackle fuel poverty and create thousands of jobs, as well as cutting carbon emissions?

**Maria Eagle:** That is a good point, and I am sure the Minister will refer to it. My hon. Friend hardly needs me to reiterate it for her.

We must have an active industrial strategy for the green economy, with the potential to create 1 million new green jobs by 2025. We need a legally binding target to take the carbon out of our electricity supply by 2030, and we need borrowing powers for the green investment bank. We also need to protect our homes and businesses from the impact of climate change, including flooding. Opposition Members do not think that the current national adaptation programme is good enough to meet the challenges of the times, which is why we have called for a new national adaptation programme to protect our most vulnerable communities and ensure that all sectors of the economy are adapting to climate change. We also hope that the £83 million cuts in the budget of the Department for Environment, Food and Rural Affairs that were

[Maria Eagle]

announced last week will not come from the funds that have been set aside to maintain our existing flood defences.

The Government should accept that we cannot separate the need to take action on climate change from the need to protect nature. Climate change is a serious long-term threat to nature, but restoring nature is also part of the answer to the problem of reducing emissions and increasing our resilience.

It is not just the Labour party that has called for those developments. This morning, as was mentioned earlier, representatives of some of Britain's biggest businesses—including Tesco, Unilever, BT, and even Sky—wrote a letter to the Prime Minister, published in the *Financial Times*, warning that

“Failure to tackle climate change could put economic prosperity at risk. But the right action now would create jobs and boost competitiveness.”

This Government must wean themselves off the Chancellor's misguided idea that to be in favour of action to reduce carbon emissions and adapt to climate change is somehow anti-business. Persisting with that view will put at risk our ability to lead the world in securing high-skill jobs as we innovate our way to a low-carbon future.

In the run-up to the Paris climate negotiations, we need a Government that set out real solutions to the problem of reducing our emissions and adapting to climate change. If that is to happen, there must be a huge increase in commitment from the Conservative party. All too often over the past few years, what we have seen from it has been equivocation on the science, and warm words instead of real action. We have high hopes of the new Secretary of State: we hope that she will be able to change that. The last Government were too fast to slash investment in flood protection in the early years of the last Parliament, and even their revised plans following the 2013 winter floods actually allow an increase in the number of households that are at significant risk of flooding.

Over the past few months and years, the debate about our national security has been dominated by calls for 2% of our GDP to be spent on defence, but we have heard far less about the 2° target towards which we shall be working at this year's Paris climate talks. We need to hear more. If we fail to keep global climate change below 2° then I fear the threats to our national security in future will dwarf those that we face today. We could not, and we should not have to, justify to future generations why we failed to mitigate and adapt to climate change caused by human activity. The UK has a proud history. It falls to this Government to make sure it continues to have a good reputation. I wish them well and I hope they are up to the task.

6.50 pm

**The Minister of State, Department of Energy and Climate Change (Andrea Leadsom):** This has been a valuable debate on climate change and the international negotiations to secure an ambitious outcome in Paris in December. We have had some excellent maiden speeches and we have heard some knowledgeable and passionate views from Members on both sides of the House.

As many have rightly said, climate change is happening and is already impacting on our environment, economy and health. A global deal is the only way we can deliver the scale of action required, and it is the only credible way to drive down the costs of climate action. It will give a clear signal to businesses and investors that Governments are committed to delivering a global low-carbon economy. It will also give a clear message to our citizens that we are determined to ensure affordable, secure and cleaner energy for them, their children and grandchildren.

A global deal is fully in the UK's interests. It provides the route to leverage more from others without taking extra effort ourselves and, as a leader in green technology and innovation, our economy and competitiveness will benefit more from a global deal than without one.

**Cat Smith (Lancaster and Fleetwood) (Lab):** Will the Minister give way?

**Andrea Leadsom:** I am sorry, but there is not enough time.

In addition to the science and sustainability arguments, there is a compelling case to avert direct threats to the UK such as severe weather events from floods to heatwaves that can wreak economic and social damage, as well as indirect threats through global changes such as rising costs and regional instability. So it is vital that we act.

We had some excellent contributions including from the hon. Member for Aberdeen South (Callum McCaig), whom I had the pleasure of meeting in Aberdeen in my first week in this job. He talked about being collegiate and working together. He also talked about climate justice and I applaud him for his interest in that subject. He talked about onshore wind subsidies, recognising that this Government have a mandate to act to balance the views of local communities against the need for renewables. He has the opportunity to consider, and will be consulted on, those changes to subsidies and what Scotland can do for itself to maintain them if they wish to.

**Andy McDonald** *rose*—

**Andrea Leadsom:** I am afraid I cannot give way.

My hon. Friend the Member for Monmouth (David T. C. Davies) offered some challenging proposals, saying the climate is changing but that that is not necessarily man-made. I would say to him that there is a lot of evidence that the current level of atmospheric CO<sub>2</sub> concentration is unprecedented in the earth's history. The Royal Society has said:

“The present level of atmospheric CO<sub>2</sub> concentration is almost certainly unprecedented in the past million years, during which time modern humans evolved and societies developed.”

I can also tell my hon. Friend that when I met DECC's chief scientific adviser—an engineer, not a climate scientist—for the first time he told me that if we keep adding CO<sub>2</sub> we will warm the earth. We can argue about how much and by when, but I personally, with 25 years' experience in finance, tend to take the probability argument that it is not something I would want to bet against, so even if we do not accept the 2° argument, we must accept that we cannot take away the risk to our children and our grandchildren's futures. At the same time, I assure my hon. Friend that my priorities and

those of my right hon. Friend the Secretary of State will be to keep costs as low as possible, and to keep the lights on while delivering a secure and clean energy future.

The hon. Member for Southampton, Test (Dr Whitehead) talked about the fourth carbon budget and the importance of meeting it. He was concerned we may not do so. Interestingly, he talked about the cost, and I am glad to hear an Opposition Member talking about the cost of these things, as that is a huge priority on the Government Benches. He will appreciate that we are determined to meet our fourth carbon budget, but with a growing economy. We do not believe that decarbonisation and a growing economy are opposing goals. I am sure he knows that we intend to set our policies to meet our fourth carbon budget after we have announced the targets for the fifth carbon budget, which will be some time in the middle of 2016.

My hon. Friend the Member for Braintree (James Cleverly) made an excellent maiden speech in which he praised his predecessor, Brooks Newmark, for his brilliant intellect. I certainly remember Brooks from the Treasury Select Committee, and I am sure that, as a huge supporter of getting more women into Parliament, he would have been pleased to see today's all-female line-up on the Front Benches for this important debate. My hon. Friend gave us a wonderful insight into his lovely rural constituency and told us of his determination to defend and improve it, including by fighting for better road and broadband infrastructure.

The hon. Member for Ogmores (Huw Irranca-Davies) has great experience in the area of energy and climate change. He talked about his duty to his three children's futures. With three children of my own, I fully share his commitment to all our children's futures. He talked about love—feeling the love, sharing the love—which was a good, even heartfelt, way of approaching this subject. I am glad that he acknowledged the leadership shown by the Prime Minister in prioritising our low-carbon future.

My hon. Friend the Member for Twickenham (Dr Mathias) made a fantastic maiden speech without notes. She quite rightly paid tribute to the work of Dr Cable, and pointed out that she is the first woman MP for Twickenham. She said that she would put Twickenham first in everything she did. She is against expansion at Heathrow. She talked about culture, sport and science being great strengths, and about how Turner had painted the Thames from his home in her constituency. And of course Twickenham will be hosting the rugby world cup. Fantastic! She might not know that the National Physical Laboratory in Teddington in her constituency contains the centre for carbon measurement, which plays an important part in tackling climate change.

The hon. Member for City of Chester (Chris Matheson) also made his maiden speech today, in which he praised his predecessor, Stephen Mosley, for his work on the Science and Technology Committee. He talked about the importance of the high-tech manufacturing sector in the UK and said that many of the businesses in his constituency were involved in the aerospace, automotive and other high-tech industries. He emphasised the importance of supporting them. He also talked about the impressive history of Chester, about its giant-making legacy, which I think we all need to look into, and its financial services capability. He described Chester as a model for a mixed economy and expressed his gratitude to his constituents for voting for him.

My hon. Friend the Member for Warrington South (David Mowat) is extremely knowledgeable in the area of energy and climate change. He asked how we could get everyone else to do something that came close to the target in our 2008 Climate Change Act of reducing carbon emissions by 80% by 2050. He gave us cause for optimism by mentioning ideas and pointing out what we should be doing. He talked about what we had not done and what we needed to do, and I am grateful to him for his thoughts.

The hon. Member for Bristol East (Kerry McCarthy) spoke passionately about her need to see further and faster decarbonisation. I can assure her that we share her concern and her determination, but we believe that we can achieve decarbonisation with a growing economy. We do not see those two goals as mutually exclusive.

My hon. Friend the Member for Stafford (Jeremy Lefroy) talked about his considerable experience in fuel-poor developing countries and about the importance of smart grids and interconnectors. I can assure him that we share his interest in the vital importance of getting better and smarter, and in the grave importance of keeping manufacturing in the UK rather than driving it out by raising energy costs.

The hon. Member for Luton South (Mr Shuker) talked about fuel poverty in developing countries and about how the survival of people in Malawi, Uganda and Zambia was under threat from failed crops. He spoke passionately about the need for greater ambition, and we share that concern.

It is clear that the most cost-effective and competitive way to address the severe impacts of climate change is through an international legally binding rules-based agreement covering all 194 countries under the UN framework convention on climate change. Securing an ambitious deal is a priority for the UK Government and we are already working closely with our international counterparts to reach consensus. This can clearly be seen from the G7 summit last weekend, at which the Prime Minister, along with other leaders, prioritised an ambitious climate change package and agreed the language on the need for a deal in Paris on finance and on future ambition. Negotiations will not be easy, but we are making progress and we will work hard to achieve an outcome that keeps the 2° target within reach and puts us on the pathway towards a global low-carbon future.

As Margaret Thatcher said:

“No generation has a freehold on this earth. All we have is a life tenancy, with a full repairing lease.”

**Mr Alan Campbell** (Tynemouth) (Lab) *claimed to move the closure (Standing Order No. 36).*

*Question put forthwith, That the Question be now put.*

*Question agreed to.*

*Main Question accordingly put and agreed to.*

*Resolved,*

That this House believes that the UN Framework Convention on Climate Change conference in Paris in 2015 is vital in ensuring that the target of keeping global temperature increases below two degrees is met; further believes that the UK Government should push for ambitious emissions targets for all countries, strengthened every five years on the basis of a scientific assessment of the progress towards the two degrees goal, a goal of net zero emissions in the second half of the century, transparent and universal rules for measuring and reporting emissions, climate change adaptation plans for all countries, and an equitable deal in which richer

[Mr Alan Campbell]

countries provide support to poorer nations in their efforts to combat climate change; and further notes the importance of making adequate plans for domestic mitigation and adaptation and ensuring communities are protected from the worst effects of climate change, including flooding.

**Mr Speaker:** Perhaps I might gently appeal to Members who are unaccountably not staying for the Adjournment debate to leave quietly and with consideration for the hon. Member who has the debate, just as they would wish that courtesy to be extended to them if roles were reversed.

## Unduly Lenient Sentences

*Motion made, and Question proposed,* That this House do now adjourn.—(Margot James.)

7 pm

**Gareth Johnson** (Dartford) (Con): Thank you, Mr Speaker, I am pleased to secure this debate to highlight the unfair situation that exists with appeals against sentences in our criminal courts.

At present, the defence is able to appeal against sentences that are too harsh in almost all situations, whereas only in a very limited number of situations can the prosecution appeal against a sentence that is unduly lenient. Sentences given out for serious assaults such as actual body harm, malicious wounding, cannot be appealed against by the prosecution. Neither can sentences given for burglary, distribution of child pornography or causing death by careless driving, to name but a few. A worrying situation also affects youth court cases, as no sentence imposed there can be appealed against by the prosecution, and yet the youth court deals with some serious matters, including a limited number of rape cases. It is simply wrong that no safety net is in place for the victim of crime to respond to sentences that are too lenient.

I spent 20 years working in the criminal justice system. In my experience, judges and magistrates generally get sentences right, but it would be naive in the extreme to believe that that is always the case—it simply is not. Sometimes our courts get things wrong and impose sentences that are unduly lenient, and it is wrong that in most cases absolutely nothing can be done about it. We should not be telling victims of a serious crime who have had their suffering compounded by a pathetic sentence that there is nothing that can be done, but that is exactly what happens today. It is something of a cliché, but we need to see the scales of justice balance—they should not favour one side or the other, if possible. That is not the case now in appeals against sentence. That needs to change.

During the previous Parliament, I sponsored a private Member's Bill to widen the scope of situations in which the prosecution could appeal against lenient sentences. Unfortunately, that Bill did not make it on to the statute books, but I was pleased to ensure that the Conservative party manifesto included a commitment to tackle the issue. I am sure that the Solicitor General knows every word of the Conservative party manifesto, but for those who are unaware of it, page 60 of the manifesto specifies that

“To tackle those cases where judges get it wrong, we will extend the scope of the Unduly Lenient Scheme, so a wider range of sentences can be challenged.”

That was the wording of the manifesto that Conservative candidates stood on at the recent general election. I hope that the Solicitor General will ensure that that commitment is honoured and that we implement this extension in a timely manner.

**Jim Shannon** (Strangford) (DUP): In Northern Ireland, we had an animal cruelty case where a father and two sons were sentenced but the judge could not give a custodial sentence, even though he wanted to. Sometimes we have an opposite effect to the one the hon. Gentleman describes. Is it not also important to have laws that can actually punish people for doing wrong things?

**Gareth Johnson:** The hon. Gentleman hits the nail on the head, because the criminal justice system is there to ensure that justice prevails. It is incredibly frustrating and hurtful for victims of crime not to see justice being meted out on their behalf. In both the situation I was describing and the one he described, what happened was wrong. The system has failed if it does not ensure that people are punished appropriately. I am happy to accept that it is not always the judge's or magistrate's fault; sometimes their hands are tied. This place therefore needs to look at how it can improve the law to ensure that such situations are eradicated as much as possible.

Let me take this opportunity also to thank the Solicitor General for taking this issue incredibly seriously and for going about things in his customary courteous manner. I pay tribute to the way he has approached this whole subject, and I am grateful to him. This is a serious issue. There have been a number of examples of offenders having been given weak sentences for nasty offences, yet when a complaint has been made to the Attorney General to seek an appeal, the Attorney General has been powerless to act.

Just this year, at a secondary school adjacent to my constituency, we had a case where a teacher had entered into an inappropriate relationship, over an 18-month period, with a 15-year-old pupil. That teacher received a suspended sentence, and when that sentence was, understandably, referred to the Attorney General by aggrieved persons, there was absolutely nothing the Attorney General could do about it. Under my proposals and the Conservative party manifesto, that would change. This basic protection for the victims of crime needs to be introduced. Just as it is right to have a safety net for the defence, there needs to be a safety net for the prosecution. The criminal justice system is there to protect the vulnerable. Its primary function is to protect, and it currently fails to do that in a host of situations where an unduly lenient sentence is imposed on an offender. That situation has to change.

7.7 pm

**The Solicitor General (Robert Buckland):** It is a pleasure to reply to the debate called by my hon. Friend the Member for Dartford (Gareth Johnson), and I thank him for allowing this important issue to be aired this evening. In doing so, I pay warm tribute to him for his commitment to reform in this area over a number of years. He came to this House with a wealth of experience in the criminal law in his practice, and he and I struck up a friendship because of our common understanding of the criminal law and our mutual experience in criminal practice over the years prior to our entry to this House. Therefore he speaks with particular knowledge about these issues. But he also speaks as a Member of Parliament, representing thousands of people who, like all of us, expect to see consistency and a correctness of approach to criminal sentencing from the judiciary.

It is right for me to say that Her Majesty's judges do a tremendous job on the sentencing of offenders; they deal, week in, week out, day in, day out, with a variety of sometimes difficult and complex cases, and it is right for me to thank them for all the work they do. But the issues that my hon. Friend raises are important, because there will be times when errors are made. It is perhaps right for me briefly to remind the House that the unduly

lenient sentence scheme, which has been operating for just over 25 years, was introduced, in a way, to deal with that concern. Prior to it, there had been no means of increasing a sentence for any criminal offence once it had been passed by the courts.

The scheme was brought in because of a public outcry over a case that many of us will remember—the Ealing vicarage case. A gang of men broke into the vicarage. There were several victims. The vicar, Michael Saward, was severely injured and Jill Saward was raped. When the four offenders were sentenced some 11 months later, there was a public outcry when the men received higher sentences for the burglary than for the rape. I take the opportunity to pay warm tribute to Jill Saward, who, in the years since, has been a redoubtable campaigner on behalf of victims of sexual violence.

The Criminal Justice Act 1988 introduced for the first time a mechanism by which sentences could be increased by the Court of Appeal. Sections 35 and 36 provide the Attorney General and the Solicitor General with the power to refer sentences passed in certain Crown court cases to the Court of Appeal for review if the sentence is considered to be “unduly lenient”.

Parliament imposed strict safeguards when that power was created. The power had to be exercised personally by the Attorney General, or by the Solicitor General on the Attorney General's behalf, in relation to indictable only offences or certain either-way offences specified by order, and only where it was considered that the judge had made a gross error in sentencing. Creating a power to correct these grossest sentencing errors was, and remains, the key mechanism to ensure that public confidence in the criminal justice system is maintained when unduly lenient sentences are passed.

It is important to note that it is not a prosecution right of appeal. It is as guardians of the public interest that we, the Law Officers, exercise the power to refer cases. In other words, it is a power exercised independently of Government, but by a Minister. The power to refer a case is subject to an absolute time limit of 28 days from the date of sentence.

A Law Officer considers all cases personally. It is very important that the filter is dealt with by the Ministers themselves. The Attorney General and I feel that that is a vital part of the system. Cases may be received at any point in the 28-day period. Although some cases are referred for consideration by the Crown Prosecution Service, anyone can make a complaint about a referable sentence, including members of the public, and it will be carefully considered.

The power to refer applies to all “indictable” only offences—offences that can be dealt with only by the Crown court—which include murder, manslaughter, causing death by dangerous driving, rape, robbery, wounding with intent, and many others. It also applies to certain either-way offences, which have since been specified and added by order. That phrase means offences that could be dealt with in the magistrates court as an alternative to the Crown court.

The various orders that have been made pursuant to the Criminal Justice Act 1988 were consolidated by an order made in 2006, which ensured that the ULS scheme now also applies to a number of sexual offences, some drugs offences, child cruelty, threats to kill, and offences that have been racially or religiously aggravated.

[*The Solicitor General*]

Most recently, from July last year, we, as Law Officers, have been able to consider whether a sentence imposed for an offence under section 71 of the Coroners and Justice Act 2009 is unduly lenient. I know that the right hon. Member for Slough (Fiona Mactaggart) will be interested in this, because that is an offence of holding a person in slavery or servitude and requiring a person to perform forced or compulsory labour.

However, it is this incremental process of adding offences that has led to the current formulation of the scheme, and I acknowledge that there are inherent anomalies, which my hon. Friend has described very clearly. I shall return to that point shortly. Much more often than not, we decide that sentences referred to us are not unduly lenient. However, I am proud to say that, in referring cases to the Court of Appeal, we have achieved some considerable successes. I am talking not just about the high-profile cases, involving well known offenders such as Stuart Hall, but much more widely.

In one recent case, which I presented in the Court of Appeal—it is an important principle that Law Officers go to court to present cases on behalf of the Government to make the point that the public interest is being served—the offender was convicted after trial of the attempted murder of three sisters from the United Arab Emirates who were on holiday in London. During a burglary of their hotel room, he attacked the women with a hammer, causing life-threatening injuries. The Court agreed with me that the 18 years minimum term of imprisonment was unduly lenient and increased it, so that the offender must serve 27 years before he is considered for release. The presence of children during the serious attack and the use of gratuitous violence with a weapon were among the serious aggravating factors.

In another example, a referral was made in a case involving the sexual abuse, including rape, of a six-year-old girl by a male offender, who was assisted by his female partner. The Court of Appeal agreed that the original sentences were unduly lenient and increased the male offender's total sentence from 12 to 19 years' imprisonment. The Court found him to be a dangerous offender and therefore ordered that there be a five-year extended licence period after the 19-year term finishes.

Those are two important examples of cases where great damage has been caused to victims and in which the ULS scheme has played an important role in securing justice for them. There are many more such cases.

The high-profile nature of the ULS scheme in the recent past has meant that the number of referrals has been steadily increasing as awareness of the scheme widens. Very shortly, detailed figures of the latest trends within the scheme will be published, and I think they will show that the public are becoming more aware of, and more prepared to use, the scheme.

The Government will take very careful note of what my hon. Friend has said, and we will set out our plans as soon as is practicable. It is clear that at present there

are inconsistencies and anomalies in the scheme, which the extension will seek to address. Both the Attorney General and I are very clear on that point, and we understand the concerns where offences—often serious offences—do not appear in the scheme, seemingly without a clear legal, or indeed logical, explanation.

I recognise that my hon. Friend and, indeed, all my hon. Friends are keen to see the Government make progress on a clear manifesto commitment. I hope I can reassure them when I say that work is very much under way with a view to delivering on that, and that the Prime Minister has been very clear that we will deliver on all our manifesto commitments.

**Karl Turner** (Kingston upon Hull East) (Lab): What do the Government plan to do? Are they suggesting, for example, that they would include all either-way offences, or just some? Will they include only serious either-way offences?

**The Solicitor General:** That is an entirely proper question and we are developing our view. All matters need to be considered and it would be wrong of me to prejudge or ordain the outcome today, but I can reassure the hon. Gentleman. I know that he shares a passion for ensuring that victims of crime are protected. He took important amendments to the criminal law on sentencing though this House in the previous Parliament, and I pay tribute to him for that, but I am sure that he would be the first to understand that there needs to be careful consideration, and that this will be done as soon as is practicable.

**Fiona Mactaggart** (Slough) (Lab): Will the Solicitor General consult with victims' organisations about what the scheme should look like, and how will he do that?

**The Solicitor General:** It would be a bit premature of me to sketch out a detailed version of what could be a consultation process, but I take what the hon. Lady says on board. I think she would agree that we need careful consultation rather than to come up with a glib and easy answer that would not be in the interests of victims. I will bear what she says in mind and will consider the matter carefully as we move through this process.

We must seek to ensure that a balance continues to be struck between a manageable system that enables truly exceptional cases to be referred to the Court of Appeal and ensuring that victims and the wider public, including hon. Members, have an opportunity to raise concerns when they arise. I thank my hon. Friend the Member for Dartford once again for raising this important element of the Government's criminal justice policy. I hope that he is reassured that we will pay the closest attention to what he and others have said and will continue to say as the Government take forward our manifesto commitment to extend the unduly lenient sentence scheme.

*Question put and agreed to.*

7.20 pm

*House adjourned.*

# Westminster Hall

Wednesday 10 June 2015

[MR GARY STREETER *in the Chair*]

## FIFA

9.30 am

**Damian Collins** (Folkestone and Hythe) (Con): I beg to move,

That this House has considered the UK's relationship with FIFA.

It is a pleasure to serve under your chairmanship, Mr Streeter. At the start of my remarks, I welcome my hon. Friend the Member for Chatham and Aylesford (Tracey Crouch) to her position, for the first of what I am sure will be many sterling debates and sterling performances as the Minister for sport. I congratulate her on her appointment.

The purpose of this debate is to consider the UK's relationship with FIFA: not just the English Football Association but the football associations of Scotland, Wales and Northern Ireland; not just the relationship between the football bodies and FIFA, but FIFA's relationship with the Government and any other UK commercial interests, too. The timing of this debate has undoubtedly been influenced by the dramatic events that unfolded in Zurich just over a week ago, with the arrests of 14 FIFA officials in an operation led by the FBI and carried out by the Swiss investigatory authorities. It poses the question of what our response should be to those dramatic events and to the new timetable for the rest of this year, now that Sepp Blatter has announced that he will be stepping down from the FIFA presidency. In my opening remarks, I will address how we got to our current position and the responses to the crisis that the UK should consider.

The events in Zurich come as no surprise to people who have followed the FIFA saga for a number of years. Earlier this year, I became a founder member of a new international campaign group, New FIFA Now, to push for change and reform in FIFA by forming an alliance of politicians, business people and people in the media to create external pressure on FIFA. In April, New FIFA Now published the results of a global survey of well over 10,000 football fans from across the world: 97% of respondents had no confidence in the leadership of FIFA, and 69% of respondents felt that there should be a full and open inquiry and investigation into the allegations of wrongdoing at FIFA.

In 2011, when I was a member of the Select Committee on Culture, Media and Sport, the Committee considered matters of concern regarding the World cup bidding process completed in 2010 that awarded the rights to host the tournaments in 2018 and 2022. In that debate I used parliamentary privilege to raise concerns that had been brought to the Committee's attention in evidence submitted by *The Sunday Times* insight team. That evidence alleged that two FIFA executive committee members, Issa Hayatou and Jacques Anouma, received \$1.5 million in payments to support the Qatar bid for the World cup, linked to their votes in the process to

award the rights to host the tournament. Lord Triesman came to the same Select Committee hearing to make his own allegations about approaches that he had received during the World cup bidding process from other FIFA officials who had either solicited bribes or favours from him. He named Mr Makudi from Thailand, Jack Warner, Nicolás Leoz and Ricardo Teixeira.

It is interesting to note what has happened to some of those individuals over the past four years. Issa Hayatou was reprimanded by the International Olympic Committee for receiving improper payments from sports marketing company International Sport and Leisure in relation to the awarding of rights. Jacques Anouma was accused of receiving bribes by Phaedra al-Majid, the Qatari whistleblower who worked on the Qatar World cup bid and is now living in the United States after making her allegations about that bid. Jack Warner was involved in the scandal over the attempt to buy votes in the FIFA presidential election, and he is on Interpol's wanted list following a request for him to co-operate with the FBI investigation that came to such a dramatic conclusion with the issuing of arrest warrants in Zurich just over a week ago. Similarly, a warrant has been issued for the arrest of Nicolás Leoz. Ricardo Teixeira, the former head of the Brazilian football association, and who was named by Lord Triesman, was removed from his position in world football after being found guilty of receiving bribes that, again, were linked to the ISL sports marketing corruption case, in which payments were made to FIFA officials in relation to their support on contracts awarded for World cup broadcast footage and World cup marketing rights. Ricardo Teixeira, along with the previous president of FIFA, João Havelange, allegedly received \$41 million-worth of payments in relation to ISL.

**Jesse Norman** (Hereford and South Herefordshire) (Con): My hon. Friend is making a brilliant speech, rightly showing how the culture of corruption at FIFA, which he identified so early, has embedded itself over many years. By mentioning Mr Havelange, he points to its rising up the organisation—I hope he will discuss how that has transpired. Does he share my view that not only is FIFA rotten from top to bottom but that the response last week from Mr Warner in particular was a remarkable reaction to the revelations?

**Damian Collins:** My hon. Friend is right. We are talking about a widespread, systemic failure of an organisation—widespread corruption—and the role of Jack Warner in this is key. He has said that he has handed to the FBI an “avalanche” of evidence, which includes references to Sepp Blatter himself. I think it is highly likely that Sepp Blatter will be asked to co-operate with both the FBI investigation and the Swiss authorities' criminal investigation into the World cup bidding process.

**Mark Field** (Cities of London and Westminster) (Con): My hon. Friend's concerns about the systemic corruption within FIFA have been known for some time, but does he share my concerns about why the Football Association decided in 2010 to bid for the World cup in 2018? If FIFA is rotten to the core, why was British football having anything to do with this matter?

**Damian Collins:** I agree with my right hon. Friend. It has been known for a long time that there are systemic problems within the organisation of FIFA. The England

[*Damian Collins*]

World cup bid, although it was commendable and carried out with a degree of vigour by all who took part, was always doomed to failure, largely for the reasons set out to the Select Committee by Lord Triesman: for their necessary support, members of the FIFA executive committee wanted to be rewarded in whatever way they saw fit. The allegation that Lord Triesman made about Jack Warner was that he solicited bribes so that he could personally profit from his role within football, which is also the case with most of the other allegations: people sought to profit personally from their positions in world football. The FBI has gone through that in some detail in its report.

**Mark Field:** I understand what my hon. Friend says: the bid was doomed to failure, which we can see even without 20/20 hindsight. The broader issue is why on earth the FA had anything to do with this organisation. It was well understood that FIFA was a corrupt organisation, and in a sense our own footballing organisation, which is not without its own problems, as we are well aware, is now complicit after trying to secure the 2018 World cup. Indeed, any talk now of a World cup being awarded to us at some point in the near future without cleaning the stables seems to be entirely wide of the mark.

**Damian Collins:** We have seen allegations of corruption going back for almost the entirety of Sepp Blatter's presidency of FIFA, and before that, too. The process that concluded in 2010 for the rights to host the tournaments in 2018 and 2022 was on a previously unseen level. The Football Association may have been aware of some of the murky waters it was getting into in bidding for the World cup but nevertheless thought that it could make a good, strong case. The fact that England had the strongest technical bid but received only two votes is testimony to the fact that footballing grounds were not the key defining factor for the members of the executive committee who voted. It should also be noted that seven of the 22 people who voted on where the World cup should be played have already had to resign from their positions in world football due to corruption, and others are still under investigation.

**Mr Gregory Campbell** (East Londonderry) (DUP)  
*rose—*

**Damian Collins:** I give way to the hon. Gentleman.

**Mr Gary Streeter (in the Chair):** Order. Before Mr Campbell speaks, may I gently point out that seven Back-Bench colleagues wish to speak in this debate, and the more interventions that are taken, the less time there is for everybody? But let us hear from Mr Gregory Campbell.

**Mr Campbell:** Thank you, Mr Streeter, for that clarification. I will be brief.

I congratulate the hon. Member for Folkestone and Hythe (Damian Collins) on securing a very timely debate. He talks about “murky waters”. Does he agree that, somewhat closer to home, we have the issue of the Football Association of Ireland apparently using £5 million that was initially a loan from FIFA, but then became a donation, to help to rebuild the stadium in Dublin?

**Damian Collins:** The hon. Gentleman makes an important point. Again, that is a very unusual payment that was received by the FAI. It was kind of “cash for no questions”—for not seeking to make a complaint against FIFA because of the incident involving Thierry Henry's handball in the World cup qualifying match against Ireland. It just shows the extraordinary way in which FIFA works that these sorts of irregular payments were made.

Before I move on to look at some of the issues that we have to address, another good example of FIFA's behaviour has been provided by the recent revelations around the unusual \$10 million payment that was made, linked to the South Africa World cup. A request was made for \$10 million to support football projects relating to the African diaspora living in the Caribbean. That money was to be paid by the South Africans. They did not want to pay it, so instead FIFA took the money out of the budget that would have gone to South Africa as the host nation for the World cup. It would seem that that money was then paid to officials in the Caribbean, particularly Jack Warner. We now know from the evidence that he has supplied that he used that money personally, and potentially laundered some of it through a supermarket chain in Trinidad.

All of that prompts some questions. Who sanctioned those payments? FIFA said that it did not know anything about them, but it now looks like FIFA Secretary General Jérôme Valcke did know about them. Why were they sanctioned? Clearly, there was absolutely no follow-up at all on how the money was spent—whether it was ever received by the people who were intended to receive it and whether it was ever used to benefit football development projects in the Caribbean, which was allegedly what the money was for, unusual though such a payment was. That is another reason why we should be angry: not only have people have sought to make themselves rich from their positions in football and been greedy in doing so, but they have done it by taking money away from football development projects that should have been there to support some of the poorest people in the world by improving their life chances and access to sporting facilities. It is the poor who have been exploited by FIFA's greedy officials.

The allegations have run for a number of years now. The allegations that I set out earlier, which were made in front of the Select Committee in 2011, were given pretty short shrift at the time by FIFA, which felt that there were no grounds for further investigation. Under pressure, FIFA then commissioned its own report, led by an American attorney, Michael Garcia, to look at wrongdoing in the World cup bidding process. Members will be well aware of what happened to that report. It was always a very limited report—Michael Garcia had no legal power to subpoena witnesses or evidence and he was very restricted in what he could do. Nevertheless, he was supposedly very critical of the culture of entitlement that existed in the FIFA executive committee, and he argued that it needed wholesale reform. FIFA's response to that investigation was to seek to suppress the report entirely. Instead, it published a summary, which the author of the report said bore very little relation to the thrust of the arguments or the serious charges that he had made.

One or two other key issues also have to be considered, particularly relating to the World cup in Qatar. Many people were surprised that Qatar was chosen. The country

had no football tradition or football facilities and was bidding on the premise of hosting the World cup tournament in the summer. During the period of the 2014 World cup in Brazil, the average daytime temperature in Qatar was over 40° every day. Many people thought that the bid was clearly not a serious starter. However, there are now other serious concerns. First, there are concerns about the consequences for world sport—including our own football leagues and indeed all European sporting leagues involving winter sports, not just football—of moving the Qatar World cup to the winter. Secondly, there are the real concerns raised about the workers in Qatar who are building the World cup facilities, including many men from Indian and Nepal.

Reports have suggested that more than 1,400 workers have already lost their lives, and the campaign Playfair Qatar has suggested that 4,000 people could lose their lives building not only the football stadiums themselves but all the support facilities needed by Qatar to host the World cup. This is a matter of genuine concern. We know that when London hosted the Olympic games there was incredibly close scrutiny of the rights, including labour rights, and conditions of the people working here. Similar rights and conditions should apply to people working on projects linked to the World cup in Qatar. I was also very disturbed to read reports that, because of the kafala system that operates in Qatar, many workers have very few individual rights. Some Nepalese workers were not even allowed to return home to Nepal to attend the funerals of family members killed in the recent earthquakes. FIFA should be doing a lot more about this as well. We also have a role in asking why more is not being done by FIFA and the international community to insist on higher standards of rights in Qatar.

The World cup bidding process was a flawed process; it was corrupted because of the actions of people involved in it. The best thing for football now would be to order a rerun of the contest to host the tournament, inviting everyone who was part of that contest to rebid for the chance to host the World cup tournaments in 2018 and 2022, and then let us stand by a new process that is open, honest and clear. If that does not happen and FIFA does not do that, I believe we will end up in the position of having to reconsider whether those tournaments are played anyway, because of the charges arising from the current Swiss criminal investigation into that World cup bidding process. It is notable that the Swiss legal authorities are the only people outside the most senior people at FIFA to have seen the Garcia report, and that, having read it, they have opened a criminal investigation into the matters covered by the report.

I will try to be as brief as I can, Mr Streeter, to allow colleagues to participate in the debate, but there are some serious questions about what the UK's response to this situation should be. The first question is about the Serious Fraud Office. In a debate in the main Chamber in December 2014, I raised the role of the SFO and I have corresponded with SFO officials on a number of occasions about their jurisdiction to act. FIFA clearly has commercial operations linked to the United Kingdom, as it sells broadcast rights to its football matches and tournaments here, so I believe it falls within the general jurisdiction of the SFO to examine matters relating to FIFA.

We know that the SFO can look at matters relating to the England World cup bid. It has been widely reported that a secret dossier was compiled by the Football Association that looked into the World cup bidding process, including the movements of members of FIFA's executive committee and what other bid teams were doing. It has also been reported in the media that the FA has given the SFO full access to all the documents relating to the World cup bidding process, including those that had not been published before. Will the Minister ask her colleague, the Solicitor General, whether the SFO can now make a statement about exactly what actions it has taken, whether it intends to consider opening its own investigation into FIFA, and whether it can at least confirm that it is fully co-operating with the investigations being led by the FBI and the Swiss authorities? We should at least be clear about the role that the SFO is playing, because it clearly has a role. I believe that it has a role to play in launching its own investigation into FIFA, but it certainly has a role in supporting other investigations that are happening.

We should also continue to apply the pressure on FIFA's major commercial sponsors—companies such as McDonald's, Coca-Cola and Visa. Finally, in the last few weeks those sponsors have started to speak up about the need for reform, and suggested that without reform they will withdraw their commercial sponsorship. Many people believe that it was conversations behind closed doors early last week that led to Sepp Blatter reconsidering his position in world football because of that pressure from commercial sponsors. They have a role to play in keeping that pressure on FIFA, as do our FA and the other major football associations around the world, including UEFA. It is the commercial strength of football in those countries, led by the football fans in those countries who pay to buy the merchandise, to subscribe to TV channels to watch football being played and to travel to watch matches live in stadiums—that is important. It is the money of fans in countries such as the UK that puts the money into world football that FIFA benefits from, and it will be the threat of the withdrawal of that funding by nations boycotting FIFA tournaments and by commercial sponsors ending their support that leads to real pressure for change.

Just because Sepp Blatter announced last week his intention to resign the FIFA presidency, we should not believe that there will be an immediate change in FIFA. FIFA has confirmed—it was reported by the BBC this morning—that the timetable set is that the FIFA congress will meet on 16 December to elect a new president. From now until then—for the remainder of this year—Sepp Blatter will be there, pulling the strings and managing the process of “reform”. He will be seeking to ensure that the next president of FIFA is someone who will look after him in the same way that he, for so many years, looked after Havelange, covering his tracks and mistakes and protecting the old guard. That is what we are seeing again now. It is like the dying days of some old Soviet republic, where the old guard are rallying round each other and trying to save the whole operation, and it cannot be allowed to happen. The external pressure that we can exert by debating matters relating to FIFA in this Chamber, and by questioning sponsors and football associations, is essential to keep the pressure on FIFA.

[*Damian Collins*]

I have a final question for my hon. Friend the Minister. I know that she has already written to the Sports Ministers across the European Union. Will she use her offices to keep the pressure up on the Sports Ministers and Governments of other European nations to question their local football associations? We can work together to ensure that pressure on FIFA from Governments and the media continues until there is real change and reform. I believe that that change should include Sepp Blatter's immediate removal as president, and an interim team of respected people in world sport should be brought in. Those people do not have to be from football. People from outside can come in to clean out the yard and lead a real reform process and set in place proper elections in future that will involve people who are not tainted by the corruption of the past.

I believe that things will get a lot worse for FIFA before they get better. The FBI and Swiss investigations will go right through the organisation and expose any wrongdoing and incorrect payments. This could involve a large number of people who have been part of the Blatter years. It is time we had a clear-out and the UK has a role and a voice in making sure that happens.

**Several hon. Members** *rose*—

**Mr Gary Streeter (in the Chair):** Before I call Mr Evans to speak, let me say that wind-ups will begin at 10.30-ish, so we have about 40 minutes for seven speakers. That is about five and a half minutes each, colleagues, if we can restrict ourselves to that.

9.50 am

**Chris Evans (Islwyn) (Lab/Co-op):** I will try to keep my remarks brief, Mr Streeter.

I congratulate the hon. Member for Folkestone and Hythe (*Damian Collins*) on an excellent speech—probably one of the best I have ever heard. He proved that football at its best brings people together; it is clear, looking around the Chamber, that that means even the Tories and the Labour party. It must be the only thing that can do that. I also congratulate the Minister. I have known her a long time, since I was elected to the House. Sometimes she has been kind to me and sometimes unkind; I hope that today she is kind.

FIFA is rotten to the core and has been for a number of years. Stanley Rous was elected in 1961, Havelange took over in 1974 and Sepp Blatter became president in 1998, so FIFA has had only three presidents. During the same period, the United States of America has had 10 men as President and Great Britain has had nine men and one woman as Prime Minister. FIFA has been corrupt in full sight. Governments have come and gone and complained about its behaviour, but still the corruption has carried on.

As the hon. Gentleman said, as the FBI and the Swiss begin their investigations, there is a danger that FIFA will close ranks, as it has in the past, and continue to pay lip service to reform. I have sympathy with what the hon. Gentleman said about Sepp Blatter's announcing his resignation but still being in post for four months. Someone who announces their resignation because of corruption should go straight away.

I agree with the hon. Gentleman that an independent body should now be set up to consider whether we have to re-vote on the World cup in 2018 and 2022. Anybody who has seen the bidding process for Qatar, whether involved or not, knows there is a serious problem. We are still unclear about when the World cup will be held. There could be severe disruption to the football season in this country, and in others, as we hope for the weather to be cooler.

Disciplinary processes are akin to those that Don Corleone might have used. Anybody who challenges Sepp Blatter's power seems to find themselves suspended from FIFA. Even Prince Ali, who bravely challenged Sepp Blatter, said afterwards that he stopped his campaign because he did not want other football associations to get into trouble. He said that about a sporting organisation in the 21st century. That is a matter of concern.

A lot of people have said that the International Olympic Committee is the model to look at. Yes, there have been problems with the IOC in the past, but it has the seeds of a model that should be considered. During Olympic bids, people are forbidden from meeting the electorate. An expert inspection team is sent to the country to see whether it is fit for purpose and, if it is, it is put into the shortlisting system. That should be said. I also believe that the 209 members should be allowed to vote.

This is all just lip service and a talking shop at the moment. As the hon. Gentleman said, the Serious Fraud Office should be involved with the investigations by the Swiss authorities and the FBI. However, Governments can only do so much. There has to be a collective will. I should like FIFA to be disbanded and a new organisation to be formed. I would even go as far as to say that I should like the IOC to take over FIFA and carry on with a bidding process.

**David Simpson (Upper Bann) (DUP):** The hon. Gentleman is making an important point about the reforms. We can call for FIFA to be reformed, but how deep can we really go with the current structure? The hon. Gentleman makes a good point: a completely new organisation is needed.

**Chris Evans:** We need a completely new organisation without the Byzantine committees that seem to keep people in power. I am deeply concerned that, however much the Minister writes to other Sports Ministers or the FA threatens boycotts, the fact is that the French football association, along with other European countries, voted for Sepp Blatter's re-election. UEFA and Michel Platini followed the line and supported Qatar. I will be honest and say that, although I admired Platini as a player, I do not admire him as an administrator. Even UEFA is not able to clean up its own act, let alone FIFA.

I should like the Minister to say what concrete action the Government are taking. But the issue is not just for this Government; there needs to be collective will among Governments around the world to bring about real change.

At the end of the day, football is not about the likes of Sepp Blatter, Jack Warner or the administrators of football associations taking bribes; it is about the kids who play on scrap land, wearing replica shirts, and about how a football—an actual ball—can bring people together. That is what is often missed. The people who

are being betrayed are people like me, who had football posters on their walls at age 10 and wore the replica shirts. I was not the only one. Millions of kids all over the world are being betrayed by Sepp Blatter and his cronies. We need to clean up football now.

9.56 am

**Damian Green** (Ashford) (Con): I congratulate my hon. Friend the Member for Folkestone and Hythe (Damian Collins) on securing this debate, which has attracted so much interest—and not just from hon. Members running for chairmanship of the Select Committee on Culture, Media and Sport. That shows how important this issue is. I also congratulate him on being involved, rightly, in the campaign for a long time.

In the interests of brevity, I will make one point and give five thoughts specifically to the Minister about things that the British Government and other authorities could do in the coming months. There is a danger in saying that football is in crisis. Football is not in crisis: FIFA is in crisis. The love of the game all around the world is not diminished by this terrible crisis and this terrible, corrupt organisation. The situation just makes fans angry. I watched the champions league final in a bar in Italy on Saturday night and I can reveal that it is not just in this country that passions run high. It was a good place to watch the match. The bar owner was an Inter fan, so he was supporting Barcelona, which made it more complex.

The love of football is palpable around the world and will not be affected by these issues. However, it is vital for football fans around the world that the top of the game should be brought back to a position where we can all respect it as an institution. Here are five thoughts for the Minister about what the British Government and authorities could do.

First, they could check whether any UK institution or individual has been or is still involved in any corrupt activity. My hon. Friend mentioned the SFO investigations. Other bodies, such as banking regulators and financial services regulators, may wish to be involved as well, because it is unlikely that some of the money floating around has not passed through British hands at some stage. It is important for our reputation as a country that we are as vigorous as possible in pursuing any problems in that area.

Secondly, we could redouble existing efforts to ensure that we have systems in place to stop any potential for bribery and corruption inside the British game, because large sums slosh around British football as well, most notably in the award of television contracts. I should place on the record that I am not remotely aware—and I do not think anyone else is—of any impropriety in any bidding process at any stage, but it would be good to be reassured that that will continue. Those efforts should also extend to the increasing prevalence of gambling, particularly in-play gambling on games. Anyone who watches football on television will know that most ad breaks are now full of gambling adverts. We know that gambling has led to corruption in other sports, so football fans deserve reassurance that that kind of thing cannot happen in the British game.

Thirdly, the British authorities could offer advice on long-term governance, either directly or through other institutions. I am sure that the Department for International Development has developed great expertise in recent

years in trying to ensure that money is distributed as honestly as possible. We all know about the problems with corruption in aid money over the years, and certain practical measures obviously should be taken, such as term limits on the officials who have the power to grant money.

Other Members have already mentioned the ridiculous committee system at FIFA. Certainly ExCo is a FIFA body that should go. There should be non-executive directors who do not have any direct executive powers on all FIFA boards and an audit of disbursement for football development. For obvious reasons, the people who are voting on World cup bids should not be responsible for disbursing money. It may well be that other institutions, such as Transparency International, which has expertise in this field, should be involved.

Fourthly, it is important that we do not look as though we are just, as a country and in particular as a Government, getting involved as an attempt to revive our World cup bids. Of course we would all love to host the World cup—we could host a brilliant World cup in this country at short notice—but nevertheless, it is more important in the long term to clean up FIFA, and to do that we will have greater power and a greater voice in the world if it is obvious that we are not simply doing something for national self-advantage. It is absolutely right that we keep up pressure on whether the World cup should be held in Qatar, for all the reasons that my hon. Friend made clear. That terrible figure of 4,000 workers who may have died in constructing the stadiums contrasts with the London Olympics, where one worker tragically died in the building of all those stadiums.

The fifth point is simply that we should all redouble our efforts to ensure that we have a free and energetic press and media in this country. Along with the campaigning of my hon. Friend and the various organisations he mentioned, the existence of a free and vigorous press has played a significant role in exposing the corruption at the heart of FIFA.

Those are five things that the Government could do. As a final thought, they should work on the principle of not doing things that disadvantage football fans. Let us not talk cheaply about boycotts or withdrawals or other things that would not have much effect on FIFA, but would have a significant effect on football fans in this country. There is a huge job of work to be done, and the British Government can play a constructive role in helping that along. I am sure that the Minister will wish to do that.

10.3 am

**Jim Shannon** (Strangford) (DUP): It is a pleasure to speak on this subject. First, I congratulate the hon. Member for Folkestone and Hythe (Damian Collins) on securing the debate. Over the past three years, he has shown a deep interest in the subject. He was one of the first to promote it and ask questions on it in the Chamber, and those questions were followed up, so it is good to have this debate today. Everything he said has been proven to be true. I also congratulate the Minister on securing her new position. I had her over to my constituency, where she visited the local girls football team and had a chance to encourage them, and it is nice to see her in a role that relates to a subject she enjoys. We look forward to hearing her responses to our questions.

[*Jim Shannon*]

This debate is important and timely. We all share in the jokes about our football teams. Football crosses political, religious and social divides and brings us together. When we put on the red and blue scarf of Ards football club, or the blue of Leicester City or of Rangers, and get behind our team, it brings us together; that is what it is about. Looking back at what has happened, we cannot help but be saddened for the fans, the game and the future of football. I emphasise that we should not see the game of football as marred or muddied. We should recognise that the individuals behind the actions that have come to light do not reflect those who love the game, watch it with delight and participate; instead, they seek to exploit it and its integral competitive nature for self-gain and greed. Clear examples of that have been given by the press and Members in the Chamber today. We must look towards football fans the world over and ensure that they can be satisfied that football remains the beautiful game.

The past few weeks have perpetuated concerns and thrown FIFA into disarray. They have also thrown into contention the viability and integrity of the Russian and Qatar World cup bids, as the hon. Member for Folkestone and Hythe said. Those bids are clearly questionable and have to be looked at. It is no coincidence that many players and associations are disillusioned with FIFA. I will mention one, because it is in the press, and that is Football Federation Australia. It has said that it will not launch a bid for the women's World cup until there is a substantial overhaul in the governance structures of FIFA. The hon. Member for Livingston (Hannah Bardell) played football as a lady and was quite good at it, I understand. We understand the issues, which reach across the whole football world and all genders. It is hard to blame those who, like the Australians, want to get into the competition, but see that there is little likelihood of it being a fair game, and who ask, "Will we get a chance?" The issues have tainted the very fields on which our players endeavour to perform, and that is a sad state of affairs for football fans.

If I may, I will focus on issues a wee bit closer to home. The cases seem to be endless and growing each day. My hon. Friend the Member for East Londonderry (Mr Campbell) referred to recent revelations of FIFA's financial agreement with the Football Association of Ireland not to proceed with legal action to overturn the Thierry Henry handball decision after a loan was made of €5 million. That is one example, but it perfectly shows two of the biggest issues in the overarching scandal: the lack of transparency and of sportsmanship. On the first, it is truly astounding that FIFA can advocate transparency and reform, and then begin to think that confidential payments are in tandem with that aim. How can that be? It is impossible to pull the two things together. It is an insult to football fans—and players, who claim that they were unaware of the sheer sum awarded by FIFA to the FAI. FIFA's real lack of sportsmanship is evident. It is easy to assume, given that players have spoken out, that the players and the fans alike would have wanted a rematch in the name of sport, rather than a settlement for financial gain. The spirit of sport is to compete on the field on fair grounds, and FIFA has clearly lost that spirit.

That reminds me of the issue of how FIFA has handled relations with Northern Ireland. While Northern Ireland has worked tirelessly to eliminate sectarianism from matches, FIFA has never failed to be tough on us. It also changed the rules on the eligibility of players who committed themselves to Northern Ireland, giving an advantage to the Republic of Ireland. That was hard on us, and we feel hurt and annoyed by it.

We need to send a clear message that what has happened is inexcusable, and that those responsible must be held to account before the law, with complete even-handedness. The football associations can be trailblazers to restore the integrity of football and the faith of the fans, but sponsors also have powerful leverage. What is being done to engage sponsors in using that leverage? It is clear that there is cross-party support for reassessing the governance of world football, and that is promising. We need to move towards building a consensus across Europe and beyond on restoring the integrity of football, with FIFA governance based on transparency, democracy, fairness and real accountability. That will require real and decisive leadership, and I hope that in this debate we can see the first steps in that direction.

10.8 am

**Graham Stuart** (Beverley and Holderness) (Con): It is a great pleasure to serve under your chairmanship, Mr Streeter. I congratulate my hon. Friend the Member for Folkestone and Hythe (Damian Collins) on securing this debate. He has pursued the case against FIFA with diligence and zeal and deserves great credit for his persistence. When the Blatter juggernaut looked unstoppable, he kept going. I welcome the sport Minister to her new post. She has a great affinity for the role, and I am sure she will be an excellent Minister and a champion for sports for men and women.

I share the widespread relief that Sepp Blatter is going. His departure so soon after his re-election truly proves that football is a game of two halves. His tenure as president has brought shame on the game, and his toxic legacy of corruption and malfeasance will take a long time to unpick and set right. The FA has been raising concerns for a long time, but we should all be grateful that the FBI, serving quite literally as the world's policeman, has finally toppled the rotten gang at the top of the world game.

As has been said, there is a risk that the months that will pass with Sepp Blatter still in post will allow him to pull the strings, rig the election of his successor and fulfil his key priority: protecting himself and the others in his rotten gang. Will my hon. Friend the Minister tell us what we and the FA can do to try to ensure that that does not happen? Do we need to push, and how can we push together to get him out now?

The victory of getting rid of him poses as many questions as answers. What steps is the Serious Fraud Office taking to assess whether criminal offences were commissioned via British companies and banks, and when can we expect it to report? HSBC, Barclays and Standard Chartered were all named on the original indictment released by the US authorities. We should be rigorous in ensuring that we play a full part in exposing exactly what happened and holding people to account.

The SFO has released a statement saying that it is "assessing material in its possession."

We now need full and frank disclosure of what the SFO knew about the scandal at FIFA, and when it came to know. If the SFO was in receipt of credible evidence of wrongdoing in FIFA before the FBI and the Swiss authorities proceeded to make their arrests, we also need to know whether it was conducting, or had conducted, an investigation of its own—whether it was co-operating with authorities overseas or simply sitting on its hands.

There are also important questions for the future. FA chairman Greg Dyke has called for the report on the World cup bidding process, compiled by the ethics investigator Michael Garcia, to be released in full ever since a summary of it was released last November. When will it be published? When will we see what the independent investigator found? What pressure can the Minister exert to make that happen? I would also be grateful if she could comment on how the Government can work with fellow administrations worldwide to ensure that FIFA is never tarnished in this way again and that its practices are rendered honest, accountable and transparent.

As a new Minister, does she think Governments have sat back too much and said, “It is up to football to sort itself out”? The new Secretary of State said something similar the other day, but I am not sure that it is entirely a matter for football to sort out itself. Criminal activity is criminal activity; it is for state authorities to do something about it. There are a lot of questions for a lot of states around the world, and not least for the authorities in the country that is the originator of football and has one of the largest financial centres in the world, if not the largest.

There are other important issues that must be discussed. My hon. Friend the Member for Folkestone and Hythe mentioned the disturbing evidence that has surfaced in recent days that suggests that the awarding process for the 2010 World cup in South Africa may have been corrupt. If it emerges that the awarding process for the 2018 and 2022 World cups was influenced by corruption, will the Government press for those votes to be deemed void and held again? Do they support, as I do, the FA stating clearly, for the elimination of any doubt, that it is not seeking for England to take over the hosting of either of those World cups? That way, Sepp Blatter and his cronies will not be able to suggest that the British voice is influenced by self-interest or sour grapes about our 2018 bid—it is a genuine commitment to cleaning up the game. In any normal area of life, if a commercial tendering process was proved to have been corrupt, it would have been re-run automatically. Will that happen for the Russian and Qatari bids?

Football is one of the world’s great sports and is among the most powerful cultural legacies of our country. Like all sports, it should not only entertain but inspire. It should also foster an awareness of the importance of good sportsmanship and the need to obey rules. We need fundamental reform so that the global game is better run and better represented to the world. That process must now begin in earnest.

10.14 am

**Jesse Norman** (Hereford and South Herefordshire) (Con): It is a joy to serve under your chairmanship, Mr Streeter. I join colleagues in congratulating my hon. Friend the new Minister for the brilliant start she has made in her role. I am particularly delighted, because

her appointment shows that in this new, one nation, compassionate Government, all prior sins will be forgiven. I am rather hoping that that will extend to other colleagues in due course. [HON. MEMBERS: “Declare an interest!”] Perhaps I should.

Colleagues are absolutely right to pay tribute to my hon. Friend the Member for Folkestone and Hythe (Damian Collins). The truth of the matter is that for a long time this issue has not been front and centre in discussions in the House, but he has made it so. He has campaigned on it for a long time, and it is to his huge credit that he did so and built up such unmatched expertise, and also that he has highlighted the conditions of the workers in Qatar. As he made clear, this is only the beginning of the process begun by the US and Swiss authorities. It is clear that we can expect not only that the process will continue, but secondary lawsuits—for example, from defeated bidders. The repercussions of what has begun will resound for many years to come, and possibly for decades.

As colleagues have noted, if Mr Blatter is allowed to continue to run the process to select his successor, and to defend FIFA and his interests as vigorously as he has done so far, there is every possibility that little, if anything, will change as a result of any reforms made. This is an institution with virtually no transparency, accountability or oversight, as has been amply demonstrated by its failure to make public the Garcia report and any further reflections on it. In that context, the legal process is under way, but there is only one other solution on the table: cut off the money supply and target the commercial sponsors and broadcasters.

**Chris Evans:** It is important to talk about sponsors, but the World cup reaches a worldwide audience, so if McDonald’s or Coca-Cola are not involved, some other company will take their place because they all want to get into people’s homes. The hon. Gentleman is a Conservative, so perhaps he will not like this, but has he given any consideration to players going on strike? If the World cup did not feature the likes of Lionel Messi or Cristiano Ronaldo, it would be diminished. That would send a powerful message to FIFA.

**Jesse Norman:** That is a very interesting suggestion. The question to ask before that is whether, if it is shown that the bidding processes for the Moscow and Qatar World cups were in fact as corrupt as is widely believed, due thought should be given by sponsors and broadcasters to setting up a parallel organisation in order to bring FIFA to its senses. That is the move that we should make before contemplating a players’ boycott, which has not always proven effective in other sports.

The Bribery Act 2010 has rightly been mentioned. I have recently written in support of my hon. Friend the Member for Folkestone and Hythe to try to clarify some details and ask for further guidance. The Act has a very wide jurisdiction: it applies to any commercial organisation that trades in the UK and fails to prevent bribery by a person associated with it, and that bribery can take place anywhere in the world. In other words, it gives a lot of potential for prosecution. It was supposed to update the law on white-collar crime, but the fact of the matter is that very few convictions have been secured so far, and there is little, if any, evidence that a prosecution has been brought under the crucial section 7.

[*Jesse Norman*]

I asked the director of the Serious Fraud Office questions that build on some of those already mentioned. I asked whether the sponsors associated with FIFA—Adidas, McDonald's, Gazprom, Hyundai, Kia, Budweiser, Coca-Cola and Visa—might be guilty of offences; what specific measures the SFO has taken or will take, and what it knew; whether it has met employees or agents of, or advisers to, the sponsors, or has plans to meet them; and what steps have been taken to interview employees or agents who may potentially be subject to UK criminal prosecution. I have not yet received a response to my letter; I hope that I do, and I will make it public when it arrives. Politicians cannot be in the business of unduly influencing legal procedures, but it is striking that so few prosecutions have been brought under an Act that was supposed to clean up white-collar crime.

The next stage is to move on to the broadcasters. Broadcast rights money may also have been used in corrupt practices. If the broadcasters are commercial organisations under the law, they too may be subject to the 2010 Act—and, of course, they need not be British, merely trading in this country, as all the world's broadcasters do. After that, as my hon. Friend the Member for Beverley and Holderness (Graham Stuart) mentioned, we can move on to the banks, money laundering and other malfeasance, much of which we have heard about on the Select Committee on the Treasury.

I will close by reflecting on the bidding for the World cups in 2018 and 2022. Anecdotal evidence is starting to build to suggest that the processes were deeply corrupt. If so, there is little hope of those processes being unwound, but what is the alternative? The only alternative, which must balance European interests and those of the new markets for football, is that a pan-European World cup, covering every major footballing nation in Europe and using existing stadiums, be held in 2018. That could buy us some time. It could easily be hosted, as the stadiums and infrastructure are present, and it would allow more time for the Qatar World cup—an odd proposition in its own right—to be fully assessed. Many football associations across Europe backed Mr Blatter, and if we hold such a World cup, they can come together and start to bind up some of the wounds, and the whole of footballing Europe can then move on.

10.20 am

**Stephen Phillips** (Sleaford and North Hykeham) (Con): It is a pleasure to serve under your chairmanship for the first time in this Parliament, Mr Streeter. It is impossible to speak in this short debate, even with the exhortation that we should be brief, without paying an appropriate tribute to my hon. Friend the Member for Folkestone and Hythe (Damian Collins) for having taken up this campaign and having the courage to run it when the rest of us, and indeed the Government, had frankly dropped the ball. He deserves considerable credit not only from football fans in this country, but from football worldwide for bringing this to the forefront of the considerations of those who love the beautiful game. *The Sunday Times*' Insight team and "Panorama" also deserve credit for their investigations, which should have led to action much earlier.

It is also impossible to speak in this brief debate without expressing the genuine joy felt, at least among Government Members, when my hon. Friend the Member for Chatham and Aylesford (Tracey Crouch) was absolved of the sins to which my hon. Friend the Member for Hereford and South Herefordshire (Jesse Norman) referred and was promoted to Under-Secretary of State for Culture, Media and Sport. She will do a fantastic job if she is anywhere near as successful in her new role as she was when she was running women's football in her constituency.

How have we reached this position in relation to FIFA? The answer is simple: it is what happens when a gentlemen's club that was designed a long time ago to run the game of football worldwide meets the billions and billions of pounds that now washes around in the game. Despite all the publicity that has surrounded the corruption for so long, it is apparent that FIFA is no longer in possession of the necessary structures to run the game in a transparent and anti-corrupt way in the 21st century.

**Damian Collins:** Jérôme Valcke, FIFA's general secretary, announced today that the bidding process for the 2026 World cup has been suspended. Does my hon. and learned Friend agree that even FIFA has now recognised that its systems are completely flawed and corrupted?

**Stephen Phillips:** I agree with my hon. Friend. The announcement is extremely welcome. If there is time, I will discuss the bidding processes for the 2018 and 2022 World cups.

It is important to recognise that we are sitting in the House of Commons in the United Kingdom. This House holds the Minister to account and the Minister can influence the Football Association and the other home nation associations, but she is not ultimately responsible for FIFA. All that we can do in this place is try to shine a light on what has gone on, raise the issues and seek to persuade the Minister that she and the Government can do more to ensure that the game is governed well not only in this country, but elsewhere in the world through international bodies. In that light, I venture to suggest to the Minister that the Government need to do certain things that they have not done in the past or at least have not done effectively.

The first is that better effort needs to be made at governmental level between the Minister and her counterparts in Europe, to whom I know she has now written, regarding the actions that they take regarding their football associations. The English FA is widely regarded in FIFA as pandering to this Parliament and to the media, in a way which other football associations are not. That is a reflection of the fact that the English FA and the associations of the other home nations do a good job, they are held to account through the Government, through this House and by the media, and they are, therefore, answerable to those whom this is actually about at the end of the day: the fans. That is not necessarily the situation elsewhere. In her reply, the Minister needs to indicate what actions she is taking with other Sports Ministers across Europe, and indeed the Commonwealth, to hold their football associations to account, so that ultimately the global body that is FIFA is held to account.

I also suggest that the Minister make clear the Government's position on the continuing presidency of Sepp Blatter—because he is still the president. I am tempted to and will refer to FIFA as a “Sepp-pit” of corruption—[HON. MEMBERS: “Boom! Boom!”] Indeed. Sepp Blatter must step aside now. My hon. Friend the Member for Folkestone and Hythe suggested that others could come in to run the organisation in the interim. That would be welcome. That needs to be the Government's position, and the Minister needs to make it clear today that that is the Government's position.

My hon. Friend also referred to the Serious Fraud Office, which does seem to have dropped the ball. I asked an urgent question in the House on FIFA in the first week of this new Parliament about the steps that were being taken in conjunction with the Attorney General to ensure that the corruption that has been endemic in FIFA for so long is properly investigated in this jurisdiction. It is perfectly clear that it can and should be investigated here, not least because some of the allegations made in the 161-page indictment filed by the United States Department of Justice make it clear that some of the corrupt behaviour probably took place here or in places where we could take action here. If we have dropped the ball, it seems that others, in particular the SFO, have dropped the ball regarding investigations and potential prosecutions. That must be remedied and the Minister must describe precisely what is happening in her response.

I know that the Minister feels passionately and strongly about this issue and that she is doing a good job behind the scenes. I want to hear how she is diverting the relevant rivers to cleanse the Augean stables of corruption that has grown up around FIFA in Switzerland. I look forward to her response.

**Mr Gary Streeter (in the Chair):** I call Andrew Bingham, who has until 10.33 am.

10.27 am

**Andrew Bingham (High Peak) (Con):** 13 minutes!

**Mr Gary Streeter (in the Chair):** Six minutes.

**Andrew Bingham:** Sorry, I was looking at the wrong clock. Anyway, I will do it in six minutes and we can call it “Fergie time”.

It is a pleasure to serve under your chairmanship, Mr Streeter. I congratulate the Under-Secretary of State for Culture, Media and Sport, my hon. Friend the Member for Chatham and Aylesford (Tracey Crouch), on her promotion. Having neighbouring offices, I know of her love of football and I am sure that she will do a fantastic job. It is nice to hear her being supported by many of her colleagues here today, who may now be known as the “Crouchettes”, but we will see.

Football has been called the people's game. What we have seen over the past few weeks has been a scandal and an insult to the interest and love of the game held by many of us at all levels, from “jumpers for goalposts” to non-league football, which I follow, and right through the game. Much of what I was going to say today has already been said, but I want to echo some of the points made. I congratulate my hon. Friend the Member for Folkestone and Hythe (Damian Collins) on securing

this debate and on the work that he has done. He has been talking about the issue for some time—as has been said, when nobody else was talking about it, or indeed listening, he was. He pursued the issue and has been proved right.

England is the birthplace of the game. We have hosted only one World cup. It was held long before the present Sports Minister was born and not long after I was born, but it was a long time ago. Although not a FIFA event, I remember fondly England's hosting of the European football championship in 1996, and what it did for and how it energised the country. Some of the football may not have been particularly good, but the tournament inspired the nation. Those of us who are old enough still remember the 4-1 victory over Holland as one of the best England performances for some time. Why is it that the birthplace of the sport has hosted only two tournaments? We have bid for tournaments. We bid for the 2006 World cup and lost out to the German bid. We have discussed the bidding process for the World cups that have gone to Russia and Qatar. We were unsuccessful for 2018, even though we had a technically excellent bid that used grounds around the country, which would have taken the game back to the people. Football was coming home. In fact, it would have come to Home Park in Plymouth, which was one of the proposed grounds. That prompts the question: why have we been so unsuccessful? The problem is FIFA.

I was going to be circumspect in my comments even though we have parliamentary privilege, but, having heard what has been said, I might not be. Our face did not fit, and I would venture to say that our pounds did not fit in the right wallets. Palms needed to be greased, but we would not do that because we play an honourable game in this country. I am told that for the 2018 bid, the FA spent about £19 million. Why did FIFA allow that to happen when, with hindsight, it was patently obvious that we would never get the votes?

**Stephen Phillips:** Does my hon. Friend agree that if it emerges that the bidding process was corrupt, that £19 million should be repaid to the Football Association by FIFA?

**Andrew Bingham:** I completely agree with that excellent idea. I am sure that the FA could make good use of £19 million. If it were to get that money, I would urge it to put into the grassroots and let the people benefit from it.

FIFA allowed the FA to go down that road and spend all that money. People say that we will never win the Eurovision song contest again because we are not very popular in Europe. Without wishing to denigrate that contest, I would say that this is a lot more important. I am not sure that I subscribe to Bill Shankly's view that football is more important than life and death, but it does run through the DNA of this nation. It is a tragedy that we have not held more tournaments and that is because of FIFA.

We have heard a lot about what FIFA has done and I will not beat about the bush: FIFA is bent and corrupt and it has been for a long time. My hon. and learned Friend the Member for Sleaford and North Hykeham (Stephen Phillips) called it a “Sepp-pit”, but I would prefer to call it a “Sepp-tic tank”, because since Mr Blatter

[Andrew Bingham]

has been in place, anyone who has opposed him or given alternative views on what he is like in one way or another has been sidelined and prejudiced against. I think that that is what has happened to us.

I understand that the FA questioned Mr Blatter's re-election in 2011 and it supported the opposing candidate in the recent election, so the FA has been strong on this matter, but it cannot do it alone. Therefore, as a Government we need to look to help and play our part by asking other Governments across the world to speak to their federations. We cannot let this insult to a game loved by people at all levels go on. The International Olympic Committee went through a cathartic process a few years ago and FIFA must do the same.

On how we go forward, my hon. Friend the Member for Hereford and South Herefordshire (Jesse Norman) suggested that 2018 should be a pan-European World cup. I am quite attracted to the idea of spreading the competition around Europe and then we could look at what to do with Qatar. Mr Blatter, by being allowed to remain in place until December, is being given time to bury the bodies and cover it all up. Quite frankly, he must be out and dealt with straightaway. We need to get on top of this because we are fiddling while Rome burns, and the game that I and colleagues love will burn with it.

10.33 am

**Hannah Bardell** (Livingston) (SNP): It is a pleasure to speak in this debate. I thank the hon. Member for Folkestone and Hythe (Damian Collins) for calling for it and for his work in this area. I made my maiden speech just a couple of days ago, so I am still learning the ropes and I hope that Members will be kind.

I welcome the Minister to her position. I share her passion for grassroots football. I played football as a young girl growing up in Livingston, and I went on to play for the University of Stirling. A couple of my contemporaries in that team are now in the Scotland women's team.

As we debate these issues, it is important to note that the FIFA women's World cup is taking place in Canada. I note with some concern that Sepp Blatter plans to attend that tournament, so I ask the Minister and other Members to join me in calling for him not to attend. [HON. MEMBERS: "Hear, hear!"] It is important that we send a strong message. As other Members have said, he should stand down from his position immediately. His attendance would send the wrong message and further besmirch the game and FIFA's name.

It is important to note the work done here, but does the Minister think that this is an opportune time to look at the game across the United Kingdom? In Livingston I worked for a team behind the bar and at the reception, which funded me throughout my time at university. That grassroots club developed a number of players who are now in the Scotland team, but sadly it has been fraught with difficulty because of poor management. Other clubs in Scotland and across the UK, such as Rangers, have had similar financial difficulties.

We do not have the right checks and balances in our home game to ensure that the people who buy football clubs are right and proper. Therefore, while we have

issues with FIFA, we should also look at examples of clubs in our country where things have gone wrong, because we are all very fond of football. It plays such an important part in life across the United Kingdom, so we should look at lessons to learn at home as well as in FIFA.

We need to support Greg Dyke's comments about whether we will pull out, but we also need to go further and say that we will not support the next two World cups, given the circumstances in which their votes took place. I agree with Members who said that we should carefully consider whether we support those tournaments. We will have to stand united on that.

I thank the hon. Member for Folkestone and Hythe again for holding the debate. In Scotland, we have had a number of fantastic sporting events in recent years, including the Commonwealth games, which came in under budget and has been an important part of Scotland's sporting traditions. We should look to that for lessons to learn and I call on the Minister to engage with the Scottish Government, SportScotland and the other bodies that were involved and take those lessons to FIFA as good examples of how sporting events have been and can be run.

10.36 am

**Clive Efford** (Eltham) (Lab): It is a pleasure to take part in this debate under your chairmanship, Mr Streeter. I congratulate the hon. Member for Folkestone and Hythe (Damian Collins) not only on securing the debate but on his continued and tenacious pursuit of FIFA and Mr Blatter in particular. He has been a doughty campaigner and I commend him for it.

I also take the opportunity to welcome the Minister to her post. It is an unfortunate task for me to oppose her, because she is probably one of the most liked people in the House. I feel like a pantomime villain here—I will probably get attacked by my own side if I am horrible to her. I am genuinely pleased to see her in her place, because she will be good news for sport. I am sure she will do a very good job and I wish her every success in trying to convince her colleagues, some of whom have not always had sport in their DNA as she has, that we should give sport a much higher profile.

I congratulate those who have been campaigning for a long time and shining a light on the corruption in FIFA, such as the BBC's "Panorama" programme and the journalist Andrew Jennings. They are now being proved right. Their work was dismissed by some as conspiracy theories, but for many of those people it is now coming home to roost.

The problem started in 1974 when João Havelange defeated Sir Stanley Rous as FIFA president. Havelange was a visionary who could see the power of football as an international force, but unfortunately he also saw it as an opportunity for corruption and bribery and to make money, rather than as the force for good that we know it is. Across the world it can promote peace, understanding and sporting endeavour, which we all highly value and respect. As the hon. Member for Folkestone and Hythe pointed out, Havelange created his own Frankenstein's monster: Sepp Blatter is very much Havelange's placeman. I absolutely agree with the hon. Gentleman that we must not allow Blatter to do as Havelange did, and get his own gravedigger in to bury

the bodies and make sure that they stay well and truly buried. We need to shine a light on the corruption in FIFA.

I commend all Members who have taken part in the debate for their contributions: my hon. Friend the Member for Islwyn (Chris Evans), the hon. Members for Strangford (Jim Shannon), for Beverley and Holderness (Graham Stuart), for Hereford and South Herefordshire (Jesse Norman), for High Peak (Andrew Bingham) and for Livingston (Hannah Bardell), and the hon. and learned Member for Sleaford and North Hykeham (Stephen Phillips). We all agree that something needs to be done about FIFA, but although we all agree—and many people across the globe agree with us, as well—what is lacking at the moment is a set of criteria that we can coalesce around to take the situation forward, so I have had a stab at 12-point plan that people should campaign for to really reform FIFA.

We need FIFA to make a statement that it will open up its financial procedures and structures to independent international audit, and publish the pay grades and expenses of all senior staff and members of its executive and congress. It should write strong anti-corruption statements into all its contracts of employment and its terms of engagement for all executive and congress members. It should set out in a mission statement its goals to expand football across the globe, and then set out how it will measure its success against the goals in that mission statement. It should redistribute its resources to increase participation and improve facilities, in partnership with national, regional and local Governments, to develop the game at the grassroots.

**Damian Collins:** I agree with the points the hon. Gentleman is making. Does he agree that it is vital that there is disclosure of the commercial and financial interests of not only the members of the executive committee but their immediate family members, so that we can rid the game of the scandal of people awarding contracts to those in their own close circle for their own benefit?

**Clive Efford:** Absolutely. Mr Warner and Mr Platini are two examples of where the need for that wider scope of scrutiny is recognised. At least we have begun the discussion by trying to define what we should be looking to achieve.

FIFA should also make a commitment to set up a sub-committee of the executive to oversee the development of the game, scrutinise the distribution of funds and monitor performance against its criteria for the game's development. Recognising football's extremely powerful position in the sporting family, FIFA should commit itself to working with other sports to promote the general wellbeing of people across the globe through sporting activity and healthy lifestyles.

FIFA should recognise the power of football to promote peace and understanding across the globe and ensure that human rights concerns are considered as part of the bidding process for all major competitions, set up decision-making structures for all bids and allocations of resources to meet the highest standards of probity and accountability, and adopt stringent anti-corruption procedures. It should also challenge gender, racial, religious and homophobic discrimination, and strive to connect with football fans and to open itself up to public scrutiny

by using new technology to communicate regularly with fans and others in the wider football family. If we set out the criteria for how FIFA needs to change rather than simply talking about that change in general terms, we will have more chance of success.

The situation is an absolute farce. The hon. Member for Folkestone and Hythe read out the list of indictments against several FIFA members. Six people have had Interpol red notices issued against them; two are still on the run and no one knows where they are. No one has yet mentioned the film—talk about descending into farce. The idea that FIFA would fund its own film to write its history would stagger anyone, but that has actually happened.

**Stephen Phillips:** We are beating about the bush somewhat. Does the hon. Gentleman agree that even if Sepp Blatter is not indicted, it is inconceivable that he did not know that the corruption for which others will face criminal charges was taking place?

**Clive Efford:** It is inconceivable, and that is why it is extraordinary that Blatter is still in place. I am not relaxed about the fact that he is going to remain there until 16 December. He should have gone when he resigned. His desk should have been cleared and he should have been escorted from the building. That is what would happen if anyone in any other circumstances were found to have been associated with this sort of corruption, whether proven or not—they would not be given the chance to stay in their post, clear up the mess and cover up their misdemeanours. That would not happen in any other organisation, so I do not see why we should accept it when it comes to FIFA.

Members have commented on the 2018 and 2022 World cups. I do not think we should attempt to host the 2018 World cup. It would be an afterthought, and holding the world's premier major tournament requires a great deal of long-term planning. We should be looking at a future bid, perhaps for 2026 or 2030. We certainly should not be a stopgap, as we would not make the most of hosting the World cup that way. The 2022 World cup, currently to be held in Qatar, would not come to Europe; Australia or the USA will bid for that.

**Jesse Norman:** The small ingenuity of my proposal to run the 2018 tournament across Europe is that the burden would fall evenly and so could be managed quickly. Also, we would not be in the driving seat arguing our own case but would be arguing for a pan-European solution.

**Clive Efford:** That may be what happens, but it may be too late to unpick all the contracts for the 2018 World cup.

I also want to mention human rights. If there is any reason why we should not go ahead with the World cup in 2022 it is the human rights issue. I have said this on several occasions and will do so again: the idea of multimillionaire footballers running around in stadiums built by people working in virtual slave labour conditions, so many of whom have died—more people than will take part in the tournament—is one that I find abhorrent. I cannot support it. That issue alone calls into question the decision to go ahead with the 2022 World cup.

[Clive Efford]

In yesterday's *Guardian*, the SFO said it is actively investigating FIFA. Will the Minister shed some light on exactly what it is investigating and when we can expect to hear anything? Bearing in mind that the US attorney's indictments go back to 1991, what discussions has the Minister had with the FA about any misdemeanours that it may have committed in a previous guise? I commend our FA for having been innocents abroad in our bid for the 2018 World cup; the fact that we got only one vote other than our own suggests that we were very innocent, but we need to go back to 1991 and look at what the FA was up to back then to ensure that no one was involved in the early days of the corruption that has beset FIFA. Will she also give us a reassurance that at no stage has any money from UK broadcasters been used in any way to pay or facilitate bribes to any members of FIFA, or to members of FIFA members' families, for that matter?

I am sure we will return to this issue. It is one on which we can all work together, as we have a common cause in cleaning up FIFA.

10.48 am

**The Parliamentary Under-Secretary of State for Culture, Media and Sport (Tracey Crouch):** It is a pleasure to serve under your chairmanship, Mr Streeter. I congratulate my hon. Friend the Member for Folkestone and Hythe (Damian Collins) on securing this important and timely debate. I am aware of his tireless campaign for FIFA reform over a number of years and commend him for his work in founding New FIFA Now. That initiative was not a reaction to the events that have unfolded over the past couple of weeks but was launched many months ago, underlining the fact that this issue has long needed to be tackled. The phrase "new FIFA now" pretty much sums up what is needed; that has been the key message to come out of recent events and today's debate.

This is my first Westminster Hall debate as Minister with responsibility for sport, and it is sad that it relates to a matter that has brought the game's reputation into question. The debate was secured before the announcement that Sepp Blatter was stepping down as president of FIFA. As has been demonstrated, it has been an important debate and one that we needed to have. Before I respond in detail to some of the issues raised, I congratulate all colleagues who have participated.

It was unfair of the hon. Member for Islwyn (Chris Evans) to say I was never nice to him; I am always nice to him. He spoke passionately, which demonstrates how important this crisis is. I completely agree that its impact is not necessarily limited to the institution itself; it affects the future of the grassroots game. That theme was briefly picked up by my right hon. Friend the Member for Ashford (Damian Green). Having worked for him, I know he is also incredibly passionate about football. He put five challenges to the Government, and I will deal with some of them later, because others raised them, too. However, I want to refer now to his questions about gambling, which I am also responsible for in the Department. On the risks emanating from increased levels of gambling linked to football and sport, I am confident that the UK has robust systems and processes in place. All the key stakeholders—the Gambling Commission, sport, betting operators and

law enforcement—work together in the Sports Betting Integrity Forum to identify and address such issues. I hope that answers my right hon. Friend's question. I will return to the other issues he raised.

I thoroughly enjoyed my visit to the girls' team in the constituency of the hon. Member for Strangford (Jim Shannon). Having spoken to its members, I know they are absolutely passionate about the game and determined to improve and grow it in Northern Ireland, which is still a little behind where we are in England. I could see the determination of those I met to ensure that everybody has access to the sport, and I commend the hon. Gentleman on the work he has been doing to develop the game in his constituency.

My hon. Friend the Member for Beverley and Holderness (Graham Stuart) rightly referred to trust in the game, and I will refer later to that and to the other issues he raised. Along with my hon. Friend the Member for Hereford and South Herefordshire (Jesse Norman), he mentioned the publication of the Garcia report. The Secretary of State and I are of the view, as we were in our previous life on the Culture, Media and Sport Committee, that the report should be published in full.

**Jesse Norman:** Is it not within the Minister's power to seek to have the Garcia report shown confidentially to Ministers?

**Tracey Crouch:** I am still working out what all my powers are, to be perfectly honest, but if I do have that power, I would love to see the report.

As an Arsenal fan, I am glad that my hon. and learned Friend the Member for Sleaford and North Hykeham (Stephen Phillips) managed to recover in time to make such an excellent speech. It included some really brilliant points, which I will deal with in detail. My hon. Friend the Member for High Peak (Andrew Bingham) is a huge sports fan, and hon. Members will definitely want him on their quiz team.

**Damian Collins:** It might be helpful, following on from the question from my hon. Friend the Member for Hereford and South Herefordshire (Jesse Norman), to say that the Serious Fraud Office could, I believe, ask the Swiss authorities for a copy of the Garcia report, to see whether the SFO has grounds to assist them in their investigation.

**Tracey Crouch:** I will deal in some detail with the issues relating to the Serious Fraud Office.

I congratulate the hon. Member for Livingston (Hannah Bardell) on her electoral success, and I welcome her to Westminster. I am glad to hear of her football past; perhaps she can help me lobby the FA to make sure the parliamentary team is a mixed-gender team. I was previously banned from it, so it would be nice to have other women involved in that campaign. She made some interesting comments about Mr Blatter's attendance at the women's World cup. I should perhaps not comment on whether he should attend, but given his previous opinions on women's football, I can say that although he may be going, I doubt he will be welcome.

To respond to the hon. Member for Eltham (Clive Efford), I will try not to be nice for too long, so that he can resume normal service. His 12-point plan raised some good issues. This is a cross-party issue—there is

not much partisan debate about FIFA—and I am sure many of us would like to see some of his points implemented. The Government are looking into the issues relating to broadcasting and migrant workers. My hon. Friend the Member for Folkestone and Hythe, too, raised the issue of migrant workers, and the Foreign Office is working closely on it with other Governments.

The allegations levelled at FIFA—the custodians of the game—and reported in recent weeks, months, and indeed years are deeply disturbing. As Members will know, investigations into FIFA by Swiss and US authorities are ongoing. I cannot comment on the investigations or prejudge the outcomes, but I can reassure Members, many of whom mentioned the SFO, that it is actively reviewing material relating to the allegations, although it is not possible for me to go into detail.

The Bribery Act 2010 can apply only to conduct committed on or after 1 July 2011—after the FIFA bidding process was complete. In addition, the SFO has the power only to investigate cases of suspected serious or complex fraud falling within this country's criminal jurisdiction. However, I am sure officials heard the comments about the Garcia report and are looking into the issue in more detail.

I will not be drawn on whether Russia and Qatar should continue to host the 2018 and 2022 World cups until the current investigations have concluded. However, colleagues will have seen that the FA's chief executive, Martin Glenn, has stated that the FA has no interest in staging either of those World cups, and its focus, along with UEFA's, is on ensuring there is much-needed reform at FIFA. The Government fully support that view. Colleagues will also have heard my hon. Friend the Member for Folkestone and Hythe say that Jérôme Valcke has announced that the bidding process for 2026 has been suspended, although it is not clear why at the moment.

I join colleagues in welcoming the work done by *The Sunday Times* Insight team and BBC's "Panorama" to bring to light many of the accusations we have heard about. Those have received so much media coverage because of our proud heritage of a free press and investigative journalism, and because people in the UK feel so passionately about football. That is why we all want a fair and transparent process for future tournaments. We will find out soon enough whether corruption is

proven to have taken place at the highest levels of FIFA, but it is fair to say that trust in the organisation has been lost, and whenever trust is lost, it is very difficult to win back. That is why we cannot rest on our laurels. We must make sure that proper reform takes place. Colleagues have said that although Sepp Blatter's resignation is a welcome and positive step, it is unacceptable that it is taking so long for him to stand down. It has been reported this morning that his successor's election is likely to take place in December.

The hon. Member for Islwyn mentioned FIFA taking a fresh approach that could see it learn lessons from Salt Lake City, and I completely agree. FIFA should look to draw experience from some of the many successful international sporting federations. It would also be possible to take the recruitment process away from sport entirely and to seek to recruit from within a successful business.

In the short time left, I want to respond to colleagues' comments about what I can do as a Minister and what I am trying to do with my European counterparts. On 28 May, I wrote to them, setting out my concern about recent developments and seeking their support in pressing for reform at FIFA. I hope to get FIFA on the agenda for the forthcoming EU Sports Ministers' meeting in Luxembourg in July. Officials are discussing that with the appropriate people in Luxembourg. My hon. and learned Friend the Member for Sleaford and North Hykeham mentioned a potential discussion with Commonwealth colleagues, and I will shortly seek a meeting with the Commonwealth secretary-general to discuss a range of sporting matters, including how we can help to promote good governance in sport across the Commonwealth.

The allegations against FIFA have brought the game into disrepute. I do not think football's reputation has ever been so bad. It is for us to ensure that proper reform takes place, and that we end up with a fully open and transparent FIFA. I congratulate my hon. Friend the Member for Folkestone and Hythe on all the work he is doing to try to ensure that that happens.

*Question put and agreed to.*

*Resolved,*

That this House has considered the UK's relationship with FIFA.

## St Ives First School

11 am

**Mr Christopher Chope** (Christchurch) (Con): I beg to move,

That this House has considered plans by St Ives First School to become a primary school.

My constituents are fortunate in being able to choose from some of the best schools in the country—primary and secondary in the southern part of the constituency and first, middle and secondary in the northern part. They also benefited from the previous Government's emphasis on driving up standards while promoting parental choice—policies for which the Minister deserves much credit, and which I am delighted he is taking forward in his new post in the new real Conservative Government.

Today's debate centres on St Ives First School, a one-form entry first school, with a reception class, situated on the Dorset side of the Dorset-Hampshire border. It is rated outstanding by Ofsted, and has been for seven years. As a recognised national teaching school, it provides school-to-school support to other schools that seek improvement. Its head teacher, Mrs Laura Crossley, who has come to Westminster for today's debate, is also an accredited national leader of education.

On 24 September last year, the Secretary of State agreed in principle to St Ives becoming an academy, and it has now been confirmed that the school will be a leading member of a multi-academy trust with five other schools, with effect from 2 November this year. For some time St Ives has suffered from turbulence and instability, because although it is geographically in Dorset, the nearest secondary school is about 1 mile away in Ringwood, Hampshire. Because Hampshire has a two-tier system, parents with pupils at St Ives have often opted to move into the Hampshire system early, to secure a Hampshire primary school place from which a transfer could be made to the Ringwood academy at the age of 11. Indeed, there are currently 141 children from the St Ives catchment area in years 7 to 11 at Ringwood academy. That shows how parents have been voting with their feet in recent years.

Prior to the new flexibilities introduced by the previous Government, the school could do nothing about that problem, but last year the governors decided to increase the age range, so that St Ives would become a primary school whose pupils could transfer directly into secondary education at age 11. After initial consultation going back to the autumn, a full proposal document was put forward to all relevant stakeholders on 24 February. I submitted a letter of support referring to the fact that 98% of the parents supported the proposed changes, which would also increase parental choice. A public meeting was held at the school during the four-week consultation period. Dorset County Council attended in the person of the cabinet member responsible for those issues, who did not say anything specific at the time. However, on the last day for written responses the county council put in its objection.

The governing body looked carefully at the results of the consultation and decided unanimously on 16 April, as it had the power to do, to increase the age range by one year in September 2015 and by a further year in September 2016. That reflected the finding that the

parents of 19 out of the 23 pupils currently in year 4 would prefer their children to stay on at St Ives in September than to transfer to a Dorset middle school or a Hampshire primary. The St Ives governors recognised that that would mean that some children—perhaps as many as seven—who would normally have transferred to West Moors Middle School would no longer do so.

The local authority had suggested, wrongly, that 18 children were due to transfer from St Ives to West Moors Middle this September. The school's records show that there are only 11 in that category. Two are going to West Moors Middle in any event and four have accepted places in Hampshire should St Ives not become a primary school. That means that if St Ives were to have its extra form from September, five children would no longer go to West Moors Middle School.

From the local education authority's objection, one would think that the sky will fall in as a result. It talks about a middle school in Dorset having to close and about tens of millions of pounds of extra expenditure, and so on. That is complete hyperbole and an indication of how out of touch the education authority is with things on the ground. Indeed, we are now told that West Moors Middle School will be oversubscribed this coming September; parents of pupils who still show allegiance to St Ives are being warned that if they do not do something now, it will be too late for them to get into West Moors Middle in any event.

What was the response of the county council to the decision of 16 April? To begin with, the education authority tried to find fault with the proposed accommodation, site security, financial planning and the impact on the pre-school. It even threatened to issue a notice to improve. That led to a meeting at the school on 12 May when most of the grounds of objection were shown to be without foundation. Most fundamentally, the local education authority had to accept that St Ives was constructed as a primary school and operated as one until the county boundaries changed in 1974. It is also a strong school financially.

On 18 May, Mr Minns, head of learning and inclusion at Dorset, wrote to the chairman of the governors concluding that, following the discussion of the local authority's concerns about the school's management of the process to convert from a first to a primary school, those concerns had been satisfactorily addressed. That was subject to three caveats, one of which was to ask a local authority officer to

“undertake a new assessment of the space in potential readiness for September 2016”.

That was an implicit acceptance that the year 5 accommodation for September 2015 was readily available, as indeed it is. Understandably, the school believed that the education authority was, albeit reluctantly, accepting the decision, particularly when the 28-day period for objection laid down in the school organisation guidance for maintained schools expired. At page 10, the statutory process guidelines say that

“Any appeal to the adjudicator”—

in this case, the Secretary of State—

“must be made within 4 weeks of the decision.”

The Dorset County Council cabinet considered that issue on 8 April and concluded:

“The local authority will retain its right to refer to the Secretary of State should the decision by the Governing Body of St Ives First School, after consultation, not address the concerns raised by the local authority”.

**Michael Tomlinson** (Mid Dorset and North Poole) (Con): I am grateful to my hon. Friend for securing the debate. I, of course, accept the principle and benefits of parental choice, but does he agree that the St Ives proposal should be properly co-ordinated and consulted on, as he was outlining, so that neighbouring schools that are affected, such as St Michael’s in Colehill, can make the necessary consequential arrangements in a timely fashion?

**Mr Chope:** I congratulate my hon. Friend on being elected. He is absolutely right: we obviously need to have proper consultation, and that is exactly what happened. I have a letter dated 20 March from the head of Allenbourn Middle School, on behalf of the Dorset Association of Middle Schools, thanking the governing body of St Ives for ensuring that an effective consultation process took place within an appropriate time span and providing all stakeholders with the opportunity to express their views. Therefore, there was a full consultation, despite the county council’s reluctance to provide the pupil number data, for which the school had been asking for many months. The school was eventually able to obtain them only through a freedom of information request. There has been good co-operation with other schools, but I fear that the breakdown has been with the local education authority itself.

After the four weeks expired, people thought the local authority would have to go along, however reluctantly, with the proposal. On 5 May, I wrote to the leader of the council, Robert Gould, attaching a letter from a parent of a pupil at St Ives that was typical of many others I received. I drew attention to the Conservative principle of promoting choice in education, and I reminded him of our Conservative manifesto, which states:

“We believe that parents and teachers should be empowered to run their schools independently.”

It also states:

“We will continue to allow all good schools to expand, whether they are maintained schools, academies, free schools or grammar schools.”

Indeed, St Ives wishes to expand by increasing its age range.

After referring to the enthusiasm of the parents, governors and staff at St Ives about the introduction of a new year group from September, I sought the assurance of the leader of the council that the education authority would not seek to restrict the ambition of the school to extend educational opportunity further. In his response, the leader of the council referred to the lack of physical space for extra classes and raised questions about future finances. However, he said:

“Officers at the Council are keen to keep open discussions with the School”.

The meeting at the school on 12 May, to which I have referred, flowed from that, and I followed up the matter with the council leader with a further email on that date. Having heard nothing further, on 26 May I asked what was happening, repeating my earlier suggestion that it would be better to have a meeting to discuss things than to engage in an adversarial situation.

On 27 May, the council leader wrote to me expressing his continuing concerns. He relied on a note from somebody called Jackie Groves. The content of that note was in stark contrast with the letter from Mr Minns. I was going to refer to its inflammatory remarks about the quality of education at Ringwood School, the criticism of St Ives school governors and the school authorities for being

“extremely difficult to work with and reticent to provide information”.

Fortunately, Mr Minns confirmed this morning in an email to Mrs Crossley, the head, that the document was merely an internal memo and did not represent the official view of the authority. However, that is the document on which the leader of the council was relying when he objected to the proposal.

On 27 May, a letter was sent to the Secretary of State objecting to the proposal, but it did not arrive with the Secretary of State until 3 June. A second letter of objection was issued a couple of days later. Those letters of objection raise fundamental issues relating to the ability of a school such as St Ives to increase its age range. They ask for the Secretary of State effectively to go back on the “School organisation (maintained schools)” guidance.

I hope the Secretary of State will make a quick decision on this matter. The quickest decision would be to say that the objection is out of time, which would enable the school to get on with planning for the future. It would also enable other middle schools that might be implicated to make decisions as well. We are now in the second half of the summer term, and a new school year is starting in September. The education authority has said it is concerned about the implications for everybody else, but it has been dragging its feet over the whole issue.

If the Secretary of State is not prepared to reject the objection on the grounds that it is out of time, I hope she will make a decision quickly on its merits and conclude that the county council’s case is unfounded in fact, is contradictory within itself and would run counter to all the new Government’s principles relating to expanding choice in education and ensuring that good schools—in this case, an outstanding school—are able to expand, where that is the will of the parents and governors.

The proposal enjoys the support of 98% of the parents of pupils at St Ives school. I hope the Minister will help them to have a happy weekend by giving them some warm words of encouragement.

11.16 am

**The Minister for Schools (Mr Nick Gibb):** It is a pleasure to serve under your chairmanship in this new Parliament, Mr Streeter. This is the first Westminster Hall debate I have had the pleasure of responding to. It is an important debate. I should begin by explaining, as my hon. Friend the Member for Christchurch (Mr Chope) mentioned, that the Secretary of State received a formal request from the director of children’s services at Dorset County Council to use her intervention powers in this case, under section 496 of the Education Act 1996. I will therefore have to be a little circumspect in my response to ensure I do not cut across her decision.

I am particularly grateful to my hon. Friend for his supportive opening remarks. He is right to point out the last Government’s success in raising academic standards

[Mr Nick Gibb]

in our schools. Some 100,000 six-year-olds are reading better today than they would have done but for our reforms, and there has been a 70% increase in the number of students taking the core academic GCSEs that are so important for widening opportunities in later life. I welcome my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson) to his place. He is clearly keenly interested in issues of education, which are vital to our country.

My hon. Friend the Member for Christchurch has taken a keen interest in this proposal. In the previous Parliament, the Department for Education brought into force a package of new legislation and guidance for maintained schools and academies that want to make changes to their size and characteristics. A national consultation broadly welcomed the Department's proposals, which introduced a simpler, less bureaucratic process for schools seeking to make certain organisational changes—for example, expanding their premises or altering their age range by up to two years—without following the full statutory process.

The changes delivered two important objectives. First, they gave more autonomy to maintained schools by enabling them to propose their own changes, without having to look to local authorities to make changes on their behalf. Secondly, they allowed new school places to be created quickly in response to local demand.

St Ives First School published a proposal to become a full primary school for pupils aged four to 11 in February 2015, and on 16 April 2015, following a period of consultation, it announced its decision to become a primary school from September 2015. As my hon. Friend said, that change will involve the school extending its upper age range by two years, which will mean that its year 4 pupils will remain in the school, if they wish to do so, for years 5 and 6.

The governing body of St Ives First School stated that its main reason for proposing the change was to increase parental choice and respond to the wishes of the vast majority of the parents and carers whose children currently attend the school. As an outstanding school, St Ives is clearly popular. The school, which sits on the border between Dorset and Hampshire, also claims that many parents would not wish their nine-year-old children to travel to a middle school in Dorset if they could remain at St Ives First School until they were old enough to attend a secondary school in Hampshire. The school serves broad communities with diverse needs, and proposals for organisational changes to schools' characteristics are often met with different responses from different parts of the community.

On one hand, St Ives First School is exercising its autonomy to make a change that it believes will benefit pupils and parents, and parents seem to agree. On the other hand, there may be wider concerns about ensuring an appropriate supply of school places throughout the local authority area. Value for money is clearly an important consideration, as is the need to plan change in a way that avoids impacting negatively on children's education—a point made by my hon. Friend the Member for Mid Dorset and North Poole.

We are aware that Dorset County Council has voiced concerns about the impact that St Ives' proposed change might have on the wider system. The local authority

believes that the changes proposed by the school will place it under significant organisational and financial pressure. It also believes that there is a need to operate a co-ordinated system in which children progress through its family of schools at the same time, and does not want to run a mixed economy. West Moors Middle School, the closer of two middle schools in the area, has expressed its fears for its future viability. The school believes that the change at St Ives may result in fewer children taking up places at the school, leading to financial pressures for the school.

It may be helpful if I describe the process that maintained schools must go through to effect a change of age range. Under the regulations that came into force in January 2014, this particular category of change is not subject to a statutory process. The governing body of a school is responsible for making a decision on its proposals and implementing them. The Department for Education has no role in the decision-making process, although it does ensure that certain requirements are met through its statutory guidance.

Before making any changes, governing bodies have to ensure that they have engaged in effective consultation, secured the capital funding, identified suitable accommodation and sites, and secured planning permission. They must have the consent of the site trustees—or the landowners when the land is not owned by the governing body—and of the relevant religious authorities in the case of faith schools. The admissions authority has to be content for the published admissions number to be changed, when that forms part of expansion plans.

Although governing bodies are no longer required to follow a statutory process for such changes, they are nevertheless required to adhere to the usual principles of public law: they must act rationally, take into account all relevant considerations and follow a fair procedure. The Department expects that, in making organisational changes, governing bodies will liaise with the local authority and the trustees to ensure that, where possible, a proposal is aligned with wider place planning arrangements, and that any necessary consent has been gained.

The Government are champions of school autonomy and will continue to support good and outstanding schools that seek to grow and expand to offer more choice to parents, which is why 1 million more children are in good or outstanding schools today than in 2010. However, we also expect that where change is proposed, it is planned carefully and ensures the minimum disruption to pupils' education.

As I explained, the decision taken by St Ives First School is not subject to a statutory process. The Department has no direct role in the process. The decision was made as the result of a local process that officials and Ministers have no power to influence or prejudice. Additionally, the Department does not prescribe the process by which a school carries out its decision-making function, but decision makers must have regard to the principles of public law.

**Mr Chope:** Would the Minister extend some of his words of wisdom and advice to education authorities? He has put the emphasis on schools that are coming forward with these proposals, but would he emphasise that there is a need for the education authorities to engage constructively and in a timely fashion so that, as

far as possible, such issues can be resolved by consensus, rather than in the adversarial way in which this application has been dealt with?

**Mr Gibb:** My hon. Friend raises an important point. Local authorities have to take into account the wider impact of such proposals on schools, but they should not refuse the local discretion of a school's governing body to expand if that school has conducted a proper consultation and believes that the expansion will have a beneficial effect on educational standards. I do not want to make any further comments on this proposal, because the Secretary of State has to conduct a section 496 determination.

**Mr Chope:** May I come back on one other aspect of what the Minister said? He referred to West Moors Middle School having raised an objection, but as I pointed out, that school is over-subscribed for the coming year, which reflects the fact that it is improving. Its latest Ofsted inspection resulted in a change of status from being in need of improvement to being a good school, which has added confidence. The consequence of St Ives First School's decision is that people who have children there would still be able to opt into the middle school system in Dorset if they wanted to. The decision is not closing down choices and options, but expanding them.

**Mr Gibb:** My hon. Friend makes a compelling case on behalf of his constituents and St Ives First School. I will ensure that the Secretary of State and officials see the transcript of this debate before they reach a decision on the section 496 determination. One issue that will be taken into account is any delay by the local authority in deciding whether it is appropriate to intervene in these circumstances. All those matters will be taken into account.

**Mr Chope:** May I press the Minister a bit further on the timescale? We are now in the second week of June and people need to know the decision of the Secretary of State sooner rather than later.

**Mr Gibb:** My hon. Friend makes a good point. The letter from Dorset County Council was dated 4 June. I think that we received it on 9 June, and we will ensure that the Secretary of State responds as soon as possible. It is unfortunate that these matters have dragged on for so long, creating an element of uncertainty for pupils and parents at that school and surrounding ones.

*Question put and agreed to.*

11.27 am

*Sitting suspended.*

## Carcraft

[HYWEL WILLIAMS *in the Chair*]

2.30 pm

**Liz McInnes** (Heywood and Middleton) (Lab): I beg to move,

That this House has considered the closure of Carcraft.

It is a great pleasure to serve under your chairmanship, Mr Williams. I must begin by expressing my sympathy to all the employees and customers affected by the sudden closure of Carcraft last month. I congratulate the hon. Members who have turned up for the debate. I urge the House to take notice of the recent closure of the car dealer Carcraft, which was headquartered in Castleton, part of my constituency of Heywood and Middleton.

Carcraft fell into administration in late April, leaving 474 people unemployed. This is the first time in the new Parliament that such a topic has been debated, and I hope that we will see some improvements in this field before such a debate is needed again. I would like to stand before you, Mr Williams, and say that the economy in the north-west is as strong and resilient as the people who live there, but that has not been the case for some time. Although the Minister may talk about an economic recovery and a long-term economic plan, there has been little evidence of them in my constituency of Heywood and Middleton—or, indeed, in the wider borough of Rochdale.

During the calendar year of 2014, unemployment in Heywood and Middleton stood at 8.1%, higher than both the regional and the national averages. More than three quarters of jobs in my constituency fall into the service sector, and almost one in six jobs is in wholesale and retail, including the motor trades. That means that the loss of an employer such as Carcraft has a large impact on the economy of both my constituency and neighbouring ones from which employees commute. In fact, with a generally low-wage economy and a shortage of new job vacancies to be filled, the loss of a business with a 60-plus year history in the area, such as Carcraft, could for some be catastrophic.

Carcraft was started in Rochdale in 1951 by Frank McKee, as a sole trader, and it became a registered company in 1964. It was later sold to his sons, backed by the Royal Bank of Scotland's development capital arm, and was valued at that time at £50 million. The constituent companies of Carcraft were the UK's seventh largest retailer of second-hand cars. They had an annual turnover of £120 million and were selling 225 vehicles a week. As well as the head office site in Castleton in my constituency, they traded from 10 other sites around the UK, and they were employing 474 staff when they entered administration.

In March last year, a management buy-out led to the resignation of the McKee family from the board of directors, leaving a Mr Robin Bridge as chief executive officer. Unfortunately, Mr Bridge resigned his post in September of the same year. Colin Houlihan was appointed chief executive officer and was still in that post when the company entered administration. Despite an annual turnover of £120 million, from 1 October 2011 until the end of April this year, Carcraft incurred losses

[Liz McInnes]

of £26.9 million. As early as 2014, the directors reached the conclusion that the business was in difficulty. They are reported to believe that that is because their business has a poor reputation in a highly competitive marketplace. They also agreed that they held a high cost base, including significant rent costs, which they believed to be above market rate, a number of loan notes and an insolvent balance sheet.

It seems that Carcraft was known as a company that would give customers the hard sell, selling overpriced cars with additional extras that probably were not wanted in the first place. Indeed, there was a BBC exposé on its business practices, including having online prices that were not the same as those in the showrooms. It was well known to customers that they would not be allowed simply to take a leisurely look around the forecourt; there would always be an upselling salesperson around to apply pressure. That reputation, whether accurate or not, did not help the company in a crowded and competitive marketplace.

Something else that failed to help Carcraft was the lack of change in its business model in order to keep up with the marketplace. If I had wanted to buy a car when I started driving, I would have had to save what money I could and then buy a car within my budget. However, Carcraft was one of the original automotive companies that offered the opportunity to pay for a second-hand car in monthly instalments. Once customers were introduced to the idea of buying a car in that way, it was not long before they realised they could pay the same amount monthly to lease a brand-new car with 24/7 support. That change in the business model of the car market, combined with the issues above, made business increasingly unprofitable and difficult for Carcraft.

Another reason that the House should note for the failure of Carcraft is the amount of money that it had to set aside for payment protection insurance repayment claims. Given its reputation for the forceful selling of extra products, I think that we would agree that it is not hard to imagine customers being sold payment protection plans alongside their hire purchase agreements for vehicles. We are all aware that banks have had to set aside billions of pounds to compensate customers who were mis-sold PPI, and we know that PPI is the most complained-about financial product ever. Frequently, though, we forget that it was not just banks that mis-sold that insurance. Smaller businesses up and down the country were also involved in the practice.

**Kate Green** (Stretford and Urmston) (Lab): I am most grateful to my hon. Friend for securing this debate on a matter that affects workers in my constituency who were employed at the business there. I am sorry that I cannot stay for the whole debate, Mr Williams. Can my hon. Friend say whether, to her knowledge—if she does not know, perhaps the Minister will be able to answer later—now that the company is in administration, any customers who might have PPI mis-selling claims to pursue will be able to continue with those allegations and to receive any compensation if that is due?

**Liz McInnes**: I thank my hon. Friend for her intervention. I hope that the Minister will be able to respond to that question. I am not sure whether PPI claims against this company will be able to be pursued.

I have no doubt that everyone in the Chamber has received unwanted calls, emails or texts from companies volunteering to help them to claim for PPI mis-selling. In my case—I am sure this also applies to others—that advice is for PPI that I have never actually taken out. However, the industry around PPI does demonstrate the numbers involved and the size of the marketplace for such claims. The House needs to note that more companies may end up involved in insolvency in the coming months and years because of PPI.

None of this is too surprising. Businesses, sadly, do not always succeed, and in every constituency companies large and small have gone into receivership. During the previous Parliament, 99,530 companies applied for insolvency. The things that concern me about the closure of Carcraft are the decisions taken by the directors, the timing and the lack of consultation with staff and customers. Given that the directors realised in late 2014 that the balance sheet was insolvent and Carcraft was moving towards engaging an administrator, I am surprised that it did not begin a consultation with its employees.

The *Manchester Evening News* has reported that staff were told only hours before the company entered administration. Staff have said that even after they raised concerns about the future of the company, management told them that everything was fine. Obviously, that was not the case, and staff had their fears confirmed when administrators arrived with redundancy letters for all of them. Even worse, at that point managers reportedly told staff that they had known for at least three months that that might happen. People had turned down opportunities to take jobs elsewhere because managers had assured them that their jobs were secure. Now those folk are left with no jobs, secure or otherwise.

**Joan Ryan** (Enfield North) (Lab): I, too, congratulate my hon. Friend on securing the debate, which affects people in Enfield North and their work. I have found it very difficult to get any information from anybody—the administrators or the solicitors who seek to bring a group action—about the former employees, and I am concerned about what is happening to them. They were left high and dry and given no information by the company, and they will now need support to find employment. We cannot turn the clock back and bring the company back, but those former employees deserve some support. I have had difficulty finding out the number of people involved and what has happened since in order to be able to give them that support. Does my hon. Friend have any further information? I hope that the Minister will also address the matter.

**Liz McInnes**: I understand that the Carcraft outlets employed between 25 and 50 people, but I can get exact figures to my right hon. Friend after the debate. The major employment was in my constituency, where we have lost about 150 jobs. I will go on to talk about the support available, if she will bear with me. There is some support available for staff, but it is on a fairly impromptu basis.

My right hon. Friend referred to legal action. Some of the staff who have been displaced are consulting employment lawyers about bringing legal action against Carcraft. Although staff will receive their statutory redundancy payment, they will struggle to obtain notice

pay and unpaid holiday pay. However, because that is now likely to form part of legal action, I do not intend to say any more on the matter at this stage.

When a business such as Carcraft enters administration, another important cost is that incurred by customers, who chose to spend their hard-earned money at Carcraft on vehicles or on packages—such as the “Drive Happy” guarantee—that included servicing, warranty, MOTs and roadside assistance. Customers who bought such packages now have to find those services elsewhere, and they are certainly not driving happy, especially if they were sold the packages only days before Carcraft announced that it was going into administration. Staff have confirmed that they sold vehicles and guarantee packages until the night before the administrators stopped trading.

I am troubled by the fact that Carcraft continued to sell goods in early 2015, despite knowing that administration was highly likely. Of course, it is illegal to continue to trade only after insolvency has been confirmed, but there is something unfair and slightly disreputable about a company that trades in the knowledge that it is highly unlikely to be able to provide the promised services. In the case of the “Drive Happy” package, 29,000 people across the country paid for services that they can no longer receive. Luckily, only a small number of customers bought cars and were unable to collect them, and the administrators have made arrangements with those customers.

Not everything in this situation has been negative. A number of organisations, formal and otherwise, have come to the aid of those most adversely affected by Carcraft’s entering administration.

As my right hon. Friend the Member for Enfield North (Joan Ryan) mentioned, it is important to talk about support for those who have lost their jobs. The devastating impact of the sudden loss of a job on family wellbeing cannot be underestimated. The administrators, along with ERA Solutions, which specialises in assistance on employee matters when a company goes into administration, have provided advice to employees and supported them in accessing help from local jobcentres. Rochdale Borough Council has been in touch with employees in my constituency who were directly affected, and other councils around the country have done similarly. Rochdale has given help and advice to those who wanted it on matters including how to apply for relevant benefits and support, and how to start up their own businesses should they wish to.

The industry has come together to attempt to offer support. The former CEO Robin Bridge, who is now a director of Vehicle Trading Group, quickly joined forces with Andy Coulthurst of Motors.co.uk to help employees of Carcraft. They have set up a Facebook group in which they encourage former employees to send CVs and ask companies whether there are jobs in the industry for those staff. As we might imagine, the response has been overwhelming. Several key members of the industry have provided support, and that is a promising example of a community coming together.

A further example of the industry helping to support its own members is the involvement of the Automotive Industry Charity, to which the administrators ensured employees had direct access. The organisation—once known as the Motor and Allied Trades Benevolent Fund, but now known simply as BEN—has informed those affected that it provides listening and advice

services, and help with accessing support from the right organisations, through its helpline. BEN’s welfare and care services are available not only to anyone employed in the sector, but to their whole families. That takes its reach to an estimated 3.84 million people in the UK alone.

In the wake of the news about Carcraft’s going into administration, BEN was proactive in contacting the administrator, Grant Thornton, to make it aware of the services available to staff. Additionally, BEN was proactive in sharing contact information, website details and contact numbers on its social media and digital platforms. Although the details of contact made by employees are confidential, BEN has confirmed to me that it received a number of inquiries on the back of the Carcraft closure, in response to which details of the following services were provided.

Employment law and legal advice was provided, including details of the Advisory, Conciliation and Arbitration Service and civil legal advice. Advice was given on dealing with redundancy, including reference to Citizens Advice and the Money Advice Service and direction to online materials. Guidance was given on employee welfare rights and benefit entitlement through Citizens Advice and the jobcentre. Budgeting and debt advice was given through the Money Advice Service, Citizens Advice and StepChange. As it is challenging to talk about many of those issues in the work context, BEN supplemented the work undertaken by existing in-house or state-run benefits provisions. A spokesperson from BEN said:

“Given that many of the employees were only made aware of the situation when they arrived at work...a vast number will...be experiencing shock, stress, worry and an uncertain future. As yet, the full details of the circumstances and the long term future impact cannot be assessed.”

That stark fact cannot be ignored.

The sudden impact of job loss on an individual, their family and, ultimately, the community must be investigated so that people are not exposed to such difficult circumstances without prior warning. I urge the House to consider what the Government are doing to protect workers when an employer goes into administration. How do the Government plan to improve protections both for employees of companies facing insolvency and for customers of such businesses? Do the Government have any plans to legislate to improve workers’ rights in such situations? What can be done to ensure that the Insolvency Service amends the status of former employees to something other than preferential creditors?

It is also vital to ensure that, particularly in times of economic struggle, customers are given the maximum possible protections. What will the Government do to ensure that businesses with insolvent balance sheets or similar financial difficulties are more responsible in the selling of products and services that they may not be able to provide in subsequent weeks or months? The Minister will no doubt tell us all about the Government’s long-term economic plan and the number of jobs that have been created, but there is still a lot of concern about the nature of such jobs. Some 474 full-time jobs with a pension scheme and protections have been lost, and a high number of the jobs that may replace them will be part time, self-employed or on zero-hours contracts. All the talk of economic recovery is not reflected in the day-to-day lives of my constituents and, indeed, others

[Liz McInnes]

across the country. We must use this opportunity to change that and improve the lives and livelihoods of the people of this country.

I look forward to the Minister's response. I hope that, following this debate, I will be able to provide my affected constituents with some reassurance.

2.53 pm

**Simon Danczuk** (Rochdale) (Lab): I congratulate my hon. Friend the Member for Heywood and Middleton (Liz McInnes) on not only securing this important debate but championing this issue locally and nationally. For those who are not aware, the constituencies of Rochdale and Heywood and Middleton are coterminous with Rochdale borough and, as she pointed out, Carcraft has existed in our constituencies since the 1950s, which is one reason for my speaking this afternoon. I declare an interest, because my wife worked at Carcraft's headquarters when we first met a number of years ago—I thought it would be right and proper to put that on the record.

There is no doubt that the closure of Carcraft is a massive issue in Rochdale borough. I join my hon. Friend in saying that my thoughts go out to the staff who lost their jobs; it is a true tragedy for the reasons she outlined. The economic recovery remains fragile north of Manchester and in and around Rochdale, and the loss of so many jobs makes the situation so much more difficult. It will not be easy for those who have lost their job to find alternative employment. Credit goes to the Government for many of the jobs that have been created, particularly in the private sector, but the situation is fragile. She is right to say that many of those jobs are temporary and, particularly in the area we represent, casual. It will be difficult for the former employees of Carcraft.

Carcraft was something of a local institution, and my hon. Friend gave a flavour of that. Some people loved Carcraft and some people loathed it. Most people have a story to tell about Carcraft. Some of those stories are good; some of those stories are not so good. We have to bear in mind that, ultimately, the business sold used cars. That is an issue about which emotions run high, but some people clearly had an adverse experience when dealing with the company. Either way, Carcraft was generally seen as a positive for Rochdale borough. It created many jobs, and in some ways it helped to put Rochdale borough on the map. People were aware of Carcraft, and they travelled to it.

The McKee family established the business back in the 1950s, and the family have always made a big contribution locally—they regularly make a big contribution to charities locally—which is worth putting on record. I have met Noel McKee, one of the brothers who helped to run the business before it was sold, on a number of occasions, and one cannot help thinking that the business would not be in its current position if the family were still involved, and I do not say that lightly. The McKee family guided the business through many downturns in the economy over many decades. They guided the business through the last recession before the management buy-out. The McKee family seemed to have the business skills

and ability to make the business work, and perhaps Carcraft would not be in its current situation if they were still involved.

I am pleased to hear that the Insolvency Service is involved in trying to establish what went on with Carcraft's most recent management. I am also pleased that Rochdale Borough Council, as my hon. Friend said, has been doing what it can to assist those who lost their jobs, and to redirect customers to support and help, where required. I know from personal experience that it is not easy to close a business, particularly when it has been unsuccessful, but we need to examine the details. I hope the Minister will consider a number of my following points. Was the conduct of the directors involved right and proper? Were fair and proper practices followed? Was reasonable attention given to both employees and customers during the closure of the business? Carcraft was a major UK business that served thousands of customers. As my hon. Friend the Member for Heywood and Middleton pointed out, the sale of warranties, MOTs and financial services was exceptionally lucrative for the company; that was where it made a lot of its money. The business was not always about the sale of a car; it was about the sale of financial services. We have to ask questions about that. I am concerned that many customers may have been treated unfairly because of the directors' decisions and actions.

Customers, employees and supplier businesses deserve answers. I am saddened that a business synonymous with Rochdale borough has closed. I am upset for the employees and customers who may have been treated so poorly, but I am hopeful that the Minister and her Government will help us to understand what went so terribly wrong with this business.

2.59 pm

**Joan Ryan** (Enfield North) (Lab): I am not sure that this issue would be on the agenda at all if it was not for my hon. Friend the Member for Heywood and Middleton (Liz McInnes) securing this debate, which is a matter of concern. I am keen to hear what the Minister, or her predecessor, knew of this situation. I was not here in the last Parliament, and we only got notice of this closure a week before the general election, so the timing is extremely difficult and it is very hard for anyone to be abreast of this situation.

This issue could have easily just disappeared, and yet we are talking about a big company and a lot of jobs. To echo what my hon. Friend the Member for Rochdale (Simon Danczuk) has said, on behalf of customers and employees of Carcraft, I am very concerned about the points raised by my hon. Friend the Member for Heywood and Middleton about how long it was known that the company was in major financial difficulties, how little notice was given to employees and how little discussion there seems to have been with them. One would have expected that the company would have felt some smidgen of loyalty to these people; I am quite surprised at how cavalier it seems to have been. I might be harsh in saying that, and I am willing to be corrected, but on the face of it, and given the information we have received, it does not seem that I am being particularly harsh.

I hope that we will get a lot more information to take back to our constituencies, so that our constituents who are customers or employees of this company are not left

high and dry. There is some local awareness of this issue, and interest in what is happening, and hopefully customers and employees now feel that there is somewhere that they can raise their issues. However, we need more information.

I pay tribute to BEN; I, too, have also been in touch with it, and I am impressed by its proactive approach and the support it is providing. If it was not for BEN, I am not sure that anybody would be providing any support, and if it was not for my hon. Friend the Member for Heywood and Middleton, I am not sure that anybody would be talking about this issue, which is of real concern.

3.2 pm

**Michelle Thomson** (Edinburgh West) (SNP): Thank you, Mr Williams, for giving me the opportunity to take part in this debate.

I must declare the reverse position of other Members, if you like. I am the Member for Edinburgh West and a representative of the Scottish National party, and hon. Members will be aware that Carcraft had no branches in Scotland. Nevertheless, speaking as a shadow Minister for Business, Innovation and Skills, and coming from a business background, it is always a matter of regret when people's jobs are lost, particularly from small businesses, which play such an important role in our communities; indeed, they are the backbone of our communities.

I have some points to make about the company's balance sheet. I note that the company had been running consistently at a loss even in the lead-up to the management buy-out, which is usually a cause for concern. There was a loss of £6.6 million in the 12 months to 30 September 2012, and I note that the accounts for the year ending in 2014 included a "going concern" statement:

"The company's Directors believe the business will continue for the foreseeable future and has the full support of the ultimate parent company. As such the directors believe the going concern basis of preparation for the financial statements is appropriate".

However, I also note that the parent company was a so-called newco or new company that was set up at the time of the management buy-out. So, what test did the auditors apply?

Grant Thornton, a highly reputable company, will obviously look in detail at Carcraft's financial accounts, and it will go through the right and proper process to establish which secured creditors are paid off first, using the remaining assets. However, I have also noted that £4.8 million went to Pennine Property Investments LLP in 2014; I am not sure whether that money was a loan. Again, I would like the detail in the balance sheet and all the accounts to be looked at rigorously.

3.5 pm

**Mr Iain Wright** (Hartlepool) (Lab): Thank you, Mr Williams, for calling me to speak. May I begin by saying what a pleasure it is to serve again under your chairmanship, for the first time in this Parliament?

I congratulate my hon. Friend the Member for Heywood and Middleton (Liz McInnes) on securing this debate. The whole House would agree that, since arriving here just a few short months before May's general election, she has impressed everybody with her dedication not only to the needs of the NHS, which she has particular

strengths in, experience of and passion for, but to the wider concerns of her constituency. She has demonstrated that again today with her excellent speech.

I also pay tribute to the excellent remarks made by my right hon. Friend the Member for Enfield North (Joan Ryan) and my hon. Friends the Members for Stretford and Urmston (Kate Green) and for Rochdale (Simon Danczuk) on the matters affecting their constituents following the closure of Carcraft.

I welcome the Minister for Small Business, Industry and Enterprise, the right hon. Member for Broxtowe (Anna Soubry), to her new position in the Department for Business, Innovation and Skills. It is an excellent appointment. If we must have a Tory in that position—I suspect that because of democracy we do—then I am glad that it is her. I wish her all the very best in her new role of ensuring that business and enterprise are championed and that the interests of workers and consumers are given sufficient priority. Those have been a key theme of today's debate.

Mr Williams, I hope that you, my hon. Friend the Member for Heywood and Middleton and other hon. Members will indulge me for a moment, because my brother Paul and his wife Leanne had a baby earlier today. Oliver was born at 12.10 am, weighing 7 lb 1 oz and, thankfully, looks like his mother rather than my brother. Both mother and baby are doing well. Coincidentally, today is also the birthday of my son, Jacob; he is 19 today. I wish my son many happy returns and hope that these two cousins can celebrate joint birthdays for many years to come. I thank the House for that indulgence, Mr Williams, and having dispensed with the Wright family's birthday matters, I will respond to the serious matters that my hon. Friend has brought to Westminster Hall today.

Carcraft was once seen as the UK's leading car supermarket, but, as my hon. Friend has said, it went into administration very quickly, without any great notice, in April, with the loss of around 474 jobs. My first concern has already been raised time and again in today's debate: it is about the people who have worked diligently and professionally for the firm but who now find themselves without employment. It must be a very difficult time for many former employees of Carcraft, especially because the company's fall into administration would have come as a complete shock to many of them.

Given what has already been said by my hon. Friends, what assistance can the Minister provide in this situation, whether it is financial assistance from the Government or—more likely—the removal of bureaucratic inertia to ensure that the people affected by the closure of Carcraft are given help and information, and supported to return to employment as quickly as possible? What liaison is taking place between the Minister and her counterpart in the Department for Work and Pensions to ensure that Jobcentre Plus staff are fully aware of the importance of this matter?

My hon. Friend and others provide a hugely effective bridge between national, local and sectoral organisations; we have heard about BEN a number of times today. But can the Minister set out what will be done with local authorities? Given that Carcraft was a national organisation—colleagues from not only the north-west but London have spoken today—has the Minister sought to establish some form of taskforce to provide effective

[Mr Iain Wright]

liaison and deal with the issues arising from its closure, many of which will affect its former employees, whether they live in Rochdale or Enfield?

My hon. Friends the Members for Heywood and Middleton and for Rochdale made an important point about their local economies, which are very similar to that of my own constituency. My hon. Friend the Member for Rochdale will recall the debate we participated in yesterday about city regions and metro mayors. City regions are incredibly important drivers of economic success, and there is probably no greater example in relation to the so-called northern powerhouse than Manchester. However, many of the small towns close to it do not have the same economic viability and are characterised by low-age, insecure employment—the northern powerhouse seems a long way from the people affected by Carcraft. How can we ensure, therefore, that economic success is not just confined to the cities, but spreads to smaller, neighbouring towns such as Rochdale so that work is created and people can seek alternative employment?

There are broader issues at stake here. As the hon. Member for Edinburgh West (Michelle Thomson) said, the Carcraft group incurred significant losses in recent years: £6.9 million in the financial year ending 30 September 2012; £10.2 million in the 18 months ending 31 March 2014; and, based on current draft management information, about £9.8 million in the 13 months ending 30 April 2015. Grant Thornton, which has been appointed as administrator, has stated that the company was hit by a poor market reputation, a lack of investment and a high cost base. In addition, it suffered from expensive loan note financing and an insolvent balance sheet. Those assessments of the company's financial position and performance in the run-up to administration are pretty damning.

As the hon. Member for Edinburgh West said, that raises the question of what on earth the auditors were doing; I speak as a member of the Institute of Chartered Accountants and as a former auditor myself. How on earth could the auditors allow the company accounts to be signed off, given the damning assessment we have heard? Crucially, how could the accounts have been prepared on a going-concern basis, reflecting the notion that the entity would be able to remain in business for the foreseeable future? The company had an insolvent balance sheet and significant losses over a number of years, and it was crippled by expensive debt, so how did the auditors provide it with a clean bill of health? Does the Minister think that changes are needed to the audit regime, particularly with regard to inspection? Will she take a look at that?

In many regards, the closure of Carcraft reflects many of the issues seen at City Link last year. Lessons should now have been learned from that company's demise, and they can and should be applied to Carcraft to ensure that employees, creditors and consumers are given as much clarity as possible. Will the Minister outline what the Government have done to review the requirements for consultation on redundancies during administration to clarify what employees can expect and what company directors' specific responsibilities are? On the various categories of creditor, does she

think that a review of insolvency practice is required to change the order in which creditors—whether employees, customers with warranties or others—are paid?

All In One Finance Ltd was the finance arm of the Carcraft group. The company provided loan finance for Carcraft customers to purchase vehicles and the Carcraft “Drive Happy” package—a warranty that provided servicing, MOTs and roadside assistance. In the days leading up to administration, Carcraft customers were sold warranties, but they are no longer covered. That seems incredibly unfair: it goes against the consumer on three separate levels. First, Carcraft customers bought the warranties in good faith, even though it looks as if Carcraft knew it was on the verge of insolvency. Secondly, customers may have had insurance at a discount, as a result of mitigating factors such as having good roadside assistance, MOTs and servicing in place. However, those customers now face an uplift in insurance premiums. Thirdly, customers will face a further penalty if they break down or fail to get the servicing they paid for—they will be out of pocket yet again.

All In One Finance is authorised and regulated by the Financial Conduct Authority. Will the Minister outline what protections the FCA has in place to ensure that customers are not adversely affected? Does she think the arrangements in place are adequate, or do they need refining in the consumer's interests, in the light of what is happening with Carcraft? Given the boom in finance and warranty provision, what is in place to ensure that the customer is protected?

I thank my hon. Friend the Member for Heywood and Middleton for bringing this important matter to the House. It is right and proper that such matters are discussed, and, in the interests of Carcraft's former employees and customers, I hope the Minister is able satisfactorily to outline the provisions the Government will put in place to ensure they are protected.

3.15 pm

**The Minister for Small Business, Industry and Enterprise (Anna Soubry):** It is a pleasure, as ever, to serve under your chairmanship, Mr Williams. I congratulate the hon. Member for Heywood and Middleton (Liz McInnes) on securing the debate. It is absolutely right and important that we debate these matters. This is an awful situation, and our heart has to go out not just to the employees who have lost their jobs, but to their families. Many of these workers will have families, who will also suffer as a result of the redundancies. Few things are more unsettling and unpleasant than losing one's job, especially when it is through no fault of one's own.

There are a number of points of concern in this case and I will deal with all of them, but first, on a lighter note, I should say that I am looking forward to doing battle—and working too—with the hon. Member for Hartlepool (Mr Wright). I wish everybody in his family a happy birthday, although I should tell him that the traditional way for people to do that is to send a card or make a phone call—he knows what I mean. I am sure his family will be celebrating at various levels this evening.

Now to serious matters. Carcraft employed 474 people before the redundancies, including 152 in Rochdale, where the head office was located. Some 407 employees' redundancy claims are continuing. Carcraft had 10 sites across England and Wales at the time of administration,

and a further site in Merseyside which closed in March. I can assure everyone that the Government are focusing on supporting those affected so that they can find new jobs, and we are paying eligible employees redundancy pay.

It is alleged that Carcraft sold cars for cash or on credit that have not been delivered and that extended warranties were also mis-sold. Those are serious allegations. There are also concerns about the ongoing validity of a number of warranties. I certainly take those matters seriously. Given everything that has been said today, as well as the activities of local Members of Parliament, who are clearly taking a keen interest, I am confident that if there is any allegation of wrongdoing, the relevant authorities will be properly informed and the police will become involved if necessary. I should make it absolutely clear that if it appears there has been wrongdoing, there will be full inquiries, and if there has been wrongdoing, people will be brought to justice in some way or another.

A number of hon. Members have former Carcraft employees in their constituency. The hon. Member for Stretford and Urmston (Kate Green), who made an interesting and valid intervention, has 15—that is the lowest number, according to the figures I have been given. The hon. Member for Heywood and Middleton has 152 constituents who have lost their jobs. The right hon. Member for Enfield North (Joan Ryan) has 37 constituents who have been affected. I mention that because those Members contributed to the debate.

Let me deal now with the customers. Any administration affects the customers of the failing business. Many consumers had continuing loans or direct debits with Carcraft, and they will of course be worried about where that leaves them. Some consumers will have cars or services that they have partly paid for, and they will be wondering what rights they now have, given all that has occurred. The advice is clear: they should contact the administrator—we have heard that Grant Thornton has been appointed. They may also wish to review their position with Citizens Advice or other advisers. I understand that some loans taken out by customers with Carcraft's finance arm, All in One Finance, are now owned by another finance company. The Government—that is, my officials—have spoken to the administrators, who have informed us that the majority of straightforward hire purchase agreements on Carcraft cars were provided by third party finance companies. Those customers are being advised to contact their provider directly about repayment.

**Mr Wright:** Should those customers continue with direct debit payments? What would the Minister's advice be about that?

**Anna Soubry:** It would be absolutely wrong of me to give any advice, because I do not know the answer to that question. I can make full inquiries and write to the hon. Gentleman, but I do not know the answer. Some loans were retained by the Carcraft group, and what happens to them will depend on the type of loan that the customer had. I understand that borrowers are being notified about that.

Additionally, as we have heard, Carcraft provided an MOT, servicing, warranty and roadside assistance package known as a "drive happy" plan. The administrators are not able to provide for continuation of that service and

have informed my officials that they intend to contact all affected customers with such a plan, to make arrangements to reduce monthly payments so that they will no longer be paying for that service. If any consumers are worried about their payments or how services might be affected, they should speak to Citizens Advice or other advisers who can explain their options and give them the quality advice they obviously need.

Hon. Members have raised concerns about directors' conduct, and there are obvious concerns about the effect of Carcraft's closure on jobs and the local economy. I will talk briefly about the actions that Government can take if director malpractice is suspected. Whenever a company enters administration, the conduct of its directors is looked into by the administrators. If evidence of unfit conduct is found, a director can be disqualified from acting as a director for between two and 15 years. My officials have been proactive in contacting the administrators to discuss the directors' conduct in this case; we have already raised the matter with them.

As I set out in my response to the written question of 27 May from the hon. Member for Heywood and Middleton, the Insolvency Service made early contact with the administrators to discuss the circumstances surrounding the closure of Carcraft's business, including the conduct of the directors. The Insolvency Service takes those matters seriously, as do all Governments. The Government are also talking to the Financial Conduct Authority, which regulates the financial services part of the Carcraft group. If there is cause for concern, it will be identified and investigated and any appropriate action taken, as I have explained. It is too early in the administration of Carcraft to form a view on the directors' conduct, but I would mention that last year the Insolvency Service disqualified more than 1,200 directors in circumstances where their conduct fell short of the high standards that we expect of them. That of course means that they cannot do such work, which is a genuine punishment and says that their conduct does not entitle them to occupy what is an important role in any business.

As for redundancy payments, one of the hardest-hitting consequences of any insolvency is the risk of job losses and the impact on people's lives. Although it is little consolation for the nearly 500 staff involved, they can claim certain outstanding payments, including up to eight weeks' arrears of pay from the Government's redundancy payments service, which has a maximum £475 a week. To make that happen as quickly as possible, the Government have already set up a dedicated team for former Carcraft employees, and to date 407 people have made use of the service—I am assuming that that is from around England and Wales. Their claims are being processed and moneys owed will be paid out as soon as possible. I want to make it clear that if any hon. Members have a single constituent who is not receiving the money they are owed as a matter of some urgency, they should not hesitate to write to me or to grab hold of me around the parliamentary estate. I take such matters extremely seriously. It is bad enough for someone to lose their job, but then not to have money that is owed to them is completely unacceptable.

**Joan Ryan:** I thank the Minister for her offer to be available, because I was a little worried about having difficulty in getting hold of the administrators. It is helpful to know that we can raise the matter on behalf of constituents who are in such a difficult situation.

**Anna Soubry:** I am grateful to the right hon. Lady, but that is the way I work. Some hon. Members will know that they can just come up and badger me; I do not have a problem with that, and if necessary I will go and badger whoever needs badgering. I imagine that it is very busy at Grant Thornton at the moment, which may be a reason it has not replied to the hon. Lady's request. If there are any problems, I do not have a problem with people coming to me.

We have set up our dedicated team, and that is the right approach. Claims are being processed, and 321 people have received or are about to receive their payment. The Government are in close contact with the administrator to make sure that there are no unnecessary delays in that payment. The redundancy payments service can be contacted either by phone on 0330 33100200 or by email to [redundancyclaims@insolvency.gsi.gov.uk](mailto:redundancyclaims@insolvency.gsi.gov.uk).

Where an employer proposes to dismiss as redundant 20 or more people at the same establishment within 90 days or less, the employer has to consult employee representatives about the dismissals and must also notify the Secretary of State of the proposed redundancies. A call for evidence is currently out for comment on what happens where employers are facing an insolvency situation and on how stakeholders think outcomes—forgive me, Mr Williams; I should have changed these words, as I do not like the word “stakeholders”. The question for comment is how anyone with an interest thinks that outcomes—results, in good plain English—might be improved in such circumstances. We want to hear from people. I would urge anyone with suggestions, including hon. Members, to contribute. Responses to that will be considered and next steps will be identified.

I want to talk about the important matter of the support that workers who have been made redundant are being offered by the Government in finding new jobs. We are helping them by ensuring that there is support to help them back into work. My colleagues at the Department for Work and Pensions have made contact with the administrators to advise them of the services available to Carcraft's former employees. DWP will also support employees through its rapid response service. Depending on each individual's circumstances, that can include help with CV writing and interview skills, help with identifying transferable skills and skills gaps linked to the local labour market, and training to update skills, learn new ones and gain industry-recognised certification that will improve employability. It all sounds marvellous, but if it is not out there happening in the real world, I would again urge hon. Members to badger me. We would then find out more and contact the responsible officials in the DWP. It sounds great, but it means nothing unless it is actually happening for the people who have lost their jobs.

Although the loss of jobs at Carcraft comes as a severe blow to employees and their families, overall the employment rate in Rochdale has been on the rise since 2011. Rochdale and the Greater Manchester area have also benefited from heavy investment in recent years. I do not really want to get into a party political squabble about all this, but I wanted to give some facts and figures. Two regional growth fund awards have been made to Heywood and Middleton, and that is just some of the £111 million of regional growth fund money that has been allocated to projects in the Greater Manchester area. The Growing Places fund supports key infrastructure

projects designed to unlock wider economic growth and create jobs. Greater Manchester benefited from this fund, receiving £37 million.

Greater Manchester's growth deal, announced on 7 July last year, sets out a £533 million investment programme that will support further economic growth in the area. That investment will go to the life sciences investment fund, creating apprenticeships and maximising skills investment, as well as providing major investment in local infrastructure. The growth deal also brings forward £140 million of additional investment from local partners and the private sector and will create at least 5,000 jobs by 2021. If it does not, I imagine that many hon. Members here will be holding the Government to account, and rightly so.

As well as this investment in the Greater Manchester area, the Government are committed to creating jobs and reducing unemployment across the region. The Government's long-term economic plan—

**Mr Iain Wright:** Oh.

**Anna Soubry:** I know, I just read it out. Do forgive me.

Our brilliant economic plan—in all seriousness—seeks to rebalance growth across the regions. We have the determination to build what is called the northern powerhouse, although I am not sure it should not be called the north of England powerhouse. Creating this powerhouse enables the northern region to reach its potential as a driving force in the UK economy and rightly gives the north a powerful voice. Even I, a representative from a constituency in the east midlands, can say that, and I promise hon. Members that I am not saying it through gritted teeth. This is an exciting new development in the way that we do growth, and I believe that it is welcomed by everybody. We are putting the emphasis on that in the north and, indeed, in all cities.

I saw a presentation on productivity, which we know we have problems with. The evidence is clear that one way to get real growth and improve productivity is to make real investment in our cities and turn them into magnets that attract investment. I was shocked to hear that some rents in great cities such as Glasgow are higher than in parts of Manhattan. We have to sort this all out. Cities are wonderful places and they can be the magnets that attract all the investment, including public money, to bring the growth and the jobs that we all want.

**Mr Wright:** I was trying to make this point in my speech. City regions are important. Cities are important as drivers for economic prosperity. Rochdale is a good example, relative to Greater Manchester. How do we ensure that the city region approach, with Greater Manchester and particularly the city of Manchester driving forward economic growth, spreads to areas like Rochdale?

**Anna Soubry:** I will be corrected by Rochdale Members if I am wrong, but in my view they are part of the Greater Manchester conurbation. Rochdale Borough Council is part of the coming together of all the councils. These things only work when everybody comes together. If a few councils do not want it, it is not going to happen. When all local representatives—the chambers of commerce, and borough and district councils as well as city councils—are working together, buying into it, it will work. I cannot imagine that Rochdale Borough

Council would not let its people benefit from the northern powerhouse. It has to be done like that because it cannot be imposed by Government. It has to be agreed and driven by local government. That is what has happened in the north and around Manchester.

There are some PPI claims against Carcraft and those are likely to be an unsecured claim in administration and can be pursued through the administrator, which is Grant Thornton. I wanted to address that point in particular, although a number of points were raised. I will, of course, write to any hon. Member on any point that I have not answered.

Although the closure of Carcraft will have caused anxiety and worry for all involved, I hope that I have reassured the hon. Member for Heywood and Middleton that assistance has been, and will continue to be, provided both for former employees and for consumers and that the Government's wider economic policy will help ensure job creation and opportunities in the region.

3.34 pm

**Liz McInnes:** I am grateful to the Minister for her full response to the queries I raised, and grateful to all my hon. Friends who have taken the time and trouble to attend and contribute.

We have had a good debate. I am grateful to my hon. Friends for their appreciation, which they have expressed to me, for my securing this debate. This debate arose as a result of a question I asked during business questions. I was more or less challenged and told, "If you want to discuss this further, call for a debate." That is exactly what I did, and I am grateful for your excellent chairmanship of this debate, Mr Williams.

I feel more reassured. I feel that I can go back to my constituents and give them some new information about assistance that they can access. However, I am conscious that an investigation is ongoing, and I will be watching the results with interest. There are an awful lot of unanswered questions. Finally, I thank everybody concerned.

*Question put and agreed to.*

*Resolved,*

That this House has considered the closure of Carcraft.

3.56 pm

*Sitting suspended.*

## Organophosphate Sheep Dip

4 pm

**Jessica Morden** (Newport East) (Lab): I beg to move,

That this House has considered organophosphate sheepdip poisoning.

Although this is a short debate, it is certainly important for a constituent of mine and many others out there who attribute their chronic ill health to the use of sheep dip. I want to emphasise that I will be discussing events that happened in the '70s, '80s and '90s. Since then, other sheep dip treatments have been developed, and the advice given to farmers has been improved to help minimise the risk of exposure to the chemicals. I do not want to anticipate the Minister's reply this early in the debate, but I gently point out that as long as we continue carefully to regulate and review such products, what I am talking about relates to what happened in the past, or advice that was not given in the past.

I pay tribute to the Members in this place and the other House, journalists and, most importantly, campaigners—not least the Sheep Dip Sufferers Support Group—who have doggedly pursued the issue of organophosphate poisoning over the years. I called for this debate on this long-standing issue to give a voice to my constituent Stephen Forward from Undy, and to raise questions early in this new Parliament, so that we can take a fresh look at the matter and give impetus to the ongoing campaign, which continues to try to provide answers and resolution for the 500-plus affected people. Those 500 are just those identified by the campaign groups; they are sure that more people have been affected.

**Mr Mark Williams** (Ceredigion) (LD): I congratulate the hon. Lady on securing this important debate. I thank her for this opportunity to give voice to the concerns of one of my constituents, Mr Edward Harding, who would strongly assert that his exposure to sheep dip has left him unable to work for the past 15 years. He is now dependent on industrial injuries disablement benefit, which is at least Department for Work and Pensions acknowledgement that his poisoning has caused irreversible damage to his body.

**Jessica Morden:** I thank the hon. Gentleman for making an important point, and commend him on giving a voice to his constituent. The Department for Work and Pensions has acknowledged OP poisoning, but we are still waiting for other bodies to do the same. The matter was raised with me at the end of the previous Parliament by Stephen Forward. Over the years, many arguments have been made about whether people's illnesses can be conclusively attributed to using sheep dip. I am clear that there is no doubt in Stephen's case. Blood tests carried out at the poisons unit at Guy's hospital prove it, and he is one of the few potential victims to have medical evidence to back up his claim.

Stephen started dipping sheep in 1979 at the age of 17, at a time when the then Ministry of Agriculture, Fisheries and Food had made yearly dips compulsory. Biannual dips became compulsory in 1984. The first time that Stephen helped his father with the dipping, some of the sheep collapsed. They were assured by the Government inspector, who had to be present under the system, that that had happened before and that the

[Jessica Morden]

sheep would come round in a few minutes, but it was an indicator to Stephen of the strength of what they were using. As Stephen and others affected will tell you, it is difficult to dip sheep without getting covered in the solution, as well as inhaling and swallowing it. It is the nature of the process. Stephen would spend seven hours a day, twice a year dipping 350-plus sheep.

Almost immediately, Stephen started to get flu like symptoms which got progressively worse, eventually leading to chronic fatigue syndrome and physical problems that meant he could no longer work on the farm. He is also open about the mental health problems that he has developed, including depression and anxiety. His symptoms would always be worse the day after sheep dipping and he was often bedridden for weeks. He went to his GP several times—there is the separate issue of GPs' awareness of the condition at the time—before reading in *Farmers Weekly* in 1991 that he could be suffering from OP poisoning, because the symptoms listed were identical to those that he had experienced for 13 years. The article suggested that people with such symptoms contact the poisons unit at Guy's hospital for a blood test. A series of tests confirmed that Stephen was suffering from OP poisoning. By that stage, however, the window of opportunity for providing treatment had long since passed and he was suffering significant long-term effects.

The symptoms of OP poisoning have been devastating for Stephen. At 53 years old, he is unable to walk 30 yards and has not been able to work since 1996, and the effects have severely limited all aspects of his life. The poisoning has also given him sensitivity to medicines that might have been able to help. Stephen's medical records relating to Guy's hospital were lost by his GP—that appears to have happened to others in a similar situation—but through his dogged persistence he now has some copies directly from hospital. Others are not so lucky. As the hon. Member for Ceredigion (Mr Williams) mentioned, that information is crucial for those making claims for benefits such as employment and support allowance or the personal independence payment. As a result of hearing Stephen's story, I attended a meeting in Parliament with the Sheep Dip Sufferers Support Group. The group is led by Tom Rigby, a constituent of my right hon. Friend the Member for Leigh (Andy Burnham), who initiated a moving meeting for sufferers and is involved in the campaign—although he is, of course, busy with another campaign today. At the meeting, dozens of farm workers told similar heartbreaking stories of ruined lives and health.

It is worth reiterating that compulsory dipping of sheep was reintroduced in 1976 by the Ministry of Agriculture, Fisheries and Food to tackle sheep scab, a notifiable disease. The products used in the 1970s and onwards were stronger than previous products. They were single-dip products containing organophosphates and organochlorides, which were banned in 1984. Compulsory dipping did happen in the '30s and '40s, but farmers were never really told that the new chemicals might be dangerous and required better protective clothing to be worn, so farmers just carried on dipping in the same way that they always had. Concerns about the effects of organophosphate sheep dips on farmers have been raised since their inception, but they came to a head in the early '90s as compulsory dipping was being phased out. It ceased to be compulsory in 1992.

OPs are toxic chemicals with known effects after repeat exposure. OP compounds were developed as chemical warfare agents, and a link exists between Gulf war illness in US troops and OP insecticides. As an aside, it was revealed just this week that British airlines are facing 17 individual legal claims of poisoning by toxic air, including organophosphates, circulating in aircraft cabins. As a result, Unite the union is calling for an inquiry on contaminated cabin air and whether it has been damaging to pilots and cabin crew.

**Jim Shannon (Strangford) (DUP):** I congratulate the hon. Lady on bringing this matter forward for consideration. I have worked alongside the Northern Ireland Organophosphorus Sufferers Association. One of my constituents, Ernie Patterson, was referred from Northern Ireland to Guy's hospital here in London for treatment and tests. Unfortunately, his medical notes went missing and he now has no recourse to any help or assistance. Does the hon. Lady agree that the loss of such important medical records is a disgrace and requires investigation?

**Jessica Morden:** I thank the hon. Gentleman for that important intervention.

**Nia Griffith (Llanelli) (Lab):** The shadow Secretary of State for Health, my right hon. Friend the Member for Leigh (Andy Burnham), has indeed called for an investigation into exactly what was known in the '80s and '90s before the use of such substances was finally discontinued, and into whether there was any form of cover-up, as the hon. Member for Strangford (Jim Shannon) suggests.

**Jessica Morden:** I thank my hon. Friend for that intervention. I will return to this at the end of my speech, but my constituent Stephen Forward found it incredibly difficult to get his medical records. Many others seem to be in the same situation as the constituent of the hon. Member for Strangford (Jim Shannon), so the matter needs to be considered.

At the time of compulsory dipping, mild warnings were given on sheep dip packaging, but the Government and inspectors did not warn farmers about exposure to the solution or advise that any precautions or protective clothing be worn during the dipping of sheep. The sufferers of OP contamination believe that the Government should have provided explicit advice and rules on the safe use of OPs, including rules on proper protective clothing.

The crux of the debate, as has been said, is that while sheep dipping came to an end in 1992, the survivors' groups and other campaigners suspect that the Government must have been aware of the risk earlier. In 1990-91 an inquiry was carried out by the Health and Safety Executive into sheep dipping on behalf of the Ministry. The full report was released to Ministers in 1991, but it was not made public until Tom Rigby put in a freedom of information request. As *The Guardian* reported in April, the FOI disclosure shows that Government officials did know of the dangerous health risks to farmers using this chemical, but they still did not end its compulsory use.

The report set out concerns about the cumulative health impact of long-term and repeated exposure to organophosphates and criticised manufacturers for

providing inadequate protective clothing and unclear instructions to farmers. It is also said that at some time in the 1980s Ministry inspectors were told not to go within 14 feet of sheep dip when supervising, which also needs investigating. It is important to remember that at the time, the then farming Minister demanded that local authorities clamp down on farmers who refused to use the chemical. It was another year, though, until sheep dipping was no longer required by law. As Stephen said:

“We were given no training or advice about how to use the chemicals, just told to get on with it and, if not, we would be prosecuted.”

Today, my constituent, Stephen, and the Sheep Dip Survivors Group would like from the Minister full disclosure of all the documentation on this issue from that time, so that the campaigners can examine it. Campaigners also want a full inquiry, independent of the Department for Environment, Food and Rural Affairs, the Committee on Toxicity of Chemicals in Food, Consumer Products and the Environment, and the Veterinary Medicines Directorate, that looks at this matter afresh, so they can see who in Government knew what, when, and why they might not have acted on that information.

**Mr Ian Liddell-Grainger** (Bridgwater and West Somerset) (Con): The hon. Lady is making an incredibly powerful point. Given the length of time this has been going on for, we almost need a royal commission. This goes back 30 or 40 years, so many of the people involved will no longer be here. Does she agree that we need to set up something, perhaps through the Minister, that this place can scrutinise, as well as something outside?

**Jessica Morden:** The hon. Gentleman is absolutely right. It is crucial that any inquiry is independent of the Department for Environment, Food and Rural Affairs. There have been studies over the years, but independent studies by University College London have come to different conclusions. To settle this matter we need something like his suggestion; that would be a good idea. We want a full inquiry, independent of DEFRA, to allow us to question why farmers might have been compelled to use this chemical with no guidance if governmental research pointed to health impacts. Was compulsory dipping stopped because MAFF knew it was affecting farm workers' and farmers' health? If so, why did it not say so? We need an answer to that question in particular.

We also need to examine what happened to the blood test results from the national poisons unit and disclosure of those that still exist. My constituent had a long battle to get his results, but he did finally get them, so there might still be some there. Even if the paperwork does not exist, medical staff should be invited to give their recollections.

Stephen was affected by this at a young age. He and others deserve an apology from the Government, as he has had to live with the effects for decades. Will the Minister also look at what can be done to help those who are suffering and want access to treatment and an acknowledgement of their health issues? Finally, as a result of this debate, will the Minister take this opportunity, early in this Parliament, to move this issue forward by agreeing to a meeting with the Sheep Dip Sufferers

Support Group, so that we can go into this in far greater depth than a half-hour debate allows? That would be greatly appreciated by campaigners, so I urge him to do that as well as fulfilling my other requests.

4.14 pm

**The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice):** It is a pleasure to serve under your chairmanship, Mr Davies. I congratulate the hon. Member for Newport East (Jessica Morden) on securing the debate. She has championed this cause for some time and she made it clear towards the end of the last Parliament that she would seek an early opportunity for a debate. She has succeeded. Everyone here will have been touched by the story of her constituent and his ill health.

I am sympathetic to farmers suffering from ill health and I acknowledge that some of them associate their illness with the use of organophosphate sheep dips. There is a long history of research into the hypothesis that low-level and non-toxic exposure to organophosphates, sheep dips in particular, might have caused long-term neurological health conditions.

The independent Committee on Toxicity released a statement on organophosphates in March last year, following its earlier report in 1999. The COT reviewed the science published since the original 1999 report and in summary concluded that the reviewed evidence suggests that exposures to cholinesterase-inhibiting organophosphates that are insufficient to cause overt acute poisoning do not cause important long-term neurological toxicity in adults and that, if toxic effects on the nervous system do occur, they are minor and subtle.

**Mr Liddell-Grainger:** I am sorry, but I really must take issue with that; that is not the case. My constituency covers Exmoor and one of my constituents, George Wescott, has suffered with this for more than 30 years. As the hon. Member for Newport East (Jessica Morden) and I have already said, the Minister should set up a commission so that we can get to the bottom of the issue rather than accepting what I suspect is slightly flawed science, although I hesitate to say that.

**George Eustice:** It is worth looking further at the science, because the committee's statement was also endorsed by the medical and scientific panel, which is a sub-group of the independent Veterinary Products Committee. A cross-Government official group on organophosphates also endorsed it. It is worth highlighting some extracts from that detailed report. I have read the report, which is very scientific; I recommend it to anyone with an interest.

The report highlighted that, since 1999, 13 new papers have been published on the relation of low-level exposure to organophosphates and peripheral neuropathy, which added to the 13 studies already available at the time of the previous COT report. Having reviewed all 26 of those studies, the report concluded:

“The current balance of evidence suggests that there is no long-term risk of clearly demonstrable peripheral neuropathy from exposure to organophosphates”.

**Jessica Morden:** I know my constituent well and, having gone through his case in great detail, I am absolutely convinced that his health condition was caused

[Jessica Morden]

by his exposure to sheep dip—the link is all too clear. Has the Minister also had a chance to review the independent academic research by Sarah Mackenzie Ross, an academic at University College London, who has reviewed all the existing studies and concluded that there is a considerable association between low-level exposure to organophosphates and impaired neurological function?

**George Eustice:** I am aware that that report was reviewed by the Committee on Toxicity and that, in fact, part of the COT's report does concede that there may be some effects in some cases. I will return to that. However, just to stick to the COT report, it highlighted that 22 investigations published since 1999 had looked for neuropsychological consequences of low-level exposure. When the committee looked at those, in addition to the nine published previously, it concluded:

“Overall, there is no consistent evidence that low-level exposure to organophosphates has adverse effects on any specific aspect of cognitive function. If organophosphates do cause long-term neuropsychological impairment in the absence of overt poisoning, then the effects, at least in the large majority of cases, must be minor and subtle.”

In relation to Parkinson's disease, the report concludes:

“The overall balance of evidence from 11 studies suggests no increased risk of Parkinson's disease from exposure to organophosphates that is insufficient to cause overt acute poisoning”.

However, it did acknowledge that

“a small elevation of risk cannot be ruled out.”

The report does acknowledge—this links to the point that the hon. Lady was making—that

“Despite limitations of individual studies, current evidence suggests that there is an excess of multiple neuropsychiatric symptoms in people who have been exposed to organophosphates at levels insufficient to cause overt acute poisoning. However, it does not support the existence of a specific syndrome of ‘chronic organophosphate-induced neuropsychiatric disorder’, as has previously been hypothesised.”

In its conclusion, the report states:

“Collectively, the evidence reviewed is reassuring. It suggests that exposures to cholinesterase-inhibiting organophosphates that are insufficient to cause overt acute poisoning do not cause important long-term neurological toxicity in adults”.

The reason why I have outlined those points—with long medical words that I am not used to pronouncing—in some detail is that it is important to acknowledge that there have been dozens and dozens of studies about this issue for more than 20 years. After the first COT report in 1999, the Government commissioned additional research into the subject, which was considered along with all the other evidence gathered since 1999 as part of the COT report last March. The committee has reached its conclusion based on the science.

**Jessica Morden** *rose*—

**George Eustice:** I will try to make some headway, and then perhaps give way later on.

The hon. Lady will be aware that in November 2001 a group of farmers took a case to the High Court seeking damages for OP poisoning. In the event, the case was struck out, because the claimants could not prove that

their symptoms were caused directly by exposure to OP dips. The decision was upheld by the Court of Appeal in November 2002.

I turn now to the issue of the HSE report that the hon. Lady mentioned. The report was commissioned in 1990 and published in 1991; there has been some discussion of whether it has been covered up, so it is important to note that it was published at the time. Since December 2014 there has been increased media attention on possible health effects experienced by people who used sheep dips, focusing on what was known about the substances by Government at the time, as sheep dipping was compulsory until 1992.

An FOI request was received from Tom Rigby of the Sheep Dip Sufferers Support Group at the beginning of February this year, seeking a copy of the HSE report. The HSE was initially unable to locate one; it informed Mr Rigby, who then stated that he held a copy from another source and further requested sight of any correspondence between the HSE and the MAFF in relation to the contents of the report. As no such correspondence was found, the HSE sent a nil response. However, a misfiled copy of the 1990 survey report was subsequently located elsewhere and passed on to Mr Rigby.

I know Mr Rigby still has outstanding FOI requests relating to some documents. The documents in question are HSE-commissioned reports into cholinesterase and the chronic effects of dipping sheep in OP products dating from the mid 1990s. Some are publically available and Mr Rigby has been pointed towards those; the HSE is currently looking into the status of others. To clear up any concerns, I am happy to say that we will place a copy of the 1991 report in the Library for hon. Members to look at.

It is clear that there are significant documented records from around 1993 that indicate considerable cross-Government work taking place on the subject of OP dips at the start of the decade. The 1990 survey appears to have been prompted by reports from farmers that they believed dips were making them ill. The research was focused on the extent to which operatives were exposed to organophosphates, the efficacy of their personal protective equipment and the dipping systems used. Although the report refers to known toxic effects of organophosphates, it does not focus on whether dips were causing ill health, nor does it look at whether dips can cause the long-term ill health that is the focus of the existing sufferer groups.

**Jessica Morden:** Will the Minister tell us why compulsory dipping was stopped in 1992?

**George Eustice:** The Government recognise that organophosphates are potentially dangerous substances whose use needs to be controlled to minimise the risks to humans. Government policy is, and always has been, based on the best scientific advice. Safety warnings on the products reflected the known risks at the time. It is Government practice regularly to review the controls in line with the latest scientific advice and to carry out research to provide more information where required.

**Jim Shannon:** Throughout the debate, Members have detailed the examples of their constituents. What consideration has the Minister given to the common denominator of those examples—namely, the

organophosphates used by all those people, who are now suffering as a result? There has to be a common denominator and an investigation into that.

**George Eustice:** All I can say is that the Committee on Toxicity has looked at the matter exhaustively. It has produced a detailed report reviewing dozens of studies, and has been unable to establish a link. Its conclusions are very clear. Over the past decade, the Government have commissioned £4 million of research into the issue. Many, many people—experts in their field—have looked into the issue and reviewed all the available evidence to reach their conclusions.

**Nia Griffith:** Will the Minister explain what account has been taken of what records are and are not available? If many of the records are not available, the sample may well have been skewed.

**George Eustice:** The 1991 report—it is important to recognise that that report was published at the time—was a survey of farmers who self-reported symptoms. We should bear two things in mind. First, it was not a scientific report; all the reports that the Committee on Toxicity has looked at are scientifically robust research projects. The other thing to note is that the focus of the 1991 report was whether farmers had the correct protective equipment to prevent acute poisoning. We must make a distinction between actual poisoning—organophosphates are poisonous substances that cause tetanus-like symptoms if acute poisoning takes place—and the separate issue of whether exposure to low levels of organophosphates that does not cause overt poisoning nevertheless contributes to long-term conditions. The conclusion of the report is that it does not. We must make that distinction. The report of 1990-91, which as I say was published at the time, was about the concerns about overt poisoning, not possible long-term conditions.

The sale and supply of OP sheep dips have been restricted to appropriately trained and certified users

since 1995, reflecting concerns at the time about their toxicity. In addition, the Veterinary Medicines Regulations 2006 introduced a requirement for dipping to be supervised by a holder of a certificate of competence; that requirement remains in force.

Sheep scab is a severe disease with profound and sometimes fatal welfare implications for affected animals. There are currently still two sheep dips containing organophosphates that are authorised for use in the UK. There are other authorised veterinary medicines available to protect sheep against scab, but dips remain the most clinically effective treatments for the mite that causes it.

**Jessica Morden:** The Minister is being very generous in giving way, and I thank him for that. Will he agree to meet a group from the Sheep Dip Sufferers Support Group to go through some of the outstanding issues they have raised?

**George Eustice:** Yes—I was going to conclude by saying just that. The hon. Lady put that challenge to me and I am more than happy to meet members of the group to discuss their concerns. I am also aware that she raised the specific issue of her constituent's medical records, which she suggested were evidence that sheep dip might have contributed in his case. If her constituent agrees, I am happy to make that information available to the Veterinary Medicines Directorate, which regulates these products on our behalf, and the Health and Safety Executive, which has been the lead on the issue.

This has been a long-running saga. The interventions in the debate have shown that many hon. Members have constituents who associate their condition with OP sheep dips. I reassure Members that we are not hiding anything. The 1991 report was published at the time, but for the sake of completeness I am happy to ensure that we put a copy in the Library.

*Question put and agreed to.*

## Gypsies and Travellers (Local Communities)

4.29 pm

**Mr Philip Hollobone** (Kettering) (Con): I beg to move,

That this House has considered Gypsies and Travellers and local communities.

It is a privilege for all of us to serve under your chairmanship, Mr Davies. You take a close interest in matters to do with Gypsies and Travellers, and I hope I can inform you and the House about the difficulties being caused to my constituents by Gypsies and Travellers, whether they are travelling or have decided to set up permanent pitches in the countryside.

4.30 pm

*Sitting suspended for a Division in the House.*

4.44 pm

*On resuming—*

**Mr Hollobone:** I want to explain the impact that Gypsies and Travellers are having on my constituency, Kettering, not only when Travellers travel, but when they decide not to be Travellers any more and to settle. In both cases, great problems are being caused to my constituents.

I welcome the Minister to his place and I know that he is keen to engage on this issue at an early stage in his ministerial career, which I know will be one of great promise. I know that we will not be able to change the law as a result of today's debate, but he can signal to us the great heights that he will reach in short order by scrapping section 225 of the Housing Act 2004, which requires local authorities to conduct separate housing needs assessments for Gypsies and Travellers.

The Government are looking at scrapping the Human Rights Act 1998, which would also help to address the issue and I would be happy to support that proposal. I believe that the part of the Equality Act 2010 that applies to Gypsies and Travellers should also be scrapped, but if the Minister made a start with the Housing Act 2004, it would be a signal of real intent. I simply do not see why—and nor do my constituents—there should be any special provision at all within the planning system for Gypsies and Travellers. After all, something like 1 million eastern Europeans have just come to our shores, rightly or wrongly. Do we have special planning provision for the accommodation needs of eastern Europeans? No, we do not. Why should we single out Gypsies and Travellers as a supposed ethnic group for special treatment in planning laws?

I am not advocating that we should pick on this community. I am advocating, on behalf of my constituents, that the law of the land should apply equally to all of us regardless of our racial or ethnic background when it comes to housing needs and planning permissions.

The reason for today's debate is that, recently, Daventry District Council—the neighbouring authority to Kettering Borough Council, on which I have the privilege to serve as a councillor—recently granted permission for two additional pitches for a piece of land near the village of Arthingworth in the constituency of my hon. Friend the Member for Daventry (Chris Heaton-Harris), which is

near the village of Braybrooke in the Kettering constituency. For many local people on both sides of the local authority boundary, that really is a step too far, because there is now an over-concentration of Gypsy and Traveller sites in that part of the Northamptonshire countryside.

Let me describe the scene. The village of Braybrooke has 334 voters on the electoral roll and consists of 145 dwellings—it is situated halfway between the towns of Desborough and Market Harborough—and yet, within a small distance around it there are 67 Gypsy and Traveller pitches, which have completely overwhelmed the local countryside. Local people are fed up that there is such a large number of sites in the vicinity of their homes, not least because of the behaviour of the Gypsies and Travellers who live on those pitches. I will read some examples of constituents' comments:

“We are wary of putting our name to a list of our problems with these people as they know where we live and farm and can be very intimidating both verbally and physically... We have known some of the ‘travelling’ families in this locality for over 35 years.”

They cause problems with fly-grazing, for example. Furthermore:

“Hare coursing has been a problem throughout all of those years... Fly tipping is an on-going problem along road verges and in gateways... Setting fire to straw stacks, we now do not put more than 200 bales in a stack. Also burning of electric cable and garden waste on their sites permitting smoke to cross the road... Theft is also an on-going problem. They call at the farm buildings asking for scrap metal or batteries—then within weeks items are stolen. We have diesel stolen on a regular basis, it is no good putting a padlock on the tank as they then puncture the tank and you lose the lot. Other items stolen are gates, buckets of minerals, electric fencing with posts and energizers, hand tools, electric saws, quad bikes, farm machinery and motor vehicles... We do not advise the police of every incident because experience has taught us that little is done and no one is ever caught or prosecuted.”

**Mr Gary Streeter** (South West Devon) (Con): Does my hon. Friend share my bafflement that Travellers are treated as a vulnerable community when, in fact, most of them have far greater wealth than we in this room will ever have? The point is not about ethnicity or where Travellers may originate from, but about their behaviour. Our constituents are concerned not about the fact that they have chosen a nomadic lifestyle, but about their behaviour and disruption to the local community when they arrive. I have not yet met a serving police officer who does not say that when Travellers are in town, there is a spike in local crime.

**Mr Hollobone:** My hon. Friend is absolutely right and he has demonstrated with those comments how he so ably represents his constituents in Devon, because he has put his finger right on it. Indeed, we have evidence from the 2011 census, which tells us that three quarters of Gypsies and Travellers live in permanent houses, bungalows or flats; only one quarter live in caravans or mobile homes.

**Julian Sturdy** (York Outer) (Con): As always, my hon. Friend is making a very powerful argument. My local authority of York proposed two new Traveller sites in my constituency and is he not surprised that when it was calculating the need for those sites, it counted Travellers in bricks and mortar—Travellers who are adequately housed—as in desperate need? That contributed to the requirement, as the authority calls it, for two new Traveller sites.

**Mr Hollobone:** The name of my hon. Friend the Member for York Outer (Julian Sturdy) is well known in my constituency, because he is a hero to the horse-owning community as a result of his pioneering legislation to combat fly-grazing. That legislation has been widely welcomed in Kettering and throughout the land. Am I surprised by what he tells us from his own constituency? I am not surprised. Am I disappointed? Yes, I am, because the law is working against the settled community and in favour of Gypsies and Travellers.

Many of my hon. Friend's constituents and many of mine who do not come from a Gypsy or Traveller background actually do far more travelling than the supposed Travellers themselves. Many of my constituents travel down to London and back every day for work. They do far more travelling than the supposed Travellers in the illegal encampments, but the law is biased in this respect, and this is something that the Minister could deal with as his second initiative in the Department. The guidance that his Department gives local authorities means that they need to make provision for a 3% annual increase in Gypsy and Traveller household numbers. That growth rate is far too big, yet by law local authorities are required to draw up assessments to provide pitches for that rate of growth. So not only is the number of Gypsies and Travellers as a baseline too high; the annual growth rate that the Department requires local authorities to respond to is also too great.

**Mrs Sharon Hodgson** (Washington and Sunderland West) (Lab): I was going to let this go, but I just cannot; I refer to the hon. Gentleman's earlier point about whether Travellers travel as much as people from his constituency. He surely realises that Gypsies and Travellers are a known ethnic group and whether or not they travel does not take away from the fact that they are an ethnic group. Whether or not they are actually travelling does not matter in order for them to be recognised as a Gypsy or a Traveller.

**Mr Hollobone:** The romantic notion of Gypsies wandering through the countryside, entertaining people as they go, is a myth from long ago, because many of these supposed Travellers are self-declared Travellers; they are not from any kind of Gypsy heritage at all. However, they are using, on a self-declared basis, their nomenclature as Travellers to get special privileges in the planning system. When they then use those privileges not to travel but to get planning permissions for permanent sites so that they can settle down, it is an absolute abuse. Now that we have got the first Conservative Government elected for 23 years, it is time that Her Majesty's Government acted to stamp out that abuse in the countryside. The current system is also forcing local authorities such as mine to identify sites where pitches can be provided for that supposed growth rate in Travellers.

For example, Kettering Borough Council has to find 25 pitches by 2022. It has identified 17 so far and has another eight to find. Local constituents have been brought to tears because sites near their own homes have been identified as potential pitches. Only when there are determined local councillors, acting on behalf of their local constituents in their wards, who stand up and say, "No, we don't want Traveller sites in our communities," can these things be stopped. In Kettering, there was a proposal for a Traveller site near the Scott

Road garages in the town itself, and it caused uproar among the local community, who knew that if permission were granted for Traveller pitches on that site, local crime levels would go through the roof. The idea that these provisions in the planning system are helping community cohesion is completely wrong; they are stirring up resentment and hatred between one community and another, and it is time that the new Government did something about it.

Let me give the House further evidence. This is a typical response I have had from a settled dweller in the countryside:

"Since moving to our current address in Braybrooke we have endured fly tipping, theft, many instances of intimidation, and fly grazing.

Since having"—

Travellers'—

"horses removed from our land we have encountered almost daily instances of defecating in our gateway, known to be carried out by this family".

I am talking about human defecation. That is as disgusting as it gets. The response continues:

"I caught one of them in the act one day. We dare not do anything about it for fear of reprisals.

We cannot leave anything lying around outside as approximately once a week a van with travellers in drives into our yard and out again without stopping, presumably to intimidate or for opportunist theft...My wife and her family can relate...many, many more instances over the last 30 years including hare coursing, theft of equipment, intimidation, fly grazing, dumping of caravans etc. They have given up reporting instances long ago as nothing has ever been done about it and it just seems futile."

I hope you can see, Mr Davies, the despair and frustration of my constituents, who are really beginning to resent the Gypsy and Traveller community in Northamptonshire, because they are bending the rules of the planning system, which are skewed in their favour, to allow them to get permissions to set up encampments in the countryside. When the local authority refuses those applications, they go to appeal, and all too often the pathetic planning inspectorate allows permission—sometimes temporary permission. When the temporary permission expires after two years, five years or whatever, the local authority is unable to enforce the removal of those encampments, because they cite the Human Rights Act and the provisions therein to protect so-called family life. Also, the Department for Communities and Local Government has issued guidelines to local authorities that they cannot pursue such enforcement if the cost is excessive or disproportionate. It ends up with my village of Braybrooke, in a beautiful part of Northamptonshire and with 145 dwellings, surrounded by 67 inappropriate pitches and a further 27 legal pitches within a further three miles. The whole thing has got completely out of control. In Braybrooke, the primary school has closed, but when it existed, it was made up 100% of children from the Traveller community, because the Traveller children moved into the area and moved into the school, and parents from the settled community moved their children out of the school to go to other schools. Now, the school has closed down, yet in the Department's own guidelines it says that the scale of such Gypsy and Traveller sites should not dominate the nearest settled community. That might be the wording in the guidance, but it is not having the appropriate impact to save villages such as Braybrooke.

[Mr Hollobone]

It is only thanks to the good work of residents such as Karen Stanley and the North Northamptonshire Residents Against Inappropriate Development group, who are fearlessly championing the cause of the settled community against threats of intimidation from Gypsies and Travellers, that local residents feel they have any say in this matter at all. Yet it lies in the gift of the Minister to listen to those concerns from the heart of middle England, because he has the power to do something about them. I suggest that section 225 of the Housing Act 2004 should be at the top of his priority list. If he can abolish it, there is every chance that relative peace could return to the countryside, and we could start to rebuild relationships between the settled community and Gypsies and Travellers.

**Philip Davies (in the Chair):** I inform colleagues that I intend to call the Front Benchers no later than 5.25 pm. By my observation, three people were seeking to catch my eye, and they can do the arithmetic for themselves.

5 pm

**Andy Slaughter (Hammersmith) (Lab):** It is customary to compliment the Member who secured the debate on his speech, but I do so as a formality on this occasion. I honestly thought that the hon. Member for Kettering (Mr Hollobone) was better than the speech he made. I did not intervene because I wanted to hear his argument, but there is a central contradiction at the heart of it. He identified Gypsies and Travellers as “other”, and as being outside communities—the title of the debate makes that clear—but said that they should not be afforded any distinction because, for example, 75% of them live in bricks and mortar accommodation, as the census demonstrates. He is an intelligent and courteous Member of the House and I have a lot of respect for him, but he has done himself no service with that speech.

Let me explain what I mean by that. I objected to the original title of the debate—my objection was not to the hon. Gentleman, but to the way in which it appeared on the Order Paper—which was “Effect of Gypsies and Travellers on local communities”. Rather than trying to intellectualise that, I said that we should imagine replacing the words “Gypsies and Travellers” with the name of some other ethnic or racial group; I think that there would have been outcry in the House about that. I compliment the House authorities on the fact that when I raised that point, they took it very seriously. They spoke to the hon. Gentleman, and the title was modified to make it sound less offensive. I am not sure that it actually is less offensive, but it certainly sounds better than it did.

I do not excuse any individual example of bad behaviour—antisocial behaviour, littering or any of the examples that have been given—by a member of the Gypsy and Traveller community or by anybody else. I find it offensive, however, that an entire community or ethnic group should be tarred with the same brush. Let us try to get to the nub of the matter, because I believe that the hon. Gentleman is looking at symptoms and not causes. The problem is not new; Gypsies and Travellers as a community suffer the greatest social problems and social needs in the country. He seemed quite proud about the fact that we have a new Conservative Government,

so let us look at how that Government are dealing with the problems. On almost any social indicator, such as long-term health problems or educational attainment, Gypsies and Travellers come lowest of all ethnic minority groups in the country. That is often because of how they are treated by society.

If we consider how Gypsies and Travellers fit into British society, according to the most recent census 66% identify themselves as English and 64% as Christian. Roughly three quarters of Gypsies and Travellers live in bricks and mortar accommodation. Often, they do so not through choice. Although many may be happy living in bricks and mortar accommodation, many others—whether the hon. Gentleman accepts it or not—would prefer to live a traditional lifestyle. The question is: is it reasonable for them to do so?

Levels of owner-occupation among the Gypsy and Traveller community are about the same as they are among the settled population. On economic indicators such as self-employment and employment, the position is not very different. However, some Members—I believe that they fall into error here—cannot move beyond such statistical analysis to consider ethnography and how Gypsies and Travellers live their lives, so they are unable to think of Gypsies and Travellers as a separate ethnic and racial group. I found some of the things that the hon. Gentleman said offensive in that regard.

The previous coalition Government took a number of steps that have simply exacerbated the problem. The previous Secretary of State for Communities and Local Government, the right hon. Member for Brentwood and Ongar (Sir Eric Pickles), went through a phase of calling in and dealing with applications. That was deemed to be unlawful by the High Court in the case of *Moore and Coates v. Secretary of State for Communities and Local Government*, because the Secretary of State was clearly calling in applications simply to turn them down. The Government have proposed redefining the terms Gypsy and Traveller, so that only if someone actually travels can they be called a Gypsy or Traveller. That would undermine ethnicity.

The coalition Government also removed regional spatial strategies and allowed local authorities to make decisions on this matter. As far back as the Caravan Sites Act 1968, history shows us that because of inflammatory rhetoric and local pressure, if we leave such decisions to local authorities, those decisions tend not to be made. It is reckoned that dealing with the shortage of sites will take at least 27 years at local authorities' current rate of progress. I often refer to this statistic: it would take about an acre of land across the UK to provide the required number of fixed pitches. At the heart of the matter is the fact that there are simply not enough authorised sites. Most Gypsies and Travellers who do not live in bricks and mortar accommodation—whether they want to or not—live on authorised sites. A minority, who are effectively characterised as homeless, live on unauthorised sites. We no longer have authorised stopping places, as we had even before the 1968 Act, and we certainly have an inadequacy of authorised sites.

The problem is not difficult to solve. I do not believe that it is beyond the wit of the local authorities and central Government to come up with sufficient authorised sites to put an end to the terrible conflicts between settled communities and Gypsies and Travellers who stop.

The Traveller community may behave in an unreasonable way, and the settled community may do likewise, but conflicts arise as a consequence of the lack of authorised sites and the lack of stopping places.

From the comments of the hon. Member for Kettering, I imagine that he will think that this is all hokum, and that nobody has a right to travel. He probably thinks that if they do, they are on their own and can sort things out, buy land and get planning permission in the ordinary way—they can do what they want. It would be a huge loss to the culture of this country if we lost the travelling tradition of many centuries of Roma, Irish Travellers and Gypsies. This country is big enough, rich enough and generous enough to accommodate those communities, as many other countries do.

It is a parsimonious and reductive view of the world that says we must always look for the worst in people and make things difficult for them. There is a response to the constant refrain I hear, particularly but not only from Conservative Members, that we must make life more difficult for Gypsies and Travellers, which is that that would be a downward spiral. We were beginning to get somewhere when the noble Lord Avebury's Caravan Sites Act 1968 became law. That Act greatly relieved the pressure and conflict in the 1970s, and the last Labour Government were beginning to undo the problems created by Michael Howard. If we had continued with that, we would be in a much more harmonious situation. Again, we are now in a situation of conflict in which nobody is winning: local communities are not winning and Gypsies and Travellers are not winning. Some MPs might be winning because they can put out press releases and stories in their local newspapers, but I genuinely believe that the hon. Member for Kettering and other Members present are bigger than that and can look for better solutions than the one he proposes today.

**Philip Davies (in the Chair):** I repeat that I intend to call the Front Benchers at 5.25 pm, so I will do the maths if other people cannot. There are seven minutes each for the remaining two speakers if my maths is right.

5.11 pm

**Chris Heaton-Harris (Daventry) (Con):** It is a pleasure to serve under your chairmanship, Mr Davies. It is also a pleasure to see the Minister in his place, and I congratulate him on his appointment. I bet he is delighted to be here today to talk about this subject. I congratulate my hon. Friend the Member for Kettering (Mr Hollobone), who caught some beautiful Northamptonshire sun at the weekend, on securing this debate.

This is a tough one. We are here because, on 21 May, Daventry District Council followed the recommendation of its officers and granted planning permission for a small number of Traveller pitches on the Golden Stables greenfield site on the border between the district I represent, Daventry, and my hon. Friend's Kettering constituency. For the past few years, that border area has been under much pressure from multiple planning applications for Traveller pitches. As he said, many of those pitches are now in place on his side of the constituency border, and some are in place in the Daventry district.

Local residents are up in arms. Strangely enough, they demand equality, which is what my hon. Friend asked for. They would have found the contribution of

the hon. Member for Hammersmith (Andy Slaughter) surprising. They would see him as a Labour Member for a city seat who seeks to design the countryside in a certain way in order to find solutions to problems that simply do not exist in his constituency. He talked about offensive language, but he used the phrase "grim reaper" when referring to his local hospital in the run-up to the last election—it all depends on how we determine what is offensive. Traveller sites are a significant issue in rural communities across the country, and there is a solution. Yes, we can have a rational argument, but we have to base it on equality and fairness for constituents, both rural and urban.

Daventry district planners have been on a hiding to nothing in recent years. For them, as for all planners in local government, the cost of going to appeal to defend a decision has risen massively. At a time when public funds are not easy to come by, the natural reaction of all planners across the country is to become risk-averse and to recommend approval for sites that they might not feel are completely correct. In the past five years, Daventry district has found itself unwittingly on the naughty step of the Department for Communities and Local Government. The council has been criticised for turning down too many planning applications. I have an untrained eye—I am not a planning lawyer and never want to become one—but the council seems to have been put in that place for doing the right thing and being localist. The council has listened to local people's views and rejected unwanted speculative developments, including a huge number of wind farms and Traveller pitches, and it is being punished by central Government for doing exactly that. The council now has a joint core strategy, with agreed housing numbers for the next 15 years and a five-year land supply, yet we now have the Planning Inspectorate allowing appeals for housing outside those numbers. I will return to that issue in this place at another time.

The National Farmers Union has recognised Traveller pitches as an issue, and it is widely acknowledged that there is a shortage of authorised Traveller sites, which means that Travellers sometimes camp illegally. More sites in the right places, where local agreement can be found, could go some way towards solving the problem. The National Farmers Union would like a more robust system for how councils assess the future need for such sites. My hon. Friend the Member for Kettering talked about the 3% growth that the Minister's Department seems to require. Sensible, localist thought would lessen the problem, certainly in Northamptonshire. Landowners should not be adversely affected by the acts of the police or local authorities. Sometimes, for example, problematic and un-roadworthy Travellers are directed off the highway and on to private land. Official bodies seem to turn a blind eye to encampments, rather than moving them on.

There are many other issues, but the most important one is that the National Farmers Union, my local residents, my hon. Friend, a host of other Members and I want Travellers, settled residents and businesses to be equal before the law. The planning system must ensure that everyone is dealt with fairly and even-handedly.

**Helen Whately (Faversham and Mid Kent) (Con):** On equality, during my time as prospective parliamentary candidate, and now MP, for Faversham and Mid Kent,

[*Helen Whately*]

the growth of the Gypsy and Traveller community has been one of the most frequently raised issues, especially around the villages of Headcorn and Ulcombe. Travellers have long traditions in that area, and they are a valued part of the community, but there has recently been such growth and constant development that residents have contacted me to say how frustrated they feel that there is one rule for them and another for the Travellers.

**Chris Heaton-Harris:** This is an hour-long debate, and I am running out of time. If I had more time I would re-emphasise that what we are after is equality. My hon. Friend the Member for Kettering came up with ideas for how the Minister could put equality back into the system, but essentially my residents, especially in the village of Arthingworth on the border with the Kettering constituency, feel very hard done by. They do not feel that they are being treated fairly by the planning system, and they feel that others who choose to reside nearby get better and fairer treatment.

5.18 pm

**Mrs Sharon Hodgson** (Washington and Sunderland West) (Lab): When I first heard the original motion—I agree with my hon. Friend the Member for Hammersmith (Andy Slaughter) on this—I was absolutely astonished. The motion made me wonder what other ethnic groups and races could be grouped together and framed in a debate about their effect on local communities. I would like to think that such language was a thing of the distant past, so I was surprised, to say the least, that the House had allowed the original motion. I am pleased that the wording of the motion has been changed, albeit to wording that is only slightly better.

I hope we can use this debate to put to bed some of the myths or stereotypes about these communities and promote greater cohesion between the many ethnic communities in our country. I understand and appreciate some of the concerns that have been raised in this debate, but I counsel caution to Members present about grouping together different ethnic groups as a homogeneous whole.

In this country, Romany Gypsies and Irish Travellers are both legally recognised ethnic minority groups with rich cultures and traditions that go back centuries. They are groups with people as varied as in any other country, and it is entirely wrong, not to mention counterproductive to the desired outcomes of many Members here—especially the hon. Member for Kettering (Mr Hollobone), who secured the debate—to stigmatise such groups and to seek to create further barriers between them and other parts of society.

Many of the problems that have arisen and that have been highlighted in this debate are structural issues that need our attention. There is a serious shortage of legal Traveller sites in England, as my hon. Friend the Member for Hammersmith said, and on current trends it will take decades for that deficiency to be rectified. This situation has forced thousands of Gypsies and Travellers on to illegal pitches, which not only annoys some local communities and further stigmatises Gypsies and Travellers in the eyes of many people, but harms the Travellers and Gypsies themselves, particularly their children.

**Tim Loughton** (East Worthing and Shoreham) (Con): Will the hon. Lady give way?

**Mrs Hodgson:** I will just finish this point. The children of Travellers and Gypsies suffer detrimental effects to their health, education and life choices.

**Tim Loughton:** I thank the hon. Lady for giving way, and I am sure that she is about to come on to the important issue of the welfare of children, on which we both agree. However, does she agree that, although she is absolutely right that members of the Traveller and Gypsy community have an expectation of, and a right to, equal treatment, there is also an expectation on them that they will bear equal responsibilities? When illegal Traveller encampments are created, as frequently happens in many of our constituencies, when properties are trashed for people to gain access to them, and when sites are left in an absolute eyesore of a state, with human waste being left and fly-tipping taking place, as happened in Southwick Green in my constituency just last week, and nobody is prosecuted, that is not equality of responsibility. It leads to the sorts of problems between communities that she is describing.

**Mrs Hodgson:** Again, the hon. Gentleman is making some valid points. This issue is about rights and responsibilities, and as a community and a country we have a responsibility to Gypsies and Travellers to ensure that there are legal places where they can live. They have rights and the responsibility, as all residents and UK citizens do, to treat those places—their homes—with the respect they deserve. However, we have come to a downward spiral, which is not helping anyone; it is not helping the local residents and it is certainly not helping the Gypsies and Travellers.

As I was saying, children in the Traveller communities already suffer high levels of racial abuse, with nine out of 10 of them experiencing such abuse, according to 2014 figures. We need to do all we can to help these people, and putting additional pressure on them will only make matters worse, deepening the divisions when we need to be building bridges. All people in this country should obey the rule of law, but equally all people in this country should be respected, and respect is what the Gypsy and Traveller communities require more than most. Only by giving them such respect can we bring about the positive changes that we all want.

The Government and civil society need to work towards boosting community cohesion, and towards promoting a greater dialogue and further understanding between Gypsies and Travellers and the rest of society. The Government must also recognise that dealing with these communities is a two-way street, and that it is only when we all work together in a joint atmosphere of respect and tolerance that we can hope to come together and put an end to many of the problems that appear to divide so many of us.

All local communities should be able to live in peace, and that goes for Travellers and Gypsies as well, so I hope that all Members here today will bear that in mind and will work with these communities rather than against them, putting aside divisive rhetoric and entering into discussions with open minds—

**Graham Evans** (Weaver Vale) (Con): Will the hon. Lady give way?

**Mrs Hodgson:** I was just about to finish, but I will.

**Graham Evans:** I am most grateful. In Cheshire West, Cheshire East and Warrington, there are 16 unauthorised Gypsy camp sites. Those sites are owned by the Gypsy community. They are not illegal sites; the Gypsies are the landowners. What those sites do not have is planning permission, and there are 53 such slithers of green-belt land with temporary planning permission.

The point that my constituents and others in the area make is that this issue is not about inequality; it is about fairness. If anybody wants to put in a planning application for those sites, it will be refused. The fact is that the Gypsies move on and set up caravan sites with no planning permission whatsoever, leading to communities being divided on fairness when it comes to planning law, and not on any of the other matters that the hon. Lady mentioned. The issue is planning law—the fairness between the Gypsy and Traveller community, and our own constituents.

**Mrs Hodgson:** I literally have only 20 seconds left, but I knew the hon. Gentleman had not spoken before, so I was happy to allow him to make his point. However, I probably do not have time to give him a long answer, other than to say that what he said brings us back to the point I made earlier about structural issues, which we need to deal with. My hon. Friend the Member for Hammersmith said that all we need is an acre of land across the country to solve a lot of these problems. Following your advice, Mr Davies, I will end there.

5.25 pm

**Mr Steve Reed** (Croydon North) (Lab): Thank you, Mr Davies, for calling me to speak; it is a pleasure to serve under your chairmanship. I congratulate the hon. Member for Kettering (Mr Hollobone) on raising this issue, in which he has a well known and well publicised interest.

I start from a position similar to that of my two hon. Friends the Members for Hammersmith (Andy Slaughter) and for Washington and Sunderland West (Mrs Hodgson): that members of the Traveller community deserve to have their needs met just as much as members of any other community. Theirs is a way of life and a culture that deserve recognition and respect, but the same is true of the settled community. They also deserve to live their lives in peace, without unacceptable levels of nuisance and annoyance. The key is to find a balance between the needs of the two communities.

As my two hon. Friends have already said, Traveller and Gypsy communities suffer significant levels of social exclusion, and many of the manifestations and problems that we have heard about this afternoon are the result of that exclusion. I will give some statistics: only 47% of Travellers are in work, compared with 63% of the settled population in England and Wales; and 60% of Travellers have no qualifications, which is linked to the fact that many of them find it hard to access education, and indeed health services. There are reports from some areas of GPs refusing to register Travellers or look after them. We also hear about instances of open discrimination

—we have heard about some today—and I am sure that everyone involved in this debate would agree that those are wholly unacceptable.

Criminal behaviour should be dealt with by the police and the criminal justice system. If complaints to the police are not being followed up, that is a matter to be raised with the local police—and perhaps here in Parliament with the Government, who have imposed cuts in front-line policing and the criminal justice system that are making the jobs of police and judges harder than they might otherwise have been. However, that situation should not lead us to attempt to demonise an entire community; that would be absolutely the wrong thing to do.

Local and national authorities share a duty to identify sites for Travellers that are big enough to meet their needs and that also allow both the settled and Traveller communities to co-exist peacefully, without there being a domination of the settled communities because there is an over-concentration of Traveller sites in particular areas.

However, there is a big gap between the pressure on local authorities to provide appropriate sites and the lack of support they receive from national Government. The national Government continue to make increasing demands of local authorities, while withdrawing from them the resources they need to properly meet those increased demands. It is that kind of failure that leads to some of the problems that we have heard about today from Government Members.

During the general election campaign, I had the opportunity to visit Harlow, where similar issues are being raised by members of the public who have experienced a significant number of illegal Traveller sites around that town, in what appears to be a co-ordinated action by a number of Traveller families. Does the Minister believe that there is any need to review the powers available to local authorities to deal with that kind of co-ordinated action? However, I would certainly not infer from that situation that there is any need to target or smear an entire community with the kind of accusations of mass criminality that we sometimes hear when this issue is being debated.

In February 2012, the Department for Communities and Local Government issued a document called “Creating the Conditions for Integration”, which made some reference to the Gypsy and Traveller communities. Clearly, more support is needed for the Gypsy and Traveller communities to enable them to co-exist with settled communities.

My hon. Friend the Member for West Ham (Lyn Brown) submitted a written question on 2 June, asking the Secretary of State

“what plans he has to fulfil his Department’s responsibilities for the promotion of community cohesion”

in relation to the settled and Traveller communities. Since my hon. Friend has not yet received a response—I understand that time may not have allowed it—I invite the Minister to share his views today on the point she raised with his boss.

Will the Minister tell us what his response will be to the consultation issued by his Department in September last year on proposals to change planning policy, to address the needs of Travellers in relation to settled communities’ needs where planning may be granted? How many of the 620 new pitches funded by the Homes and Communities Agency in 2013 have been provided?

[Mr Steve Reed]

What assessment has he made of the resources councils need to build the new sites that are required and avoid unnecessary tension that leads to the kinds of issues that have been raised on behalf of communities in this debate?

5.31 pm

**The Parliamentary Under-Secretary of State for Communities and Local Government (James Wharton):** It is a pleasure to serve under your chairmanship, Mr Davies. I congratulate my hon. Friend the Member for Kettering (Mr Hollobone) on securing this debate. He has a strong track record of speaking loudly and clearly on this issue, raising concerns on behalf of his constituents. I am sure that it is not the last time that we will have the opportunity to discuss the matter in this forum and in many others. A range of contributions to this interesting debate has highlighted the different opinions on this area of policy.

It is important that we seek to make our planning system fair, to ensure that it applies to everyone equally, and that we address concerns of communities, wherever they come from. At the same time, we must recognise the need to ensure that everybody in our society feels they have a place within it and that our systems—our laws and planning rules—account for those needs. I state that loudly and clearly, because it is important.

We recognise that Gypsies and Travellers are members of our communities and should be considered as part of the planning system. The Government want fair play in the planning system, with everyone being treated even-handedly. That goes to the heart of some comments made on both sides of the debate this afternoon.

I want first to talk about unauthorised sites. Although I want to address a number of issues that arose in the debate, the issue of unauthorised sites is important and a fair amount of work has been done on it in recent times. The Government's desire is to see fair treatment. I share hon. Members' concerns about unauthorised sites and the disruption and expense they cause for local communities. Too often, councils and landowners think they are powerless to stop unauthorised encampments, when in fact extensive powers are available, although their deployment and use can vary.

My hon. Friend may be aware that, in March, my ministerial colleagues the Minister for Housing and Planning and the Minister for Policing, Crime and Criminal Justice sent a joint ministerial letter, to council leaders and police and crime commissioners, expressing concern that local authorities and the police were not always seen to be doing enough to stop unauthorised encampments, which can have an impact in the areas where they are found. To accompany the letter, the Government re-issued a summary of the robust powers that councils and landowners have to remove unauthorised Traveller sites. The police can use their powers to direct trespassers from land when requested by a public or private landowner. Strong enforcement powers are available for local authorities to tackle breaches of planning controls.

The previous Conservative-led Government revoked the legislation that limited the use of temporary stop notices against caravans used as a person's main residence. Through the Localism Act 2011, we limited opportunities

for retrospective planning applications—an element that sometimes led to that feeling of unfairness mentioned by a number of hon. Members.

I also want to address the issue of authorised sites. I am sure that my hon. Friend recognises that although unauthorised sites cause particular concern, the way that authorised sites are handled also causes concern in communities. Indeed, examples of that have been raised in this debate.

The previous Government rightly did away with the Labour Government's top-down approach to planning, where targets for traveller pitches were forced on local authorities by unelected regional bodies. The 3% target has been mentioned by hon. Members who are concerned by it. Well, it is not a target; it is a guideline—not a requirement—issued in 2007 by the Labour Government. I take this opportunity to remind local authorities that the guideline is there to give them guidance, not to require them to act in that way. It is something that they can take it into consideration, but do not have necessarily to deliver when looking at the circumstances and factors in their own local area.

The planning policy for Traveller sites has returned to local authorities the responsibility to plan for their Traveller communities, just as they are required to plan for the rest of their community—for all communities in their areas. Our policy aims to focus Traveller sites in appropriate locations, in line with objectively assessed need: no more, no less. Our policy strengthens protections for the countryside and green belt that already exist by making it clear that Traveller sites are inappropriate development in the green belt, and that local authorities should strictly limit the development of new Traveller sites in the open countryside.

**Graham Evans:** I mentioned previously that in Cheshire West and Chester the landlord and landowner is the Gypsy and Traveller community. Local authorities' legal departments seem incapable of handling retrospective planning permission. They do not use the laws and regulations that provide them with the relevant powers. That is weak. The legal services departments of local authorities do not seem to be up to the job of enforcing the powers that they currently have. What can the Minister do to encourage local authorities to exercise the powers that they have to refuse retrospective planning permissions and rectify the green belt land that has been completely spoilt with tarmac?

**James Wharton:** I thank my hon. Friend for his contribution. He also has a track record of speaking clearly and strongly on these matters on behalf of his constituents. He raises an important point that goes to the heart of the question, "What is going to happen now? What can we do next?"

The shadow Minister asked how the Government would respond to the consultation on planning and Travellers, which took place before the general election, although there was no time to bring it into operation. There were more than 700 responses to the consultation, which advanced a number of possible actions that the Government could now take. This is a challenging area and, although I share a number of hon. Members' concerns, the Government have to navigate it carefully and appropriately, taking into account the needs of all the communities that the Government are here to serve.

Planning permissions sometimes fail to find the right balance between adequate supply and protection of our landscape, as my hon. Friend the Member for Weaver Vale (Graham Evans) just said. Increasing authorised site provision should not be at the cost of the countryside. The green belt and other sensitive areas of interest and natural beauty must be protected and recognised, and local authorities need the power to ensure that that is the case.

The previous Conservative-led coalition Government consulted on the proposals to introduce more fairness into the planning system, strengthen protection for the green belt and countryside, and address the negative effects of unauthorised occupation in particular.

**Andy Slaughter:** I welcome the Minister to his post and wish him success. I understand that he is responding to some Government Members, but the tone of his response is very negative. I would like to hear what positive message the Government have for Gypsy and Traveller communities. Previously in the House, Members such as Andrew George, the former Member for St Ives, and Julie Morgan, the former Member for Cardiff North, spoke up clearly for Gypsy and Traveller communities. I hope that the Minister will take on that responsibility in his new job. We have heard the negatives—the things that he does not want communities to do—but what is his positive message?

**James Wharton:** I am sorry that the hon. Gentleman feels that my tone is negative; it is not intended to be. I am trying to be factual, to set out the direction that the Government are going to take and to comment on things that have happened in the past. I started by recognising the obligation that we have to all communities in this country, including the Gypsy and Traveller community, in respect of the planning system and more generally. Nevertheless, hon. Members have raised legitimate concerns and it is right that those are addressed. I listened carefully to the hon. Gentleman's concerns, but I also want to respond to specific points made by my hon. Friends the Members for Weaver Vale and for Daventry (Chris Heaton-Harris) and particularly those made by my hon. Friend the Member for Kettering.

I was talking about the consultation document and the steps that the Government might now take. The document included proposals to give local authorities more control so that they can strictly limit new Traveller sites in the open countryside. The previous Government also consulted on whether the definition of a Traveller for planning purposes should be restricted just to those who travel. The issue of whether there can be a Traveller who does not travel has been raised. How do we meet the needs of those who are no longer living that way of life, but may consider themselves to be part of that community? The Government share the view that if someone has given up travelling permanently, their needs should be planned for as part of the settled community.

When we are planning for people's needs, it is appropriate not to think of them by race or ethnic group or to see them as different, but to plan for the needs they should have. If someone is part of a settled community, it is right that they should be considered in that way and that plans should take account of the lifestyle they now lead. I assure Members that introducing greater fairness

to the planning system and increasing protection for sensitive areas—including the green belt—is similarly a priority for this Government. We recognise that there is great sensitivity not only in the scope of this debate, but more widely about the protection that our countryside needs and the recognition it should be given in our planning system. That is why we intend to update planning policy on Travellers at the first opportunity.

We want to look at the lessons that can be learned from the consultation, taking into account other factors, including ongoing cases in law and the need to interact appropriately with the rest of the planning system and existing legislation. We want to make appropriate changes that ensure more fairness and equal treatment for the Gypsy and Traveller community and for permanently settled communities, whose concerns Members have expressed today.

I do not want to appear negative. I heard the comments of the hon. Member for Hammersmith (Andy Slaughter), and all communities have an important role to play in this issue. We are a great and diverse nation. The traditions that together make us the great whole that we are often are stronger and more valued than any of the parts alone could possibly be. If we start to move against one community or to categorise people in groups in that way, we go down a dangerous path. At the same time, we must ensure fairness in our planning system and equality before the law for all communities. We should recognise the concerns expressed by our constituents in all sorts of different circumstances and brought before Parliament, the House and the Government in these debates.

Members have expressed legitimate concerns and raised issues on both sides of the debate. We have a consultation document that proposes a course of action, and I hope significant improvements will be made when the Government bring forward changes to the regime and the system. I hope that the next time we debate this topic, it will be recognised that progress has been made. We can, of course, look to address all the other issues, including those affecting Gypsy and Traveller communities. We need to ensure that they have proper and adequate access to healthcare and education and that their needs are met.

We want a fair system that treats people equally and we want to deliver it in a timely fashion and a sensible way. I hope that all sides in this debate agree with that. I thank Members for their comments, because they help to inform me in the Department with my new portfolio as we take forward an important area of business.

5.42 pm

**Mr Hollobone:** We have heard contributions from around the country in the past hour—from Hammersmith, Washington, Mid Kent, York, Daventry, Sussex, Cheshire and Devon—and the message from all those parts of the country, with two exceptions, is that there is a problem. The system is not working as well as it might, but we can all agree that the law needs to be applied equally to whoever applies for planning permission. Too many of my constituents are frightened to speak out on this issue for fear of being accused of being racist, and we had a flavour of that this afternoon. If MPs cannot articulate their constituents' concerns on genuine issues such as this, there is not a role for Parliament.

*[Mr Hollobone]*

I encourage the Minister to reissue the guidance on the importance of local authorities working collaboratively when Gypsy and Traveller site applications are on either side of a local authority boundary. I look forward to the hon. Member for Hammersmith (Andy Slaughter)

campaigning for the acre of land that will solve this national problem to be located in the heart of his constituency.

5.44 pm

*Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).*

# Written Statements

Wednesday 10 June 2015

## ENVIRONMENT, FOOD AND RURAL AFFAIRS

### Agriculture and Fisheries Council

**The Secretary of State for Environment, Food and Rural Affairs (Elizabeth Truss):** The next Agriculture and Fisheries Council will be on 16 June in Luxembourg. My hon. Friend, the Minister of State for Environment, Food and Rural Affairs (George Eustice), will represent the UK. We are expecting Dr Aileen McLeod MSP and Rebecca Evans AM to attend.

As the provisional agenda stands, the following items will be discussed.

On agriculture, the presidency will aim to secure a general approach on the proposal for a regulation on organic production and labelling of organic products. This will be followed by a presentation from the Commission and an exchange of views from member states concerning a consultation on fishing opportunities for 2016.

There are currently three confirmed any other business items:

- Proposal for a regulation on Animal Health;
- Outcome of a meeting of the Ministers of Agriculture of the Visegrad group extended to Bulgaria, Romania and Slovenia (18-19 May); and
- Extension of the eligibility period of expenditure for the Operational Programme Fisheries 2007-2013.

There are also four possible any other business items:

- Proposal for a regulation, amending the GM food and feed regulation, that would allow member states to restrict or prohibit the use of genetically modified food and feed on their territory;
- Communication from the Commission reviewing the decision-making process on genetically modified organisms (GMOs);
- The two recent reports from the Commission on mandatory country of origin labelling; and
- International Year of Plant Health 2020.

[HCWS21]

## JUSTICE

### Legal Aid

**The Parliamentary Under-Secretary of State for Justice (Mr Shailesh Vara):** I am today confirming next steps for the criminal legal aid market.

Maintaining access to justice and upholding the principle that those accused of a crime have the right to representation in their defence is vitally important. We recognise and value the reputation our legal profession enjoys internationally. We must preserve that reputation while enhancing the quality of advocacy in our courts.

We cannot escape the fact, however that there is a pressing need to ensure our criminal justice system performs more efficiently. Last year we spent £1.7 billion on legal aid. Although that is down from the 2009-10

peak, it is still far higher than many other developed economies. As a proportion of GDP, we spend more on legal aid than any other EU nation outside the UK. And per capita, we spend more on legal aid than most other common law jurisdictions—double the amount spent in Australia, Canada and the Republic of Ireland.

Of course no two legal systems are identical, but there is no doubt we still have a generous system compared to other countries. The continuing need to reduce the deficit means that we must make further progress. We must secure greater efficiencies while maintaining a high quality service and guaranteeing that everyone accused of a crime has the same access to a legal aid lawyer as they do now.

The coalition Government announced a series of changes to secure savings in criminal legal aid, including:

- Reducing litigators' fees by 17.5%, with last year's initial reduction of 8.75% followed by a further reduction of 8.75% this year.

- Proceeding to introduce 527 new duty provider contracts, the tender for which was put out prior to the election.

- Reducing advocacy fees by £10 million per year.

In considering the programme set in train by the previous Government for the criminal legal aid market, we have listened very carefully to the concerns of the profession. We share the view that we must protect the quality of the service provided by litigators and that we must make sure that this high quality service remains sustainable in all parts of England and Wales. We recognise that changes in the litigation market have the potential to affect the provision of advocacy, and agree that high quality advocacy also must be preserved and enhanced. We will be taking steps to work with the profession to explore measures to achieve this.

Having considered the findings of Sir Brian Leveson's report into the efficiency of the criminal courts, the impact of broader criminal justice reforms, and the impact of changes already introduced, we have decided to press ahead with the second 8.75% reduction to litigators' fees announced by the coalition Government.

Before reaching this conclusion, we examined changes to our forecast legal aid expenditure, changes to the existing market, provider withdrawal rates and reasons, contract extension acceptance and early information from the duty provider contract tender. This reassured us that legal aid reforms so far have not had any substantial negative impact on the sustainability of the service.

The statutory instrument implementing this reduction will be laid today, and the change will come into force on 1 July.

We will also proceed with the new duty provider contracts, the tender for which is already well underway. The Legal Aid Agency is currently assessing bids and is on track to announce decisions in the autumn. As intended by the coalition Government, these changes will help mitigate the impact of the cut to litigators' fees. Organisations that are awarded duty provider contracts will have exclusive access to duty contract work and will benefit from economies of scale. Together, these changes will ensure there is a sustainable duty solicitor service across England and Wales.

We are particularly keen to ensure we retain a vibrant independent bar and protect the high standard of advocacy which is a hallmark of our justice system. Having

listened carefully to the case put by the profession, we have decided not to reduce advocacy fees at this stage. Instead we want to work closely with the profession in order to explore alternative ways of securing savings through greater efficiencies in criminal proceedings. That will include implementing the findings of Sir Brian Leveson's report, which contained wide-ranging recommendations to deliver more efficient criminal courts.

Taken together, these changes must be closely monitored in order to ensure we preserve access to justice and high quality advocacy. We will therefore establish a review to assess the impact of the litigators' fee reduction and the

dual contracting model on access to justice and the quality of litigation and advocacy provision. This review will be undertaken by an individual independent of Government, and will commence in July 2016.

Although the transition will be challenging, the changes we are pressing ahead with today are designed to ensure that we have a system of criminal legal aid that delivers value for money to taxpayers, that provides high quality legal advice to those that need it most, and that puts the profession on a sustainable footing for the long term.

[HCWS22]

# ORAL ANSWERS

Wednesday 10 June 2015

	<i>Col. No.</i>		<i>Col. No.</i>
<b>PRIME MINISTER</b> .....	1178	<b>SCOTLAND—continued</b>	
Engagements.....	1178	National Minimum Wage.....	1177
<b>SCOTLAND</b> .....	1169	Scotland Act 2012: Financial Provisions.....	1172
Budget.....	1169	Scottish Government Funding.....	1176
Business Groups.....	1172	Stranraer to Larne Ferry.....	1174
Child Benefit.....	1176	Tax Receipts.....	1175
		Trade Unions.....	1173

# WRITTEN STATEMENTS

Wednesday 10 June 2015

	<i>Col. No.</i>		<i>Col. No.</i>
<b>ENVIRONMENT, FOOD AND RURAL</b>		<b>JUSTICE</b> .....	31WS
<b>AFFAIRS</b> .....	31WS	Legal Aid.....	31WS
Agriculture and Fisheries Council.....	31WS		

Members who wish to have the Daily Report of the Debates forwarded to them should give notice at the Vote Office.

No proofs of the Daily Reports can be supplied. Corrections which Members suggest for the Bound Volume should be clearly marked in the Daily Report, but not telephoned, and *the copy containing the Corrections must be received at the Editor's Room, House of Commons,*

**not later than  
Wednesday 17 June 2015**

STRICT ADHERENCE TO THIS ARRANGEMENT GREATLY FACILITATES THE  
PROMPT PUBLICATION OF THE VOLUMES

Members may obtain excerpts of their Speeches from the Official Report (within one month from the date of publication), on application to the Stationery Office, c/o the Editor of the Official Report, House of Commons, from whom the terms and conditions of reprinting may be ascertained. Application forms are available at the Vote Office.

#### PRICES AND SUBSCRIPTION RATES

##### DAILY PARTS

*Single copies:*

Commons, £5; Lords, £4.

*Annual subscriptions:*

Commons, £865; Lords, £600.

LORDS VOLUME INDEX obtainable on standing order only. Details available on request.

BOUND VOLUMES OF DEBATES are issued periodically during the session.

*Single copies:*

Commons, £65 (£105 for a two-volume edition); Lords, £60 (£100 for a two-volume edition).

Standing orders will be accepted.

THE INDEX to each Bound Volume of House of Commons Debates is published separately at £9.00 and can be supplied to standing order.

*All prices are inclusive of postage*

---

**CONTENTS**

**Wednesday 10 June 2015**

**Oral Answers to Questions [Col. 1169] [see index inside back page]**

*Secretary of State for Scotland*  
*Prime Minister*

**G7 [Col. 1189]**

*Statement—(The Prime Minister)*

**Opposition Day [1st allotted day]**

**Housing [Col. 1212]**

*Motion—(Emma Reynolds)—on a Division, negatived*

**Climate Change [Col. 1264]**

*Motion—(Caroline Flint)—agreed to*

**Unduly Lenient Sentences [Col. 1304]**

*Debate on motion for Adjournment*

**Westminster Hall**

**FIFA [Col. 81WH]**

**St Ives First School [Col. 107WH]**

**Carcraft [Col. 114WH]**

**Organophosphate Sheep Dip [Col. 130WH]**

**Gypsies and Travellers (Local Communities) [Col. 139WH]**

*General Debates*

**Written Statements [Col. 31WS]**

**Written Answers to Questions [The written answers can now be found at <http://www.parliament.uk/writtenanswers>]**

---