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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Monday 20 July 2015

House of Commons

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The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

EDUCATION

The Secretary of State was asked—

Teacher Training

1. **Rachael Maskell** (York Central) (Lab/Co-op): What assessment she has made of the adequacy of the number of teachers in training. [901086]

The Secretary of State for Education (Nicky Morgan): Teaching is an increasingly popular career choice for the best and brightest. Some 73% of graduates starting teacher training hold a 2:1 or above—the highest proportion ever—and last year we recruited 94% of our postgraduate initial teacher training target. We have exceeded our postgraduate recruitment target for primary trainee teachers for 2015-16 and are making good progress with secondary recruitment, but we have more to do to ensure the best graduates enter training.

Rachael Maskell: With only 61% of teacher training places being filled in 2014, with 38% of teachers leaving the profession after one year, with thousands of new teachers never reaching a classroom and with thousands more leaving the profession because of stress and exhaustion, will the Secretary of State acknowledge the crisis in teaching and tell us what she will do about it?

Nicky Morgan: I am afraid that I do not recognise the hon. Lady's figures. I just said that last year we recruited 94% of our postgraduate initial teacher training target. We also do not recognise the claim that so many teachers are leaving the profession after their first year. In fact, more than 90% are still in the profession after their first year. Of course, we recognise the pressures on teachers, who do a fantastic job up and down the country, which is why I launched the workload survey last year and why we have introduced specific schemes to recruit teachers to specific subjects. In addition, as I mentioned, we are already ahead of our primary teacher target for this year.

Lucy Frazer (South East Cambridgeshire) (Con): It is important to not only increase the number of teachers but improve the quality of education. What steps is the Secretary of State taking to ensure that students get the best possible education from our teachers?

Nicky Morgan: I thank my hon. and learned Friend for the question. She is absolutely right that the quality of teaching is the most critical factor in determining whether our young people get the best possible education, enabling them to fulfil their potential. As I have said, 73% of graduates starting teacher training hold a 2:1 degree or above, which is the highest proportion ever.

Kevin Brennan (Cardiff West) (Lab): I am afraid that the Secretary of State is completely complacent and in total denial about the teacher recruitment crisis and the teacher training situation. I noticed how she glossed over the secondary figures in her answer and hoped we would not notice. If she will not listen to us—we know she will not—will she listen to headteachers, who consistently report difficulties recruiting teachers, and act now to train and retain more teaching staff?

Nicky Morgan: It will not surprise the hon. Gentleman to know he is absolutely right: I will not listen to him. However, I do engage with headteachers up and down the country, who tell me about their successes with recruitment, as well as the challenges that remain. As I said, we recognise that there are pressures. As the economy recovers, of course recruitment to something as worthy as teaching will become more of an issue, but that does not mean it is worth talking down the profession, as Labour and the teaching unions sometimes do. The teacher vacancy rate remains as low as 1%, while 90% of those entering teaching are still in the profession after their first year.

Mr Philip Hollobone (Kettering) (Con): Please can we have more former members of the armed forces in our schools? Members of Her Majesty's armed forces display the very best of British values, so will she look to supercharge the Troops to Teachers programme to get more of these outstanding individuals into our classrooms?

Nicky Morgan: I absolutely agree with my hon. Friend that the skills that those who have served in our armed forces can bring to working with young people in schools up and down the country are enormous. I was delighted some months ago to visit the latest recruits to the Troops to Teachers training scheme in Bristol, all of whom were brilliantly engaged and will be a huge asset to the classroom. Of course, we believe in the military ethos programme, and I have also set aside £50 million to grow the cadet forces in our schools.

Danny Kinahan (South Antrim) (UUP): Will the Secretary of State recognise that in Northern Ireland we are training more teachers than we need or can use, but to a very high standard? Is she working with the devolved Governments to make sure we maximise the opportunities for everyone in all four countries?

Nicky Morgan: I have not had that conversation with the devolved Government, but I am happy to do so. I think that the hon. Gentleman, like me and all Members, recognises that the quality of teaching is the single most important factor in helping our young people to reach their potential, and I am delighted to hear that things are going so well in Northern Ireland.

Sure Start

2. **Dr Roberta Blackman-Woods** (City of Durham) (Lab): What plans the Government have to use Sure Start centres for the extension of free childcare to 30 hours a week. [901087]

The Parliamentary Under-Secretary of State for Education (Mr Sam Gyimah): Children's centres play a valuable role in our communities. It is right for local authorities to decide on the nature of provision on the basis of local need. If there is a viable nursery in a children's centre, of course we will strongly encourage it to help to deliver our manifesto commitment to assist families with the cost of childcare.

Dr Blackman-Woods: In 2010 the Prime Minister said that he backed Sure Start centres, but since then more than 800 have closed, including a number in my constituency. Why are the Government not giving local authorities the necessary resources, so that they can go on helping Sure Start centres to deliver the excellent early-years and childcare provision that we know they can deliver?

Mr Gyimah: I agree that Sure Start centres provide some excellent support for young families. Where we disagree is that the hon. Lady wants to go on counting buildings and we want to focus on outcomes. I hope Opposition Members will join me in welcoming the fact that more than 1 million families are benefiting from Sure Start centres. As for nursery provision, only 3% of Sure Start centres currently offer day care, but we want to ensure that when centres are viable, they can deliver.

Mr Speaker: Order. That was too long—far too long.

Mr David Burrowes (Enfield, Southgate) (Con): On 22 June, the Prime Minister said:

“we will look at how we can create a much more coherent offer to support children and parents in the early years”.

Does that mean that our children's centres will become family hubs?

Mr Gyimah: I thank my hon. Friend for that question on a key point. There is a lot more that we can do. Last week I announced a consultation on how we can incorporate other types of service in children's centres, and I should very much like to discuss with my hon. Friend how family hubs might be part of that.

Carol Monaghan (Glasgow North West) (SNP): In proceeding with their plans to expand the provision of free childcare in Scotland, the Scottish Government have stressed the importance of high-quality early learning to giving our children the very best start in life. Does the Minister agree that access to free childcare is vital to tackling social and educational inequalities early in life, and will he explain how the United Kingdom Government intend to support those aims through their expansion of free childcare to 30 hours a week?

Mr Gyimah: Obviously I agree with the hon. Lady, and that is why, the last Government having introduced 15 hours a week of free childcare for two-year-olds, we are extending free childcare provision to three and four-year-olds, raising the quality of childcare, and making it affordable for parents.

Carol Monaghan: The Scottish Government have announced plans to extend free childcare to 30 hours a week for all three and four-year-olds. As the Minister will know, that is more ambitious than his plans to extend provision only to families in which both parents work. Does he not recognise that by restricting free childcare in that way, the UK Government are missing an opportunity to tackle inequalities by targeting early-learning provision at more disadvantaged families?

Mr Gyimah: Our plan to give 30 hours a week of free childcare to working parents of three and four-year-olds would apply to 75% of children. The difference between our position and that of the Scottish Government is our belief that enabling parents to work provides them with the best route out of poverty. As well as offering free childcare, we are subsidising some of the poorest parents by means of universal credit, thus meeting 85% of their childcare costs.

23. [901108] **Ruth Smeeth** (Stoke-on-Trent North) (Lab): Given that parents will use the 30 hours for full day care, what consideration has been given to the fact that the children will now need to be fed during that time, and what additional training and funds, if any, are being provided to facilitate that?

Mr Gyimah: Children already sleep and eat in many day care settings—the lot is provided to them. We are conducting a funding review, which will come up with exactly how the 30 hours will be delivered to parents.

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): Removal of the childcare duty from children's centres and savage early intervention cuts of 56% have stretched children's services to breaking point. Holiday childcare costs have risen by 25% since 2010, and almost 90% of local authorities do not have enough space to meet summer demand. Will the Minister now commit to investing in children's centres to help solve this problem as free entitlement is expanded?

Mr Gyimah: I am happy to compare our record on supporting young families with that of Labour any time. Let me remind the hon. Lady of what the National Audit Office said about Labour and Sure Start: it said it was unviable, underfunded and failing to reduce inequality. Under the Conservatives, two thirds of all disadvantaged children under the age of five are benefiting from Sure Start centres.

Free Schools

3. **Mr Douglas Carswell** (Clacton) (UKIP): What estimate her Department has made of the number of free schools that will be in operation by 2020. [901088]

The Minister for Schools (Mr Nick Gibb): Free schools are helping to raise academic standards and tackle disadvantage, ensuring social justice is at the heart of our education reform programme. Over 250 free schools have opened since 2010, and our manifesto commits us to at least 500 more during this Parliament. By 2020, free schools will have created over 400,000 new school places.

Mr Carswell: For every part of England to benefit from the spread of free schools, restrictions on their expansion need to be removed and capital attracted. What will the Minister do to remove those restrictions and overcome the reactionary blob in his Department?

Mr Gibb: The only restriction that applies to the establishment of new free schools is that there must be demand and need for those free school places. That is our policy. I would be interested to know the policy of the UK Independence party, and indeed Labour, on free schools.

Dr Tania Mathias (Twickenham) (Con): What assurances can the Minister give me regarding securing buildings for free schools? In my constituency, east Twickenham is in desperate need of free schools but there are very few suitable sites.

Mr Gibb: My hon. Friend raises an important point. We need local authorities to be co-operative and to work with us to identify sites for free schools. This is an important way of improving the quality of schools and the number of school places, and we expect local authorities to work with us to identify suitable sites.

Clive Efford (Eltham) (Lab): Does the Minister share my concern about the standards in these free schools? Is he concerned that they might not actually provide the improvement in the quality of education that the Government claim, and can he point to any evidence that free schools have improved the standard of education in any areas where they have opened?

Mr Gibb: I can give the hon. Gentleman this piece of evidence: 25% of the free schools that have been inspected so far are rated outstanding, compared with just 19% of other schools.

Disadvantaged Children

4. **Ben Howlett (Bath) (Con):** What steps her Department is taking to encourage schools to broaden opportunities available for disadvantaged children. [901089]

10. **Graham Evans (Weaver Vale) (Con):** What steps her Department is taking to encourage schools to broaden opportunities available for disadvantaged children. [901095]

The Secretary of State for Education (Nicky Morgan): Our education reforms are giving every child, regardless of background, a strong academic grounding and rigorous education. Through the pupil premium—a 2010 Conservative party manifesto commitment—we have invested an extra £6.25 billion in schools so all pupils can fulfil their academic potential. Disadvantaged pupil attainment is increasing and the gap between them and their peers is closing.

Ben Howlett: I thank my right hon. Friend for that answer. According to some estimates, one in five children is living in child poverty in my constituency. Many of my local schools are doing a fantastic job of giving local children on the pupil premium equal opportunities, however. Will the Secretary of State confirm that the introduction of the pupil premium by this Government is improving outcomes for these children?

Nicky Morgan: I thank my hon. Friend for his question and can confirm that the pupil premium is having an impact. It is right that the most disadvantaged pupils are supported by targeted funding, which is why we will continue to provide the £2.5 billion pupil premium this year and have made a commitment to it in our manifesto. This is down to excellent schools, such as St Gregory's Catholic college in Bath, using the best evidence-based strategies to transform their pupils' life chances.

Graham Evans: The Russett school in Weaver Vale is a special educational needs school that has been rated outstanding by Ofsted. It is to become a special multi-academy trust in September. What will my right hon. Friend do to encourage further outstanding SEN schools to become leading sponsors and mentors for similar schools?

Nicky Morgan: I entirely agree with my hon. Friend. I am keen to encourage more special schools to become academies and, like the Russett school, set up multi-academy trusts to support not only other special schools but mainstream schools. We have had great success, with 146 special schools converting. Regional schools commissioners have responsibility for supporting schools to become academies, and I know they will strongly encourage further special schools to convert.

Bill Esterson (Sefton Central) (Lab): In the previous Parliament a number of Ministers accepted evidence from the Education Committee that a better measure than free school meals might be parental attainment, when trying to support disadvantaged children. Will the Secretary of State look at that measure and see if it is a better way of targeting resources at those children who most need the support of Government?

Nicky Morgan: I thank the hon. Gentleman very much for his question. My understanding is that the measure he suggests does not necessarily tell us anything more than the free school meals measure does, but he, like me, wants the best for all disadvantaged pupils in the system, and to ensure that the funding is spent most effectively, not only helping those pupils to close the gap with their peers, but ensuring that the brightest and best get right ahead.

Ms Margaret Ritchie (South Down) (SDLP): How will the Minister broaden opportunities for disadvantaged students and pupils in school, particularly primary school children, given that there are proposals in the Welfare Reform and Work Bill, which will be discussed later today, to eradicate various measures of child poverty?

Nicky Morgan: I understand that there will be a debate on the Welfare Reform and Work Bill later today in the House, but the important point that the Secretary of State for Work and Pensions made in his statement to the House was that just measuring an income target does not solve issues of disadvantage, one of which is educational attainment, and children from disadvantaged backgrounds not making the grade in basic skills such as reading and writing. Following spending on the pupil premium, we have seen the attainment in reading, writing and maths of disadvantaged pupils aged 11 increase by five percentage points since 2012.

Special Educational Needs and Autism

5. Mrs Flick Drummond (Portsmouth South) (Con): If she will establish a framework to allow for alternative means of educational assessment for children with (a) special educational needs and (b) autism. [901090]

The Minister for Children and Families (Edward Timpson): Many pupils with special educational needs, including autism, are currently assessed using P scales or national curriculum levels. We are changing statutory assessment to align it with the reformed national curriculum. That includes the removal of levels. We have announced an expert review of assessment for pupils who, for many reasons, are working below the standard of national curriculum tests. The review will advise on the best way to assess the attainment and progress of those pupils in future.

Mrs Drummond: Schools such as Milton Park primary, where I am a governor and which has autism provision, have to include those children's results in national league tables. I am pleased that the Government's focus is on progress, but the results of children with special educational needs often bring down the attainment grade, and that can lead to a belief that a school is coasting—or, worse, failing. Does the Minister agree that until a separate method of recording for children with special needs is implemented, some good schools that have a large proportion of children with special needs might be put into those categories?

Edward Timpson: It is of course important that schools be held to account for all their pupils, and although I concur wholeheartedly with my hon. Friend's desire to see all pupils, including those with special educational needs, reach their full academic potential, we need to acknowledge that a separate system for pupils with SEN would be at odds with the principles of inclusion and would fail to recognise that those pupils span the full range of abilities. Those matters will be looked at closely in the coming months by the expert review panel—something that I know she will want to follow, so as to ensure that it incorporates her views.

Mr Speaker: Natalie McGarry.

Angela Crawley (Lanark and Hamilton East) (SNP) I think you mean Angela Crawley.

Mr Speaker: I do beg the hon. Lady's pardon. It is a case of mistaken identity, and I apologise. Let us hear from her.

Angela Crawley: The Minister will be aware that children with special educational needs have a range of needs. Will he detail his Department's plans to ensure that sport is available to all pupils and, in particular, describe his plans to ensure that classroom assistants are available to support the needs of all children?

Edward Timpson: One of the core principles of our reforms to special educational needs is making sure that every aspect of the system, whether it be education, health or social care, is working relentlessly to a single assessment of and plan for the child, so that we have a whole-school and whole-system approach—and a nought-to-25 system as well. It will mean that we move away from different parts of a child's educational experience

being truncated and re-started as they move to the next part. We are working hard to make sure that support is consistent, and we are building on great programmes such as Achievement for All, in which we have had excellent results.

Steve McCabe (Birmingham, Selly Oak) (Lab): I am sure the Minister will be aware of the impressive claims made about the benefits of applied behavioural analysis for the treatment of those with autism. Does he have any plans to support research into the efficacy of that therapy?

Edward Timpson: As the hon. Gentleman will know, we have supported research into and evidence on not only the condition of autism, but how it can best be supported in schools and more widely through a child's education. We have funded the National Autistic Society to that end, and we will continue to look at ways in which we can support it and other organisations that are working hard in this area in the future. We know that specific types of interventions, some of which have come from overseas, need to be properly and rigorously assessed. As I understand it, the one he mentions may fall into that category, but of course I am happy to discuss it with him as we move forward.

Departmental Board (Gender Balance)

6. Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): Whether it is her Department's policy to ensure gender balance on its departmental board. [901091]

19. Joanna Cherry (Edinburgh South West) (SNP): Whether it is her Department's policy to ensure gender balance on its departmental board. [901104]

The Secretary of State for Education (Nicky Morgan): It is essential that we increase women's representation across all areas of life, including UK boardrooms. I want my Department's board to be as representative as possible. My one DFE board appointment so far as Secretary of State has been a woman—the excellent Marion Plant. We must, however, go further to make sure that women are represented in public bodies across the UK.

Ms Ahmed-Sheikh: Last week, my hon. Friend the Member for Lanark and Hamilton East (Angela Crawley) exposed the Government's appalling record on this issue, revealing that only 68 of a total of 200 members of departmental boards are women, with only two women on the Secretary of State's own board. Will she agree to seek an urgent meeting with Scotland's First Minister to learn from her of the Scottish Government's success in not only achieving a gender-balanced departmental board, but making the Scottish Cabinet one of only three gender-balanced Cabinets in the world?

Nicky Morgan: I thank the hon. Lady for that very tempting invitation. I look forward to meeting the First Minister to discuss a number of things, and this issue would certainly be one of them. May I gently point out to the hon. Lady that there are actually three women on the DFE board, because I sit on it, too?

Joanna Cherry: The Secretary of State is also the Minister for Women and Equalities. Is she embarrassed at the lack of gender balance on the DFE's board? Can she explain what steps she will take to rectify this situation, which does nothing to advance the cause of women or equalities?

Nicky Morgan: Obviously, I refer the hon. and learned Lady to the exchange that we have just had. I certainly would like to see more women on all departmental boards, just as we have now seen that there are no all-male FTSE 100 boards—indeed, they have reached the 25% target. As she mentioned my other ministerial responsibilities, I might point out to her that the equalities board that has been set up has three men and eight women on it, so we are doing better in the equalities Department.

Stephen Phillips (Sleaford and North Hykeham) (Con): In this important issue it is not just the departmental boards which are important, but the senior ranks of the civil service. What progress has my right hon. Friend made, if any, on ensuring that there are more female senior civil servants in her Department?

Nicky Morgan: I thank my hon. and learned Friend for that question. He is absolutely right in what he says, and we have been talking about the executive pipeline. I am pleased to say that 45% of the DFE's senior civil service are women, and 42% of our most senior management posts are held by women.

Subject Knowledge Enhancement Courses (Chemistry)

7. **Louise Haigh** (Sheffield, Heeley) (Lab): What steps her Department is taking to increase the (a) provision and (b) uptake of subject knowledge enhancement courses in chemistry. [901092]

Mr Speaker: Minister of State Gibb.

The Minister for Schools (Mr Nick Gibb): Thank you, Mr Speaker Bercow.

Subject knowledge enhancement courses allow trainee teachers to build on their existing knowledge to enable them to teach their chosen subject. We have reformed the programme so that the courses can now be delivered by schools and universities, and we are promoting the courses through the successful "Get into Teaching" marketing campaign. The additional training is free of charge and most participants also receive a bursary. New chemistry trainees are also eligible for a bursary of up to £25,000 in 2015-16.

Louise Haigh: Given that the number of primary teachers in Sheffield with a science degree is below the national average, does the Minister agree that it is wrong for the teacher supply model not to account for regional variation?

Mr Gibb: The teacher supply model takes into account the national position. There will, of course, always be areas of the country that find it more challenging to recruit than others, particularly rural areas or some coastal areas. We are also faced with the challenge of a strong economy. If you really want to make recruiting graduates into teaching easier, you need a weak and

stagnant economy, with low growth, recession and high levels of unemployment, but for that you need a Labour Government.

Teacher Retention

8. **Dr Rupa Huq** (Ealing Central and Acton) (Lab): What assessment her Department has made of recent trends in teacher retention; and if she will make a statement. [901093]

The Minister for Schools (Mr Nick Gibb): Statistics published earlier this month show that teacher retention has remained broadly stable for a number of years. Eighty seven per cent of teachers who qualified in 2013 were teaching a year later; this figure has remained roughly constant in each year since 2005. Seventy seven per cent of teachers who qualified in 2011 were still teaching three years later; and 60% of teachers remain in the classroom 10 years after qualifying.

Dr Huq: Various recent polls have shown that up to 68% of teachers have considered leaving the profession altogether in the next 12 months. In my constituency, the prohibitive cost of housing contributes to that figure. Heads say that that prevents teachers staying beyond their initial teacher training. What steps will the Department take to head off the coming teacher crisis in London?

Mr Gibb: I do not recognise the hon. Lady's figures. Our figures show that 52% of those who qualified in 1996 are still teaching 18 years later. We are doing an enormous amount to encourage teachers to stay in the profession and graduates to come into the profession. We are tackling the workload problem and poor behaviour in schools and we are improving teacher training.

Andrew Bridgen (North West Leicestershire) (Con): We hear a lot of noise from the Opposition about how there is a so-called crisis in teacher recruitment. Will the Minister put things into perspective by explaining to the House the comparison between the number of people joining the teaching profession compared with that of those leaving the profession over the past decade?

Mr Gibb: My hon. Friend makes a good point. So far this year, for example, we have received 24,000 acceptances on to teaching training programmes at universities and schools. That is marginally ahead of where we were this time last year. We have exceeded targets for primary school trainees and for history and PE teachers, and we are ahead on acceptances for maths, physics, chemistry and design and technology compared with this time last year. We do not underestimate the challenges, but those are the challenges that come from a strong economy, and I would rather have that than a weak economy.

Wes Streeting (Ilford North) (Lab): I should declare that I am an unpaid member of the London borough of Redbridge and a member of the governing body of Grove primary school in Chadwell Heath. Just last week, both Labour and Conservative councillors expressed concern about the school places crisis in Redbridge. Given that we have one of the fastest growing populations in London, what assurance can the Minister give us that we will receive the funding necessary for additional schools and school places and that there will be the teachers there to staff them?

Mr Gibb: The hon. Gentleman was not here under the previous Labour Government when they cut 200,000 primary school places in the middle of a baby boom. One of the first decisions that we had to take in 2010 was to double the amount of spending on creating more school places. Some £5 billion was spent in the previous Parliament and £7 billion will be spent in this one.

School Funding

9. **Rishi Sunak** (Richmond (Yorks)) (Con): What progress her Department is making on providing fairer funding for schools. [901094]

12. **Mr Laurence Robertson** (Tewkesbury) (Con): What progress she has made on the introduction of a national funding formula for schools. [901097]

13. **Paul Maynard** (Blackpool North and Cleveleys) (Con): What progress her Department is making on providing fairer funding for schools. [901098]

17. **Victoria Prentis** (Banbury) (Con): What progress her Department is making on providing fairer funding for schools. [901102]

The Parliamentary Under-Secretary of State for Education (Mr Sam Gyimah): It is deeply unfair that we have a schools funding formula based on historic allocation rather than on actual need of schools and pupils. That is why the manifesto confirmed extra financial support for the least well-funded authorities for 2015-16, protected the schools budget in real terms and committed to making the system fairer. I can confirm that we will be putting proposals before the House for funding reform in due course.

Rishi Sunak: I warmly welcome my hon. Friend's answer and hope that he can continue to make progress for the students in my constituency. Will he comment on the recent National Audit Office report that recommended a fairer formula so that pupils receive funding that is related

"more closely to their needs, and less affected by where they live"?

Mr Gyimah: My hon. Friend makes an excellent point. It is unfair that a primary pupil eligible for free school meals in Richmond receives £472 extra funding while a similar student in another part of Yorkshire receives almost £300 more. That is why we recently announced that the schools block funding rates for 2016-17 have been baked in the extra funding that we distributed in the last financial year to make funding fairer.

Mr Laurence Robertson: I welcome the fact that the Government are about to introduce a national funding formula, but may I urge the Minister to do it sooner rather than later, because the longer the unfairness goes on the more difficult it will be to correct?

Mr Gyimah: I know the f40 group, of which my hon. Friend is a member, has been campaigning for 19 years for a fairer funding formula, so I can understand his impatience. He is right to highlight the financial pressures that schools are under, especially those in underfunded parts of the country; this is one of the reasons why we

are committed to fairer funding. As I said, we have protected per pupil funding in each authority from 2015-16, meeting the commitment to protect the national schools budget.

Paul Maynard: The Minister will be aware that Blackpool has amongst the lowest educational attainment in the country. What more, besides the hugely valuable pupil premium and the extra funding for nursery schools, can the Government do to increase attainment among white working-class children in seaside resorts—currently the weakest demographic in the country?

Mr Gyimah: I thank my hon. Friend for his question. I know he has a record of successful campaigning for schools funding. He is right to mention the pupil premium, which is designed to remove the barriers to learning faced by children from disadvantaged backgrounds. The pupil premium will provide almost £5 million in additional funding for more than 4,000 disadvantaged pupils—that is all disadvantaged children, not just white children—in Blackpool North and Cleveleys, and will help them to fulfil their potential.

Victoria Prentis: Following on from the previous question, 3,000 disadvantaged children in my Banbury constituency also benefit from the pupil premium. What other measures has the Minister thought about to promote targeted spending, to help to increase fairness in education?

Mr Gyimah: I welcome my hon. Friend to her place. She may know that her father, Lord Boswell, was extremely generous in his support to me in my early political career—indeed, he helped me to meet my wife—[*Interruption.*] Too much information. My hon. Friend rightly mentions targeted support. Some £3.5 million has been allocated to Banbury schools specifically to help to narrow the education gap.

Mr Speaker: I think we are clear that the noble Lord is a great man. He is also, famously, the author of the advice: don't let the best be the enemy of the good. You can put a monkey on a typewriter and end up with the collected works of Shakespeare, but we will all be dead by then.

Andrew Gwynne (Denton and Reddish) (Lab): The Minister will know that the Institute for Fiscal Studies has previously raised concerns about the potential impact of a national funding formula on poorer, more disadvantaged parts of England. Although a new formula will certainly help schools in the Stockport part of my constituency, which are disadvantaged by the current arrangements, can the Minister guarantee that there will be no inadvertent impact on schools in the Tameside part of my constituency, which is a poorer borough overall?

Mr Gyimah: Let me be clear: our commitment is to a fairer funding formula for schools. It is not right that schools in Tower Hamlets receive 63% more funding than schools in Barnsley with the same demographic profile. We have to do something about that, but we must take our time to get it right. We will consult widely, and I hope that Opposition Front Benchers will support us in this effort.

Conor McGinn (St Helens North) (Lab): Figures from the Department show that per pupil funding for St Helens will be more than £150 less than the average across England this year. In addition, our local authority is being asked to take a further £23 million from its budget in the same period. Will the Minister listen to the concerns of staff in schools in my constituency, who tell me that their ability to teach and support children is being hindered and not helped by this Government and their policies?

Mr Gyimah: The hon. Gentleman will be aware that we have protected schools funding in real terms. If schools in his area are getting less funding, perhaps he should be speaking to the local authority, in particular the schools forums, to understand what exactly is going on.

Neil Carmichael (Stroud) (Con): This is a key issue, which is one of the reasons why the Education Committee will also be conducting an inquiry on the subject, but does the Minister agree that if we reform funding, we will answer the National Audit Office's firm criticism of the system that it does not make sense for the pupil premium in some areas?

Mr Gyimah: I thank the Chair of the Select Committee. The point he makes is, I believe, that some areas are receiving, in effect, double deprivation funding: they are receiving it both through the schools formula and through the pupil premium. We will look at the funding formula in the round to address all those issues.

Mental Wellbeing (Children)

11. **David Rutley** (Macclesfield) (Con): What steps her Department is taking to support the mental wellbeing of children at school. [901096]

The Minister for Children and Families (Edward Timpson): As my right hon. Friend the Secretary of State said in an interview with *The Times* earlier this month, we want children to do well academically, and their attainment is supported if they have good mental health, character and resilience—something that good schools know well. To support schools, we have funded PSHE Association guidance and lesson plans on mental health, and we have worked with experts to provide advice on good school-based counselling, together with £1.5 million to pilot training to improve joint working across schools and specialist mental health services.

David Rutley: It is worrying to hear more in recent months about young people's concerns about mental health issues, particularly the growing pressure they feel as a result of social media. I welcome the Government's "Future in mind" report and its conclusions, but what steps are the Government taking to clarify responsibilities across public services and give schools extra support to ensure that we improve mental health outcomes for young people?

Edward Timpson: I want first, as a fellow Cheshire Member of Parliament, to add my voice to those who have already expressed their deep shock at the devastating events in Bosley in my hon. Friend's constituency of Macclesfield on Friday and over the weekend. I am sure that the whole House will want to join me in letting the families know that we are thinking of them.

Our joint working pilots will test single points of contact in child and adolescent mental health services to help schools understand mental health support. To clarify responsibilities, "Future in mind" recommended local transformation plans for every area. To that end, we have worked with NHS England on the guidance—it will go out shortly—which will require clinical commissioning groups to work with health and wellbeing boards, schools, colleges and local authorities to develop a clear and comprehensive offer of mental health support locally.

John Woodcock (Barrow and Furness) (Lab/Co-op): It is good that the Government are putting forward such measures, but has the Minister seen the report out today suggesting that the No. 1 concern of headteachers is mental health? Has he seen how emergency psychiatric admissions have doubled in only four years? Does he accept that there is a mental health crisis in our schools, and will he resolve to do more if the measures that he has put forward are not effective in the coming months and years?

Edward Timpson: The hon. Gentleman is absolutely right to raise the profile of this issue. We have to come to terms with the scale of the problem we are facing. I think that we are starting to wake up to that, but more action is required. For example, for the first time we now have a category of mental health for children with special educational needs and disabilities, and the CAMHS taskforce has done a great job in trying to understand how we can get a better level of identification, prevention and whole-service delivery so that children of all ages who, through no fault of their own, suffer from different levels of mental health problems get support when they need it, because the last thing we want is for that to affect not only their education chances, but their chances of having a successful and fulfilling life.

Access to Local Schools

14. **Victoria Atkins** (Louth and Horncastle) (Con): What steps her Department is taking to ensure that all children can access a good, local school. [901099]

The Secretary of State for Education (Nicky Morgan): It was recently reported that 82% of schools are now rated good or outstanding, which is the highest proportion ever, and we know that 1 million more pupils are in schools rated good or outstanding. But there is more to do, which is why our Education and Adoption Bill will allow us to intervene faster in failing schools and tackle coasting schools that are not supporting pupils to reach their full potential.

Victoria Atkins: Two schools in Horncastle are working together in a truly innovative way, sharing their expertise under the Horncastle umbrella trust. Will the Secretary of State join me in congratulating Banovallum school, a non-selective academy, and Queen Elizabeth grammar school, a selective academy, on their efforts to work together for the benefit of local children, and will she visit them with me?

Nicky Morgan: I always manage to fill up my diary after Question Time. I would, of course, be delighted to visit those schools with my hon. Friend. I welcome the fact that the non-selective Banovallum school and Queen

Elizabeth grammar school in Horncastle are forming a joint academy trust. Collaboration is an important part of the academies programme, and we know that academies and other schools are working together up and down the country, providing challenge and support and sharing best practice and resources.

Philip Davies (Shipley) (Con): There are insufficient school places at the secondary level in Wharfedale, which affects both my constituency and that of my hon. Friend the Member for Keighley (Kris Hopkins). This is a problem that Bradford council does not seem to care about, focusing instead on its Labour heartlands. May I encourage the Secretary of State to get her officials to look specifically at Wharfedale and provide funding for the school places that my constituents need to ensure that they can go to a good local school?

Nicky Morgan: As we have heard, this Government are going to invest £7 billion in this Parliament till 2021 to create more good school places. I encourage my hon. Friends the Members for Shipley (Philip Davies) and for Keighley (Kris Hopkins) to consider whether an application for a free school might also be in order so that parents and others are in charge of providing more good school places locally.

Department for Education (Living Wage)

15. **Peter Grant** (Glenrothes) (SNP): What assessment she has made of the potential merits of her Department becoming an accredited living wage employer. [901100]

16. **Drew Hendry** (Inverness, Nairn, Badenoch and Strathspey) (SNP): What assessment her Department has made of the potential effect on its staff of it becoming an accredited living wage employer. [901101]

The Secretary of State for Education (Nicky Morgan): My Department has no directly employed staff paid below the living wage and from the end of August 2015 all agency staff should receive at least the living wage. I have commissioned the Department's head of property to review how the living wage can be paid to subcontracted support staff by the end of this calendar year.

Peter Grant: I welcome those assurances and hope that other Ministers and Secretaries of State will take note. Is the Secretary of State aware of how many direct or indirect employees of her Department have to rely on state welfare benefits to top up their wages at the end of the week?

Nicky Morgan: I do not have those figures to hand. I am happy to ask, although it could be regarded as quite intrusive to ask members of staff about their personal financial situation. The hon. Gentleman makes an important point, which is reflected in my right hon. Friend the Chancellor's recent Budget: we want people who are working to receive the right wage for their work and not to be reliant on state hand-outs.

Drew Hendry: Has any assessment been made of the potential impact on departmental staff of the removal of tax credits?

Nicky Morgan: No such assessment has been made, for the reasons that I have just given.

Topical Questions

T1. [901076] **Matt Warman** (Boston and Skegness) (Con): If she will make a statement on her departmental responsibilities.

The Secretary of State for Education (Nicky Morgan): Given that we are at the end of the academic year, this is the right time to thank all teachers and all staff working in schools and educational establishments up and down the country for their hard work in this academic year. I am sure all Members will want to wish all pupils who have taken exams this summer and who are nervously waiting for their results the very best of luck when those results are received.

Matt Warman: The Government are investing in making it easier for schools to equip themselves with defibrillators. Does my right hon. Friend agree that in addition to contributing to the safety of staff and pupils, this is an excellent way for pupils to learn about first aid and to increase awareness of health problems, as well as being a practical incentive?

Nicky Morgan: I know just how important this is from my own constituency experience and the work of the Joe Humphries Memorial Trust. My Department is encouraging schools to purchase automated external defibrillators as part of their first aid equipment. New arrangements to make these life-saving devices more affordable were launched in November last year as a result of collaboration with the Department of Health. We might make a special arrangement for the hon. Member for Stoke-on-Trent, who said last week that his party's leadership debate needed shock treatment with a form of defibrillator.

Tristram Hunt (Stoke-on-Trent Central) (Lab): It is Stoke-on-Trent Central.

I join the Secretary of State in thanking teachers and headteachers for all their hard work this academic year and wish pupils the best of luck with their exams. Last week Her Majesty's chief inspector of schools warned of serious safeguarding concerns resulting from inadequate systems for tracking in-year transfers of pupils. There are 350 cases where the destinations of pupils were not clearly recorded. Will the Secretary of State confirm that she has confidence in the system for reporting and tracking in-year transfers, and is entirely satisfied with the regulations as they relate to faith-based independent schools?

Nicky Morgan: I am grateful to the chief inspector for raising these issues. These are concerning matters. That is why we are going to amend the current regulations on the information that schools collect when a pupil is taken off the register, to make it easier for local authorities to identify children who are missing education. We are also stressing the importance of schools and colleges following their existing procedures for dealing with children who go missing from education, particularly on repeat occasions. If we need to do more, we will do more.

Tristram Hunt: Does that mean that for the purpose of ensuring the safeguarding of children the Secretary of State is no longer happy with generic descriptions such as “moved abroad”? Are those the regulations she will be changing? As we enter summer there is a risk that more young people could be drawn to travel abroad to Syria. The Labour party welcomes the Prime Minister’s announcements on children’s passports this morning, but what discussions has the right hon. Lady had with the Home Secretary and the Communities and Local Government Secretary about preventing young people from travelling to Syria? What actions are being taken by Ministers across Whitehall Departments to mitigate this risk to young people over the school holiday period?

Nicky Morgan: I have had extensive discussions with fellow members of the Cabinet, including the Home Secretary and the Secretary of State for Communities and Local Government, on those important issues. The hon. Gentleman is right to highlight that this is a difficult time of year, in relation both to young people who might go abroad to places such as Syria, and in particular to vulnerable girls, who may be persuaded to undertake some sort of forced marriage or female genital mutilation. We will take—and, indeed, have taken—action by issuing guidance to schools and working with other authorities to ensure that we know where young people are and that we work with parents and communities to make sure that they are not going abroad unnecessarily.

T2. [901077] **Stephen McPartland** (Stevenage) (Con): What support will the Minister offer primary schools that are trying to improve literacy standards for all pupils so that no child leaves school unable to read and write?

The Minister for Schools (Mr Nick Gibb): As my hon. Friend knows, the Government place phonics at the heart of the early teaching of reading, and that is reflected in the new national curriculum. The coalition Government provided £23 million in match funding to more than 14,000 primary schools to boost the quality of phonics teaching. In 2012, we introduced a phonics screening check to identify those children still struggling with reading. Three years on from its introduction, the screening check shows that more than 100,000 more six-year-olds are on track to becoming confident readers.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I am told that, having forced schools across the country to become academies, the Department now finds that the bureaucratic oversight is too difficult and is trying to force them all to become part of large academy chains. That may work for normal schools, but it is very difficult for studio schools and university technical colleges. Will the Secretary of State confirm that there is no truth in that rumour and that there is no pressure on schools to join academy chains?

Nicky Morgan: I do not know where the hon. Lady has got that from. Being part of a chain and having that support can offer advantages to schools, but the whole point about the self-improving, school-led system that my Department oversees is that it is exactly that: school led. It is for schools, governors, heads and teachers to make decisions about the way in which the schools are run.

T3. [901078] **Heidi Allen** (South Cambridgeshire) (Con): We have spoken an awful lot today about fairer funding, and I welcome the extra £390 million that came my way, to Cambridgeshire, last year, and the fact that it will be consolidated for next year. We have talked about consultation to understand the best process for moving forward. Will the Minister or one of his representatives join me on 21 August, when I will host a meeting with key stakeholders, headteachers and Ofsted representatives in South Cambridgeshire to discuss why our schools still need more?

The Parliamentary Under-Secretary of State for Education (Mr Sam Gyimah): I note my hon. Friend’s invitation on 21 August, which I sadly cannot accept because I will be on my summer holiday. However, I welcome the invitation and will be delighted to meet those representatives on another occasion.

Kelvin Hopkins (Luton North) (Lab): On every educational and efficiency measure, sixth-form colleges outperform all other sixth-form providers. When will the Government treat sixth-form colleges fairly in taxation terms and take steps to establish many more sixth-form colleges throughout the country?

The Minister for Skills (Nick Boles) *rose—*

Hon. Members: Ah!

Nick Boles: Mr Speaker, as you know, I am a shy and retiring type, so I was only too happy to remain unheard on the Front Bench.

I welcome the hon. Gentleman’s questions. He is right that sixth-form colleges make strong arguments on this matter, but the blunt truth is that extending the same VAT provisions to them would cost the Chancellor £30 million every year, and those sorts of decisions will be considered in the spending review. However, the arguments that sixth-form colleges have made have been heard loud and clear.

Mr Speaker: I hope that the Minister has now overcome his shyness.

T4. [901079] **Bob Blackman** (Harrow East) (Con): I, too, hope that the Minister has overcome his shyness because this question is also coming his way.

Colleges in my constituency complain about in-year cuts to funding and the lack of a three-year funding programme. What representations are being made for a three-year settlement for 16-to-19 education so that colleges can plan for the future rather than having to deal with sudden crises?

Nick Boles: I hope that my hon. Friend therefore welcomes the fact that 16-to-19 funding allocations to further education colleges, sixth-form colleges and similar have been confirmed and are not targets for in-year cuts this year. The allocations that were announced in March have been maintained for this year. He is right to point out that the ability to plan ahead makes life much easier for any organisation, and I will certainly take into discussions on the spending review that argument about the value of stability.

Ian Paisley (North Antrim) (DUP): Landhead primary school in Ballymoney in my constituency was one of the recent winners of the national flag display to celebrate Magna Carta. There was a celebration here in Parliament square and at Runnymede. Now that the celebrations are starting to draw to a close, what are the Government's long-term proposals to ensure that Magna Carta and, indeed, the celebration and support of Parliament continues to be part of the education process?

Mr Gibb: I congratulate that primary school on taking part in the important celebration of Magna Carta. We have reformed the curriculum, both at primary and secondary school, to ensure that it is more knowledge-based, particularly in history. That will ensure that future school leavers will understand and know more about our important British history.

T5. [901080] **Kevin Foster** (Torbay) (Con): The latest figures on the dedicated school grant for 2015-16 show that pupils in my urban Torbay constituency receive significantly less per pupil than their counterparts in other urban areas such as Nottingham. What steps will the Secretary of State be taking to address that funding imbalance, as highlighted by the Campaign for Fairer Funding in Education, or £40?

Mr Gyimah: That is yet another clear example of why the school funding system needs to be reformed. Torbay receives £1,530 extra for each pupil on free school meals, while schools in other parts of the country can receive £5,000. However, as a result of last week's announcement, Torbay will receive an additional £1.52 million and will continue to receive that funding because of the £390 million being baked into the school formula.

John Cryer (Leyton and Wanstead) (Lab): So why exactly have 800 children's centres closed since the Conservatives—and, previously, the coalition—came to power?

Mr Gyimah: Yet again, the Labour party decides to confuse mergers with closures. As was said earlier—before the hon. Gentleman came into the Chamber—what we should care about is the outcomes for parents, rather than simply counting buildings.

John Cryer: I was here!

Mr Speaker: The hon. Gentleman signals from a sedentary position that he has been present throughout the proceedings, so that is on the record.

T6. [901081] **Mark Pawsey** (Rugby) (Con): I recently joined pupils at Padox primary school in Rugby for a class in their outdoor forest school, and the school recently made a successful bid to the Aviva community fund for permanent structures that will enable students to use it all year round. What steps is the Secretary of State taking to encourage other schools to follow Padox primary's lead on outdoor learning?

Mr Gibb: My hon. Friend brings a whole new perspective to the issue of school building design—a very in-tents form of education. Padox primary school is, of course, an outstanding school and the Government's approach

is to give such schools the freedom to make such decisions, particularly if they believe it will help children to learn their multiplication tables.

Barry Gardiner (Brent North) (Lab): Primary schools in Brent regularly have classes of 29 children with 21 different mother tongues. How is it possible that a fairer funding formula can discount against such schools relative to others that do not labour under such difficulties?

Mr Gyimah: That is precisely why we need to consult widely in order to understand the issues, but what we do know is that, around the country, the funding for schools with the same characteristics are based on historical allocation, rather than on the needs of either the school or the pupil.

T7. [901082] **Mike Wood** (Dudley South) (Con): Too many families in Brierley Hill and Wordsley in my constituency are unable to secure places at local schools. What plans do the Government have to meet demand for places in Dudley South?

Mr Gyimah: Supporting local authorities to deliver sufficient places is one of this Government's top priorities. Dudley local authority has been allocated £8.9 million of basic need funding for the period 2015-18. This will help to create the places required.

Nic Dakin (Scunthorpe) (Lab): Surely a review of provision in an area ought to include all provision in that area, so why, in their publication "Reviewing post-16 Education and Training Institutions", are the Government not including all provision, such as schools, UTCs and so on?

Nick Boles: I welcome the chance to clarify that regional schools commissioners—they are of course responsible for all schools, sixth forms and UTCs—will be involved with and invited to area reviews of post-16 education provision.

T8. [901084] **James Berry** (Kingston and Surbiton) (Con): Children in Kingston and Surbiton perform above the national average in speech and language at age five. However, the poorest children are still almost twice as likely to fall behind later in their education, despite the best efforts of their teachers. Does my hon. Friend agree that there is evidence that high-quality early education, linked to the presence of well-qualified staff in the early years, has a positive impact on speech and language development for the poorest children?

Mr Gyimah: My hon. Friend makes an excellent point, and that is why we extended the free entitlement to disadvantaged two-year-olds, and we extended the pupil premium to three and four-year-olds so that toddlers are not behind when they turn up at school.

Dr Roberta Blackman-Woods (City of Durham) (Lab): Apparently, the Minister has questioned the value of free school meals for young children. Has he read the excellent evaluation of the universal free school meals pilot in County Durham, and if not, shall I send him a copy?

Mr Gyimah: I believe the hon. Lady is referring to an article in *The Mail on Sunday*. May I say that the incident in question, to go back to my own school meal days, is just a mere trifle? We are absolutely committed to free school meals, as she can see in our manifesto.

T9. [901085] **Mr Henry Bellingham** (North West Norfolk) (Con): Is the Secretary of State aware that many schools in Norfolk, particularly in Norwich and King's Lynn, are doing a huge amount to help children with special needs to be integrated into the mainstream? However, the statementing process still takes far too long. What does she propose to do about it?

The Minister for Children and Families (Edward Timpson): I commend the schools in my hon. Friend's constituency, which provide some outstanding education for children with special educational needs. We brought about comprehensive reforms to the special educational needs system because the statementing process was not centred around the family, took too long and did not necessarily embed the quality of assessment that we need. We have moved to education, health and care plans—a single assessment involving education, health and social care services—so that the child and their family get a truly comprehensive support service to enable the child to achieve their academic potential.

Contaminated Blood

3.32 pm

Diana Johnson (Kingston upon Hull North) (Lab) (*Urgent Question*): To ask the Secretary of State for Health to make a statement on the support available to victims of contaminated blood.

The Parliamentary Under-Secretary of State for Health (Ben Gummer): I apologise for the fact that the Under-Secretary of State for Health, my hon. Friend the Member for Battersea (Jane Ellison), the Minister with responsibility for public health, could not be here to respond to this urgent question. She is returning from an international tobacco control summit, which she attended at the request of the French Government, and could not be back in time.

In the 1970s, 1980s and early 1990s, thousands of patients contracted HIV, hepatitis C or both infections from NHS-supplied blood or blood products. This is rightly described by many as one of the great tragedies of modern healthcare. I would like to start by echoing the apology made by the Prime Minister in March and to say, on behalf of this Government, how sorry we are for what happened.

Since 1988, five ex-gratia support schemes have been set up to support those affected. While the current schemes of financial support have made a significant difference to the lives of many beneficiaries, we acknowledge that many people remain unhappy with the current system of support. I also know that many will have anticipated a more comprehensive statement on progress.

Ministers have listened to many of the criticisms of the current schemes. This is a very difficult issue, and many different voices on this matter will need to be taken into consideration in the context of the spending review. We then plan to give individuals affected by scheme reform the opportunity to express their views via a public consultation. That has never been done before in the history of the schemes.

The four UK Health Departments have been working together closely on this matter and will continue to do so. As a result of the direct links established between the Scottish Government and patient groups in Scotland following the publication of the Penrose inquiry, the Scottish Government are undertaking their own consultation with patient groups in Scotland. We look forward to seeing the results of that activity. When we launch our consultation later this year, we will continue to work with Scotland. That will enable all four countries to share their learning and therefore have far more robust information to inform the shape of any future reformed scheme.

As was previously announced, up to £25 million was allocated to support the transition to a reformed scheme. I confirm that we do not intend to use that for the administrative costs that might be associated with reforming the existing schemes. We expect to announce our plans for that money in the light of the consultation and once we have an understanding of how a new scheme might be structured. We intend to consult on proposals for a reformed scheme later this year.

Diana Johnson: Thank you, Mr Speaker, for granting this urgent question. I am mindful that I have just two minutes to deal with 30 years of injustice in this case. Members will know that this is the worst treatment scandal in the history of the NHS.

On 14 January, the all-party parliamentary group on haemophilia and contaminated blood published a report about how the current support is wholly inadequate. After the publication of the Penrose report on 25 March, the Prime Minister told the House that

“it is vital that we move as soon as possible to improve the way that payments are made to those infected”.

He added:

“if I am Prime Minister in May, we will respond to the findings of this report as a matter of priority.”—[*Official Report*, 25 March 2015; Vol. 594, c. 1423.]

On 3 June, the Prime Minister promised

“a full statement...before the summer recess”.—[*Official Report*, 3 June 2015; Vol. 596, c. 584.]

At 2 pm last Friday, a written statement was laid in the other place. In short, it means no extra help for victims for at least two more years. Tabling it in the other place when the Commons was not sitting was very shabby indeed.

I have four specific questions. First, when will we see a timetable for consultation on a reformed scheme of compensation? Will any of the £25 million be spent in 2015-16, as was promised by the Prime Minister?

Secondly, two years ago the Government sold an 80% stake in Plasma Resources UK, the company that creates plasma products for the NHS, to Bain Capital for £200 million. Was that capital receipt ring-fenced to compensate those affected by contaminated blood? If not, why not?

Thirdly, on 2 June the Secretary of State for Health wrote to one of his own constituents:

“Any additional resources found for a settlement will be taken away from money spent on direct patient care for patients in the NHS.”

Is that really the Government’s intention? Will the Minister comment on the starkly different approach the Government took in compensating Equitable Life victims?

Fourthly, there are now drugs available that would allow people like my constituent Glen Wilkinson to clear hepatitis C, but they are not available automatically on the NHS. The NHS gave him the infection and the NHS could now treat him. Where is the justice in withholding those drugs?

I cannot overstate the feelings of anguish that have been caused by the Government’s conduct in recent days. Many victims feel that they are being left to die in misery so that the costs of any eventual settlement scheme become more affordable. Before the election, the Prime Minister promised urgent action. Now is the time to deliver.

Ben Gummer: The hon. Lady has been a doughty campaigner on this issue for many years, along with others. I have a constituent who has been affected by this appalling tragedy. I know that many Members come to the House with similar experiences of talking to their constituents, so I understand the issues that she has raised today.

The hon. Lady is right to say that there is a long history behind this appalling series of events. We are seeking to address that now in the consultation that we

are about to take forward. We are moving with some speed, compared with what has happened before. We had the Penrose report; then the election intervened, as she will understand, but it was one of the first items on the agenda that I was party to on returning to the Department of Health after the election. We are moving at speed to construct a consultation that will take into account the views, feelings and wishes of the beneficiaries for the first time ever, so that we hear their personal stories and give them a voice in a way that they feel has not happened so far.

The hon. Lady has rightly identified that there is a monetary implication. This matter has to be considered within the bounds of the spending review—it could not be otherwise—and it will come within the parameters of the Department of Health budget.

The hon. Lady asked about the timetable. The £25 million identified by the Prime Minister has been identified for this financial year. Should it not be allocated this year, it will be rolled over to the next year, so it will not fall if it is not spent. She also asked about the compensation fund, and I shall return to her with a written reply on that. She correctly made the point that some people will feel that time is running out and that they need a resolution quickly. That is why, within a few months, we intend to launch a consultation that we want to be completed very quickly—preferably within eight weeks, but should beneficiaries prefer, within 12 weeks. We will then launch the revised parameters of the schemes by the end of the year. We are moving quickly, and we intend those provisions to be in place so that people can feel the benefit, and feel that their voice is being heard and reflected in the changes that the Government have made, fulfilling their promises to do so.

Jason McCartney (Colne Valley) (Con): May I save the Government the time of the consultation by referring them to the report issued earlier this year by the all-party group on haemophilia and contaminated blood, which I co-chair with the hon. Member for Kingston upon Hull North (Diana Johnson)? It made three recommendations: first, we need to make trusts and funds operate for the beneficiaries; secondly, we need a full and frank apology; and thirdly, we need a full financial settlement for the victims. The victims are dying. Let us not wait any longer.

Ben Gummer: My hon. Friend is right to say that action needs to be taken. He will understand why, if we are to do the right job for victims and the beneficiaries of previous schemes, we must do so in a considered way and with speed, but it must be a proper process. Large amounts of public money are involved, and we must also ensure fairness to those people who have suffered as a result of this terrible series of events. I hope my hon. Friend will understand why we will undertake a consultation, even though it will be short. That does not preclude beneficiaries coming forward now with their views about what should be changed in the existing schemes to ensure fairness and equity in the schemes that supersede them.

Andy Burnham (Leigh) (Lab): I pay tribute to my hon. Friend the Member for Kingston upon Hull North (Diana Johnson) who has been tireless in pursuit of answers for the victims of contaminated blood. Her powerful words today will have spoken for many people across the country.

This scandal is one of the worst injustices this country has seen. Thousands died, and thousands of families were destroyed through the negligence of public bodies. For years, the response from Governments of all colours to the victims could be described at best as grudging, and at worst as dismissive, and it falls to this Parliament to resolve today to end this injustice once and for all.

The Prime Minister's apology in March marked an important moment on the journey for justice, and we welcomed his commitment to respond to the Penrose report

“as a matter of priority.”

We do not doubt the sincerity of that commitment, but does the Minister understand the disappointment that people felt when instead of the promised full statement, a written statement was released at 2 pm on a Friday afternoon, which failed to answer the key questions? The Minister failed to set a clear timetable for when the £25 million promised by the Prime Minister will be made available to those currently receiving support, and I think I heard him imply that it might go into the next financial year of 2016-17. May I press him further? Will he work to ensure that the funding is made available to victims this year, as I think that is what people want to hear from him today?

On disclosure, I welcome the fact that the Government have committed to releasing additional documents, but does the Minister accept that alongside that release we need a process to help families understand those documents and finally to get to the full truth of what went wrong? Will he commit, at very least, to a panel on the Hillsborough model, or to a public inquiry, to provide a full commentary on the extent to which disclosure on this matter would add to public understanding of the scandal?

Finally, although no amount of money can ever fully make up for what happened, we owe those still living with the consequences the dignity of a lasting settlement. People will therefore be disappointed that any decisions on future support appear to have been postponed until the spending review. Will the Minister put a timeframe on when the Government will make their next statement about a full and final settlement? Given the widespread concerns about current arrangements, does he acknowledge that the longer this goes on, the longer we leave in place a system that is not working and leaves victims going cap in hand for support, which only adds to their sense of injustice?

We congratulate the Government on their progress in recent months, but now is the time for a resolution. This injustice has gone on long enough. Further delay adds insult and injury to that injustice. A full, fair and final resolution is now required.

Ben Gummer: I thank the right hon. Gentleman for his measured words. He is right to say that it falls to this Parliament to come to a reasonable and fair conclusion. He is also right to point to the Prime Minister's apology. I know from my own experience of talking to victims that that was a very important moment for many.

The right hon. Gentleman asks about the £25 million. What I meant by my remarks is that I hope it will be spent this year in furtherance of the transition to a new scheme, but should money not be spent it will not be squirreled away for other purposes. It will remain allocated for beneficiaries.

[Ben Gummer]

On the timing of the statement, our purpose was to update Parliament on progress as soon as possible. Beneficiaries have been waiting for 30 years, so it is understandable that they would like to see faster work. We are working at full pelt, but that work has to be done in tandem with discussions on the spending review. This will be one of the first outcomes from the review, which is why we anticipate having a transition to the new scheme and a consultation finished by the end of this year.

Finally, the right hon. Gentleman refers to a panel and to the work done by the Hillsborough inquiry. I know he has personal experience of that, not least because of his own extraordinary work in bringing it about. I would suggest that in this instance speed is of the essence. I think we all understand where we need to get to. We need to ensure that the new scheme is comprehensive in addressing the perceived and actual failings in the existing five schemes, and that that is done as quickly as possible. I would not like an inquiry to get in the way of the speed with which we can do that.

Chloe Smith (Norwich North) (Con): I wonder if the Minister could help me with two things. First, a constituent of mine said over the weekend that this looks like another case of the Government saying they are going to do something and then doing nothing. I am sure my hon. Friend will be able to reassure my constituent that that is not the case. Secondly, will he give us an update on making the new generation of drugs available to sufferers as quickly and as fully as possible?

Ben Gummer: My hon. Friend is entirely right to say there are some exciting medicinal prospects on the horizon. The demands, especially on those for hepatitis C, have to be seen in the round of all sufferers of hepatitis C, but this is an additional factor to be played in. We hope the particular group affected by hepatitis C will be considered by NHS England as part of its discussions on how to take forward future cures.

Penrose reported just before the election. There is an enormous amount of work going on in the Department at the moment, and this is a priority for the Department. We know we need to move quickly. I want to reassure my hon. Friend's constituents that we want to have this matter settled before the end of the year.

Dr Philippa Whitford (Central Ayrshire) (SNP): The problem of contaminated blood products was an international one, but Penrose was a Scotland-only inquiry. It could not compel witnesses from elsewhere in the UK and that needs to be borne in mind. The victims and their families are key. Many families were infected because patients were not warned, and families have been bereaved. What consultation has there been with the Scottish Government, who held the inquiry and apologised on the same day, about this apparent delay? How much of the £25 million will be spent? We must ensure access to treatment, whether that is the new antivirals or transplants. We hurt these people; we must not let them down.

Ben Gummer: I thank the hon. Lady. It is a good example of the new mode of working between our Governments that officials in the Department of Health

have been working very closely with their counterparts in the Scottish Government. Of course, most of the events that the Penrose report refers to were pre-devolution. It is therefore entirely right that the recommendation is adopted across the United Kingdom, not just in Scotland. I expect that cross and close working will continue through the course of the settlement process.

Dr Julian Lewis (New Forest East) (Con): My constituent Lesley Hughes was infected with hepatitis C 45 years ago, but the condition was discovered only relatively recently. Given that she is an older sufferer, the standard drugs do not agree with her or assist her to the extent that the new generation of drugs would. Is there a timescale that I can offer her to give her hope that she will be able to move from the less effective and less tolerable drugs to the new generation of drugs?

Ben Gummer: My right hon. Friend raises an important point. He may be aware that the Government have launched an accelerated review of hepatitis C drugs, and the Under-Secretary of State for Life Sciences, my hon. Friend the Member for Mid Norfolk (George Freeman), will be updating the House as soon as he has news on that. At the moment, I am afraid all I can promise is celerity rather than certainty.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): I thank my hon. Friend the Member for Kingston upon Hull North (Diana Johnson) for putting this urgent question and for all her dedicated work on this agonising issue. I put it to the Minister that if he had made his statement not to the House but to my constituents, including one in particular who lives in agony and fear, the reaction would have been less parliamentary than it has been this afternoon. The people who are waiting for this do not have an infinite amount of time, and the correspondence that I receive on this matter rends my heart. The consultation is taking too long, and action is essential.

Ben Gummer: I agree in large part with the right hon. Gentleman. He has been in this place for many years, and he will know that successive Governments have not acted on this great tragedy. We are moving quickly. In the wake of the Penrose report in March, the Prime Minister promised to move rapidly following the election of the new Government. We are updating the House at the moment, and we will be launching a consultation on a new scheme in the autumn. I hope that most sufferers will understand that that is about as quickly as we are able to move. The thing that they have asked for above all is action, and that is precisely what this Government are taking.

David T. C. Davies (Monmouth) (Con): One of my constituents, Craig Sugar, is a sufferer. He has been a high-profile campaigner on this issue and he has visited Parliament. Will I be able to reassure him over the next few days that the consultation will lead to speedy action and that it will not simply be a delaying process?

Ben Gummer: My hon. Friend can certainly reassure his constituent that the purpose of this consultation is to ensure that it fits with what the beneficiaries, sufferers and victims want from the new scheme, and that it is also designed to be quick. That is why we are hopeful

that we will have an eight-week consultation and that we can get on with implementing the results as quickly as possible.

Stephen Kinnoch (Aberavon) (Lab): I rise to speak on behalf of my constituent Tony Farrugia. Mr Farrugia lost his father and two uncles when they contracted AIDS and hepatitis C from contaminated blood. Days after the death of his father, Tony and his twin brother were separated and sent to care homes more than 100 miles apart. They were not reunited until a decade later. Will the Minister confirm that the emotional and psychological impact of such awful decisions will be included in the scope of the consultation?

Ben Gummer: The hon. Gentleman's example is one of many that are similarly affecting in illustrating the appalling effects that this tragedy has had on individuals, their families and their extended families. I can promise him that the personal views of everyone who has been affected by this tragedy will be taken into account during the consultation. That is its purpose. It has not happened so far, but that is what we are going to deliver.

Suella Fernandes (Fareham) (Con): I welcome today's announcement. It represents progress on a tragic issue that has affected thousands of people in this country. My constituent Mrs Jackie Britton contracted hepatitis C in 1982 following a blood transfusion during childbirth, although she was not diagnosed until 2011. Will my hon. Friend provide the House with guidance on the availability of drugs, particularly sofosbuvir, which has been approved by the National Institute for Health and Care Excellence? Will it be made available for the treatment of cirrhosis?

Ben Gummer: NHS England has just announced a major package in respect of the drugs my hon. Friend mentions. I will ensure that my hon. Friend the Life Sciences Minister writes to her with further details.

Barbara Keeley (Worsley and Eccles South) (Lab): May I add my thanks to those already given to my hon. Friend the Member for Kingston upon Hull North (Diana Johnson) and add to her comments about the pressing need for a settlement? I recently learned of a constituent who contracted hepatitis C in the 1980s. The reality of his life is that the drug treatment he needs is not funded, although it is available in Scotland. He is looking at paying out £35,000 for a 12-week course of treatment and cannot get life insurance for mortgage purposes. He also talks about the stress and discomfort of the treatment he has tried. His life is on hold. This is a pressing matter. What can we offer him?

Ben Gummer: The hon. Lady is right to highlight that for some people this has been a fact of life for 30 years or more. Within a year of the publication of the Penrose report, we hope to provide a scheme that settles the concerns of many sufferers. That is a fast pace at which to move given the complexity of what is required, the five schemes already in existence and the many hundreds and thousands of voices that need to be heard in the short consultation we plan to hold.

Mark Menzies (Fylde) (Con): I know from first-hand experience that my right hon. Friend the Prime Minister and my right hon. Friend the Health Secretary care passionately about this issue. We need to make sure that

the people suffering from these diseases do not feel at the mercy of a clunky civil service-led process, and that it is being driven by people who know about the issue and want it sorted out to the benefit of those people.

Ben Gummer: In my discussions with officials, there has been a great sense of urgency and professional commitment to making sure this is dealt with as quickly as possible, and we are moving quickly. As my hon. Friend will understand, the Prime Minister has form on trying to address historical injustices. This is another he intends to address in a like manner.

Pete Wishart (Perth and North Perthshire) (SNP): There is a sense of profound disappointment among sufferers in my constituency, who see this as yet another delay and are totally frustrated with the process thus far. When the Minister talks about all these accounts and things, he sounds like a pound shop accountant rather than someone dealing with the deaths of our constituents month after month. If he has taken the £25 million off the table, will he make sure that the funds he talks about—the Caxton, MacFarlane and Skipton funds—are properly resourced in order to get our constituents through this difficult period and at least give them something to rely on?

Ben Gummer: The hon. Gentleman speaks of speed. We had the results of the Penrose inquiry in March. In the intervening period we have had the election, and now we are announcing to Parliament the remainder of the consultation period and settlement process. That is actually very quick, considering the complexity to which he alluded. I hope that the £25 million will be spent in full on the proper things it needs to be spent on, but it will certainly be used where appropriate in the transition to the new fund from the existing five.

Mark Garnier (Wyre Forest) (Con): I am grateful to the Minister for his statement on this tragic occurrence. A constituent of mine, Rosamund Cooper, a sufferer, is worried that the consultation has no specific aim. Can he assure us that two of the aims will be to ensure that the hardship suffered by people is taken into account, and that they get the best possible access to the proper care and quality of care they deserve?

Ben Gummer: I hope that my hon. Friend's constituent will be reassured by the aims of the consultation when they are published shortly. She should know that overall, we are trying to address the problems that sufferers, beneficiaries and victims have had with the existing five schemes. It is to that end that we will launch the consultation, the aims of which will be published in detail, and provide a settlement.

Nia Griffith (Llanelli) (Lab): Taking action by the end of the year means that it will already be nearly a year since the report produced by the all-party group on haemophilia and contaminated blood. While impressing on the Minister the need to take urgent action, may I return to the panel that my right hon. Friend the shadow Health Secretary mentioned? What further answer can the Minister give about setting up a panel to provide more comprehensive answers to those who have experienced so many years of agony and waiting?

Ben Gummer: The hon. Lady can find her answer within her question. If we are to move quickly to a resolution, we cannot insert another inquiry process that would delay yet further what we need to do for the sufferers who have been waiting so long.

Tom Pursglove (Corby) (Con): Some of my constituents have faced real difficulties when trying to access appropriate treatments. Can my hon. Friend reassure me that Ministers will take action to ensure that no new treatments are denied on the basis of cost?

Ben Gummer: I can reassure my hon. Friend that treatments, including new treatments, will be provided on the basis of need, but again, it will be for NHS England to determine how they are released to the service. I know that my hon. Friend the Under-Secretary of State for Life Sciences will give my hon. Friend further details if he requires them.

Andy Slaughter (Hammersmith) (Lab): Contrary to the Minister's assertion, there is a lack of urgency, which is shown by the fact that there was no statement by the Prime Minister, as had been promised. We know the defects of the current schemes—they are not redeemable—and we know what needs to be done. Will the Minister confirm what I think he said, namely that there will be a final assessment by next March? Will he also guarantee that the money will be available, and will not be ring-fenced or offset against other departmental spending?

Ben Gummer: What I have said, very clearly, is that we will launch a consultation in the autumn, and that we hope it will be as short as possible so that we can arrive at a settlement as rapidly as possible. I also hope that it will be in the tightest possible timeframe, as the hon. Gentleman suggests.

As for the issue of money, I know that the hon. Gentleman may not understand this, but the money has to come from somewhere, and it will come from the health budget, which is where it is designated to derive from.

Mrs Flick Drummond (Portsmouth South) (Con): A constituent of mine, Sally Vickers, has lived for years with the consequences of contaminated blood transfusions, and we are having difficulty in finding accommodation that meets her needs. Her quality of life has been greatly undermined, and she may not last much longer. May I ask for the consultation to extend further than the issue of medicine and consider other needs as well?

Ben Gummer: As my hon. Friend will know, the existing schemes already provide additional support in the form of welfare or benefits. Any new scheme must not only include the measures in the existing schemes that work well but adjust the parts of those schemes that do not work well.

Sammy Wilson (East Antrim) (DUP): We understand how frustrated many people will feel about the fact that the Government can rush through measures to deal with English votes for English laws—which is not even an issue in the current Parliament—while an issue that has been lingering for 30 years will now be subject to consultation that will itself be delayed, despite a manifesto

promise. The results of the consultation will then have to be worked out. Moreover, the Minister has said four times that the decision will be made in the context of the spending review. Can he assure us that budgetary considerations will not delay the process even further?

Ben Gummer: The hon. Gentleman raises the issue of English votes for English laws. That has been deferred, because the House wishes to discuss it further.

On the issue before us, a report was delivered in March, but the general election then intervened, which effectively took six weeks out of the time in which the Government could make decisions. We began work the minute we returned to government, and I have now provided an update and the prospectus for a consultation in the autumn. It will be the first consultation that the sufferers have ever been able to enjoy, and we will finish it as quickly as possible in order to arrive at a settlement. That is rapid progress, given that it has taken us more than 30 years to reach this point.

Mr Philip Hollobone (Kettering) (Con): I have been listening very carefully to my hon. Friend. Will he be kind enough to make it crystal clear to the House exactly what his intentions are? I understand from what he has said that he expects a new scheme to be up and running by the end of calendar year 2015. If that is incorrect, by when does he expect such a scheme to be established?

Ben Gummer: We shall be consulting this year, the consultation will be concluded by the end of the calendar year, and we hope that a new scheme will be up and running as soon as possible after that. It will, of course, depend slightly on the outcome of the consultation, but I expect the scheme to follow very rapidly on the heels of its conclusion. None of us has an interest in delaying this any further.

Chris Stephens (Glasgow South West) (SNP): First, may I ask the Minister to take this opportunity to apologise to my constituents, who are very upset that the statement was made in the other place on Friday afternoon? Does he also acknowledge that these delays—indeed, any delays on this issue—compound the original error, and can he assure the House that we will be updated regularly so that all Members can represent their constituents on this matter?

Ben Gummer: I hope the hon. Gentleman will pass the message on to his constituents that we were doing the House a courtesy in explaining that we were making progress and outlining a consultation timetable, and that the substantive statement will come in due course owing to the amount of work needed to make sure it is as full and thorough as possible. That is why we made the written ministerial statement. We intend to move as quickly as possible, as we have promised to do.

Mr Peter Bone (Wellingborough) (Con): With all due respect, that is not good enough. There should have been an oral statement in the Commons, which was what the House was led to believe would happen. The fact that there was not a lot to say was not a reason to put out a written statement in the Lords on a Friday afternoon.

Will the excellent Minister, who I have a lot of time for, confirm the position on the drugs? I have constituents who need drugs that are available but that the NHS is not granting at the moment. There cannot be much money involved; there is just red tape. Can we clear the red tape and let constituents get those drugs?

Ben Gummer: I thank my hon. Friend, and I have taken note of his comments. NHS England has just announced an accelerated review into hep C drugs, and the Parliamentary Under-Secretary of State for Life Sciences will give my hon. Friend further details on that, but we are moving quickly to ensure that the new range of drugs for hepatitis C in particular is brought into service as quickly as possible.

Huw Irranca-Davies (Ogmore) (Lab): A constituent of mine is one of the 300 so-called “forgotten few” primary beneficiaries. What is the Minister’s response to him when he says that

“‘the forgotten few’ have lived with this for so long now, further hold-ups and enquiries will make things far too late for many of us, considering some are well into their 60s by now. No one can give me back my brother or the life I’ve missed but to have financial peace of mind, knowing I can secure my family’s future is the number one priority for me now, after years of hardship and uncertainty”?

There seems to be a real difference in tone and substance between the Minister’s comments today and what the Prime Minister said before the election, and I am seeking real reassurance.

Ben Gummer: I completely agree with the hon. Gentleman’s constituent that further inquiries will not provide him and his family with the service they require. That is why we are moving quickly to the consultation, which will be launched in the autumn. It will be a short one, and then we will move to a settlement. I want the hon. Gentleman’s constituent to feel that this Government have addressed his tragedy swiftly following the publication in March of the long-awaited report.

Richard Fuller (Bedford) (Con): I commend the work of my constituency neighbour the Minister for Community and Social Care, my right hon. Friend the Member for North East Bedfordshire (Alistair Burt), on this issue.

I want to draw my hon. Friend the Under-Secretary’s attention back to the question the hon. Member for Kingston upon Hull North (Diana Johnson) asked about BPL Ltd. Can he clarify what, if any, financial interest the Government retain in BPL? If Bain Capital realises a sale, will any of the funds be used for the financial consideration that we are discussing?

Ben Gummer: I too commend my right hon. Friend the Minister for Community and Social Care, who has

done extraordinary work on this subject in the past and brings that experience and expertise to the Department.

I cannot give my hon. Friend an immediate answer on the company he mentions, but I will make sure we write to him with full details.

Ms Margaret Ritchie (South Down) (SDLP): A constituent of mine, Brian Carberry, is a haemophiliac who was infected with contaminated blood products in the 1970s. He has now got hepatitis C. The one thing he wants to hear today is when there will be a full and final settlement and when the drugs will be made available, because there is little point after people get cirrhosis.

Ben Gummer: The hon. Lady should know that the two issues are separate. The drugs that she mentions are part of an accelerated access review, which my hon. Friend the Under-Secretary of State for Life Sciences launched recently. It will be available to all sufferers of hepatitis C, however they contracted the disease. We hope to move to that as quickly as possible, and I know that NHS England has it in hand.

On the issue of a full and final settlement, that is exactly where we are trying to get to. The hon. Lady will be aware that this is an enormously complex area, and we want to ensure that all the concerns of sufferers and victims are taken into account in the consultation that we are going to lead, so that we can come to a final settlement that is equitable to all.

Mark Pawsey (Rugby) (Con): My constituent tells me that, despite the fact that he was infected when he was in the sixth form, at an age when he saw little future, he now has a good job, a wife and, following IVF treatment, a daughter, although he still faces many challenges. Specifically, will the Minister include the right to funding for a second round of IVF? My constituent and his wife are very keen to provide a sibling for their daughter and are having to use their own funds to do so—funds that they had put on one side to support their child in future years.

Ben Gummer: I know that my hon. Friend has spoken about that issue to my hon. Friend the Member for Battersea, the Minister with responsibility for public health, and she will write to him shortly with an answer to his question.

Kevin Foster (Torbay) (Con): My hon. Friend will be aware of the frustration of those waiting for a result, including some of my constituents. I heard what he said about consultation, but can he assure victims that a final decision will be made as soon as possible, given the decades that they have spent waiting for justice?

Ben Gummer: I can give that assurance.

Counter-ISIL Coalition Strategy

4.11 pm

The Secretary of State for Defence (Michael Fallon): With permission, Mr Speaker, I wish to make a statement.

ISIL poses a direct threat to the United Kingdom and to countries around the world. Last month, 30 British citizens were murdered on a beach in a brutal and cowardly attack inspired by ISIL. It is right that the United Kingdom is making a significant contribution to the international coalition to defeat ISIL and to destroy its bases in Iraq and Syria.

More than 60 countries, both within the region and from outside, are part of that international effort, demonstrating the widespread opposition to and abhorrence of ISIL's barbarous terrorism. There is a well planned, integrated strategy to defeat ISIL that includes: action to cut off its funding; stopping the flow of foreign fighters; humanitarian assistance to both Iraq and Syria; strategic communications to tackle its poisonous ideology; and the military campaign. That strategy is overseen by Ministers from all the key nations, including the Prime Minister of Iraq, Haider al-Abadi.

Our strategy is therefore comprehensive and broader than simply military action. It deals with the ideology and territory that is ISIL's centre of gravity, and which it is committed to expanding. The military element is, however, essential. The coalition has so far helped halt and hold ISIL after its rapid advance across Iraq last summer. Coalition airpower, including sophisticated UK aircraft, flies daily missions to strike ISIL targets and to gather intelligence. The air campaign is helping to turn the tide and will support ground forces ultimately to defeat ISIL.

The Iraqi Prime Minister has been very clear that those forces must be local forces. Western troops operating in a ground combat role would serve only to promote ISIL's ideological narrative and to radicalise more people. Our expertise is being used to help train local forces and to support efforts to generate Sunni forces to retake and hold the ground in Sunni areas.

So far the coalition has trained nearly 11,000 Iraqi personnel, with the United Kingdom training over 1,700. Iraqi forces, supported by coalition airpower, have had some success against ISIL, retaking Tikrit and pushing ISIL out of Baiji and away from the Kurdish region of Iraq, and they have recently begun operations to retake Ramadi. Since August last year, ISIL has lost about one quarter of the territory it held in Iraq. Roadside and vehicle-borne bombs are slowing the progress of Iraqi forces, and I can announce today to the House that the first additional counter-improvised explosive device training team will deploy around mid-August. When complete, that will bring the number of British troops inside Iraq to about 275.

Tackling ISIL only in Iraq is illogical when ISIL itself does not respect international borders. Its command and control centre is in northern Syria, and it is from there that its weapons and fighters flow into Iraq. It is from there that its global influence spreads and the direct threat to the United Kingdom comes. In Syria, therefore, the UK is contributing up to 85 personnel to the United States-led programme to train and equip the new Syrian forces outside Syria; they will fight ISIL once reinserted back into Syria. Our aircraft are gathering intelligence over Syria for the coalition, and we are also

the only country flying manned intelligence surveillance and reconnaissance aircraft over Syria; 30% of the entire coalition surveillance operation against ISIL is British.

Let me turn now to the issue of embedded personnel. As I reported to the House earlier today, while the UK is not conducting air strikes in Syria, our armed forces regularly have embeds in the forces of our close partners. Embedded UK personnel operate as if they were the host nation's personnel, under that nation's chain of command, but they remain subject to UK domestic, international and host nation law. Ministerial approval is required for UK embeds to deploy with allied forces on operations. Over the last 12 months, a total of five pilots have been embedded at one time or another with forces conducting strikes over Syria; none is currently involved in air strikes. A further 75 personnel have been embedded with US, Canadian and French forces in a range of operations against ISIL.

ISIL has killed many of our fellow citizens. It is actively plotting to kill more. The Prime Minister today set out our plans to tackle extremism and radicalisation at home. We are also determined to use the forces at our disposal to do more to tackle ISIL at its source, and I commend this statement to the House.

4.17 pm

Vernon Coaker (Gedling) (Lab): I thank the Secretary of State for his statement and for advance sight of it. Everyone agrees that ISIL represents the most serious threat we face and that we must do all we can to defeat it. We all—the UK, our allies and this Parliament—need to work together to achieve that, so why is it that the actions of our armed forces in Syria have come to light only as a result of a Freedom of Information Act request, an Act the Government now seek to water down? Is it not clear that the Government had no intention of telling this House or the country about the involvement of British forces in Syria? It is a sad reality that the first we might have known about this activity was if something had gone wrong.

The Prime Minister and other senior members of the Government were aware of the involvement of our forces and indeed approved their action. The Prime Minister told this House:

“I have said that we will come back to the House if, for instance, we make the decision that we should take air action with others in Syria”.—[*Official Report*, 26 September 2014; Vol. 585, c. 1266.]

This House took him at his word, so does the Secretary of State not understand why there is such anger following these revelations? How long has he known? How long have Ministers known? Were they ever going to tell Parliament? Can he not see that his authorisation could have resulted in a British pilot being captured, tortured or indeed killed by ISIL? Can he not see how such an event would have undermined public confidence in our entire strategy to combat ISIL? It is crucial that, in these important and sensitive matters, the confidence and trust of this Parliament as well as that of the British people is maintained. The Government have acted in a way that puts that trust and confidence at risk.

Turning to some specifics, can the Secretary of State be clear about how many UK personnel have been involved, when they have been involved and in what action? The Defence Secretary has stated that “these are a handful of British pilots embedded with American forces and are part of American military operations, for which the Americans have full approval.”

He restates that position today in his written statement. But is it not the case that Parliament should have been told? He will know that British troops embedded with US forces at the time of the Vietnam war were not allowed to take part. Similarly, Dutch marines embedded with the Royal Marines were brought home before the 2003 Iraq war, and US troops embedded with the British Army were not permitted to patrol the streets of Northern Ireland. Will the Secretary of State be very clear with the House and explain why the Government took a different view in this case without seeking the support of this House? Furthermore, have there been any discussions with allies with regard to the use of our ground troops in Syria? Will the Secretary of State be clear that there will be no further use of embedded UK forces in Syria without parliamentary consent?

The Chair of the Defence Committee said yesterday that the Prime Minister is making up policy on the hoof. Surely what we want is a fully thought through strategic response to ISIL. We read in the papers of the Prime Minister's plans to expand special forces and to procure more drones specifically to take on ISIL. How will that expansion in special forces be achieved from the current pool of regular forces? Can we expand special forces without an expansion of the pool of regulars? Will he be clear with the House and rule out any downgrading in the standards that we expect our special forces to meet?

On unmanned aerial vehicles, will the Secretary of State say what assets specifically he intends to procure, and over what timescale? How does he intend those assets to be operated, given that the number of RAF regular personnel will fall in every year of this Parliament?

Let me restate that we remain ready to work with the Government to defeat ISIL and will carefully consider any proposals that the Government decide to bring forward. But we all need to be clear about what difference any action would make to our aim of defeating ISIL and about the nature of any action—both its objectives and its legal basis. The Home Secretary said this morning that the Government needed to take Parliament with them. The Home Secretary was right, but does the Defence Secretary not realise that he cannot take Parliament with him if he keeps Parliament in the dark?

Michael Fallon: I find it hard to construe answering a freedom of information request as some kind of concealment. When we were asked the question, we answered it. Let me be very clear about what the practice has been under successive Governments. There is nothing new about embedding; it has been going on for the past 40 or 50 years. We have had our forces embedded with other countries' forces in Iraq and Afghanistan, in the Libyan campaign, and most recently with the French in Mali. There is absolutely nothing new about that. The hon. Gentleman asked me about the parallel with Vietnam. There is no parallel, because the British Government at the time did not agree with the American action in Vietnam. We do agree with the American action in Syria, and I hope that the shadow Secretary of State also supports the American action in Syria, which is helping to keep our streets safe. That is action that we agree with, that is legal and that we fully support.

As for keeping Parliament informed, it has been standard practice not to publicise the placing of embeds with other countries' forces, as they are their forces and

their operation. However, we will always confirm details if and when asked to do so. There have been, over the years, a number of parliamentary questions asking for details of embedded forces, and we have replied to them and we will go on doing that.

The hon. Gentleman asks about the risk to our pilots. There is always risk in any military operation. I can tell him that coalition aircraft are well equipped to defend themselves and there are recovery procedures in place, but he will understand that I am certainly not, on the Floor of the House, going to go into details of those defensive and recovery measures. Nor will I comment on his question about special forces—as you know, Mr Speaker, we do not discuss details of the operation of special forces. The provision of more unmanned aircraft and the training of the pilots we need to operate them will of course be matters for the strategic defence and security review.

Let me say in conclusion that as part of the coalition we support the American actions in Syria and the strikes that are being carried out there by American aircraft, by Canadian aircraft and by Gulf states' aircraft. They are helping to defeat ISIL and are doing so in a way that helps to keep this country safe.

Mr Kenneth Clarke (Rushcliffe) (Con): Does my right hon. Friend accept that, for some time now, both in Iraq and in Syria, there has been no functioning Government exercising sovereign power over large parts of the territory of either state, and the Sykes-Picot line, which was always an artificial boundary between the two so-called countries, has probably been consigned to the dustbin of history? Does he therefore accept that it is rather legalistic to argue about whether strikes are being carried out over Iraq and Syria, and that the policy decision to be made is whether we should continue to make our proper contribution to the airstrikes that the international coalition is conducting against the territory that ISIL now uses as its base, and Parliament should therefore lift this artificial distinction between strikes in Iraq and strikes in Syria?

Michael Fallon: I wholeheartedly agree with my right hon. and learned Friend. ISIL draws no legal distinction regarding which side of the Sykes-Picot line it is operating on. Actions by American, Canadian and other forces in Syria are legal because they contribute to the collective self-defence of the legitimate Government of Iraq where the Government of Syria are unwilling and unable to deal with ISIL at its source in northern Syria. Like him, I think the time will come when this new Parliament will have to reconsider whether we are doing enough to tackle ISIL at its source.

Brendan O'Hara (Argyll and Bute) (SNP): I thank the Secretary of State for the early sight of his statement.

Let me make it absolutely clear that no one on the SNP Benches disagrees about just how evil Daesh is. I take the opportunity to pay tribute to the bravery of our service personnel.

I agree with many of the strategic goals that were outlined early in the statement, but I have to point out that we remain firmly opposed to extending airstrikes into Syria without a great deal more justification than has been outlined by the Secretary of State. I cannot help but feel that we are in danger of doing something just to be seen to be doing anything.

[Brendan O'Hara]

I agree that here in the UK we need to develop a comprehensive counter-radicalisation programme, but can the Secretary of State tell me why it has taken five years to develop such an integrated programme? Does he agree that, alongside that, we need a military strategy that will minimise the number of civilian casualties and that is not at odds with the building of a counter-radicalisation programme?

On the FOI request, the Secretary of State suggested that there was transparency, but the fact of the matter is that the information was dragged out of the Ministry of Defence. Why did he choose not to inform the House about the embedded service personnel two weeks ago, in his statement following the tragedy in Tunisia? He spoke about the widening of the UK mission, including airstrikes in Syria, when he knew that there were personnel embedded with the Americans and the Canadians, albeit wearing a different uniform. Why did he choose not to tell the House of the embedded personnel then?

Michael Fallon: So far as the freedom of information request is concerned, I repeat that it did not drag information out of us; we put the answer on the Ministry of Defence website, and we will do the same with any further requests. We have answered questions in the House from hon. Members, including the hon. Member for West Bromwich East (Mr Watson). If questions are tabled, we will answer them. But it has been standard practice for some time not to publicise the placing of embeds in other countries' forces because, as I have said, those are their forces and their operations. It is for them to publicise them, not us. However, if we are asked to give details, we of course do so.

The hon. Gentleman rightly drew attention to the loss of life in Tunisia, which included Billy and Lisa Graham and James and Ann McGuire from Scotland, so I hope that he will also see, from the Scottish nationalists' point of view, the need for us to combat ISIL at its source. He asked about the Prevent programme. The Prime Minister has today given more details of the programme, which we are intensifying. The hon. Gentleman asked where the military strategy fits in. As I have described to the House, the military campaign is only one component of the overall effort against ISIL.

Dr Julian Lewis (New Forest East) (Con): At home, may I warmly welcome the Prime Minister's speech today, which reflects a counter-radicalisation strategy of precisely the sort that was recommended to his extremism taskforce approximately two years ago? Abroad, however, and particularly in Syria, it appears from the Secretary of State's statement today that he still thinks it is possible to bring down Daesh without promoting, as it were, the Assad regime, or to bring down the Assad regime without promoting Daesh. The reality is that he has got to face up to one or the other, and until we know which he regards as the lesser of two evils, it is not true to say that we have a coherent strategy for Syria.

Michael Fallon: I do not wholly agree with my right hon. Friend. The fact is that none of us wants to see the Assad regime last a day longer than is necessary, but the regime has lost control of the part of northern Syria where ISIL is headquartered and from where its influence

has spread. Tackling ISIL in northern Syria—tackling its command and control centres and interdicting its supply routes into Iraq—can be done in a way that does not prop up the regime, which was rightly the concern of the House when we last debated these matters. Of course, August 2013 was before the rise of ISIL right across Iraq and Syria, before the murder of British hostages there and before the slaughter we saw in Tunisia a few weeks ago.

Mr Michael Meacher (Oldham West and Royton) (Lab): Given the explicit parliamentary prohibition against British military action in Syria, is it not irrelevant whether or not British aircrews are embedded in US forces? In view of the gravity of this secret deployment—a possible mission creep towards war without a mandate—does the Secretary of State not recognise that the system of ministerial accountability to this House behoves him not just to apologise, but to consider whether his position is still tenable?

Michael Fallon: I am rightly accountable to this House, which is why I am making a statement to it. Let us be clear about the scale of what I have described. Hundreds—possibly thousands—of pilots have been involved in this action, which was begun by the Americans 12 months ago in August 2014, and at one point or another five of our pilots have been involved, but they have been involved in United States or Canadian military action. This is not a British military operation; had it been, we would of course have come to the House for preliminary approval.

Sir Gerald Howarth (Aldershot) (Con): I warmly welcome the Secretary of State's statement and his report of the progress that we are making in halting ISIL, which represents a massive threat to Iraq. If we lost Iraq, that would be catastrophic. My right hon. Friend is right to support the case for embedding our armed forces in our allies' armed forces as they embed their forces in ours. This is a completely different situation from deploying British military assets. We are not doing so. It is very important that we work with our allies in this way because it is likely that we shall be in coalition with those allies in any future conflict.

Michael Fallon: That is exactly the point. This is an international effort against ISIL. We are participating principally in Iraq, but also in the surveillance and intelligence gathering over Syria. As I have described, we are participating in the training of moderate Syrian forces outside Syria itself, and a number of countries are helping in different ways, according to the various permissions that they have. But in the end ISIL will be defeated only by an international coalition, with each of us playing our part.

Derek Twigg (Halton) (Lab): The statement has in its name the word "strategy" and there was a sad lack of that from the Secretary of State today. He did not mention, for instance, what the strategy is in relation to Libya or other countries where ISIL is a major threat, and particularly the need for boots on the ground and how he will deal with that. I want to ask him the same question as I have asked the Prime Minister: given the problems with the Sunnis in Iraq and the lack of involvement with them and arming of them by the Iraqi

Government, what more are the Government going to do to try and encourage more involvement of the Sunnis in Iraq?

Michael Fallon: ISIL activity, as we have seen tragically in Tunisia and elsewhere, is inspired by its headquarters in Syria. Whether or not it is directed, it is inspired by its headquarters in Syria. That is the fount of its influence and its command and control, so it is logical that we support the American and Canadian actions there. With respect to the Iraqi army and the Abadi Government, yes, of course, we are encouraging the Abadi Government to complete the army reforms that are necessary, to complete the national guard legislation, to better prepare their own forces, particularly to hold ground that has been recaptured from ISIL, and to do so in a way that retains the confidence of the local tribes and populations, particularly in Anbar province.

Sir Nicholas Soames (Mid Sussex) (Con): Does my right hon. Friend recall that during the cold war, during the Bosnian war, during Iraq-Afghanistan, it was deemed essential to have embedded troops, including pilots, particularly because of the need to work with our allies? Does he agree that it is very important that the naval air service continues to garner its expertise aboard American carriers so that when our own new carriers are delivered, we will be able to operate them much more effectively?

Michael Fallon: I agree with my right hon. Friend, who had some responsibility for this area. We already have the future crew of the Queen Elizabeth carrier training on American carriers. These deployments are all part of building up that carrier capability to ensure that we are ready to take those carriers to sea when the time comes. When they do go to sea, they will almost invariably be operating as part of an international force with our allies, and it is extremely important, therefore, that our personnel are able to work with our close allies—with French and American forces—and to serve on their ships and with their units.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): I know that it is the tradition of this House not to make any statement about the operation of the special forces. However, in the light of the Prime Minister's statement about expanding those forces, the Secretary of State needs to tell the House how he intends to expand them, how that will affect the regulars, and what the cost will be.

Michael Fallon: Yes, we do not discuss on the Floor of the House the operation of special forces, but I can tell the hon. Lady that we will use the opportunity of the strategic defence and security review that is now under way to look overall at our force structure. The Prime Minister has already made it clear that the size and shape of the special forces and the equipment available to them is one of the areas that he would like the review to focus on.

Sir Alan Duncan (Rutland and Melton) (Con): If we are to be asked to vote on this, presumably at some stage in the autumn, it will—at least in part—be to permit a wider air assault. I sense that the House will require significant reassurance that targets can be picked accurately and that such an assault will make a productive difference.

May I therefore ask the Secretary of State to invest a lot of time in persuading Members of all parties in advance, telling us exactly what is proposed and reassuring us that such action will produce useful benefits?

Michael Fallon: I certainly undertake to do that. Very clear, specific rules of engagement are laid down for the strikes that are being carried out in Iraq, rules that I approved personally, and I look at each proposed static target for particular strikes on the basis of the evidence submitted to me. I will take up my right hon. Friend's suggestion that we consult more widely on applying those rules of engagement.

With our Tornado force, we also have accurate, high precision missiles that reduce the likelihood of civilian casualties. That is another reason why the coalition would like our Tornados to be deployed in Syria as well as Iraq.

Alex Salmond (Gordon) (SNP): Is not the Secretary of State aware that his obligations under the ministerial code are not just to answer freedom of information requests, but to be straight with the House of Commons? Will he confirm that successive British Governments have made it clear that embedded personnel have to conform to rules of engagement, including the ambit of operations? How in this case is that consistent with a specific instruction from the House not to be involved in air strikes in Syria?

Michael Fallon: I will always be straight with the House. Let me be clear about the rules of engagement. As far as air strikes are concerned, embedded pilots have to comply with the rules of engagement of the host nation, but also with United Kingdom law and the law of armed conflict. When the host nation's rules of engagement are less restrictive than our own, those embedded must also comply with ours.

Mr Andrew Mitchell (Sutton Coldfield) (Con): Most reasonable people will conclude that my right hon. Friend deserves the benefit of the doubt on this matter. However, further to the comments of my right hon. Friend the Member for Rutland and Melton (Sir Alan Duncan), will he take especial care to ensure that he keeps the House closely informed, ahead of what I hope will be a successful vote in the House in the autumn on action in Syria?

Michael Fallon: Yes, I will certainly do that. We continue to update the House regularly through written ministerial statements about the progress of the campaign. The number of strikes is reported regularly on our website, as are any replies to freedom of information requests. I will certainly see what further information we can provide to the House as the campaign continues.

Mr David Winnick (Walsall North) (Lab): If the Secretary of State wants agreement across the House, he seems to be going the wrong way about it. An apology from him would be appropriate for this information having to be extracted through freedom of information legislation. No wonder the Government want to weaken that Act. The Secretary of State gives the impression today that Parliament is getting above itself.

Michael Fallon: Certainly not. I made it very clear that we will respond to questions from any Member about the role of embedded UK personnel in other forces. I simply made the point that it has been standard practice in the past not to publicise specific operations because they were other countries' operations. It is completely open to any hon. Member, including the hon. Member for West Bromwich East, who tabled questions on the matter previously, to ask questions. Those questions will be answered.

Crispin Blunt (Reigate) (Con): I share the Defence Secretary's evident frustration about the prominence given to the issue of embeds, which is a sideshow compared with British involvement overall, which is itself a sideshow when set against the need for a wider international strategy to take and occupy ground in Syria. There is a sort of plan to do that in Iraq; it is faltering in its execution. Will my right hon. Friend urge the Foreign Secretary and the Foreign Office team to put their effort into making a reality of an international strategy—of getting Turkey, Saudi Arabia and Iran in the same place, so as to have a strategy involving local ground troops, which we can then assist, to take and hold the territory that ISIL currently holds in Syria?

Michael Fallon: I agree with my hon. Friend. We certainly need a political strategy alongside the military strategy, to help hasten the end of the Assad regime and to make it clear that the only future in Syria is a comprehensive democratic regime that is open to all the peaceful and moderate parties in Syria, similar to the way in which the Iraq Government is now constructed. In Iraq itself, we continue to urge the Abadi Government—I will press this point in Baghdad in a couple of weeks—to get on and complete the reforms and to show the Sunni areas in particular that they can have confidence in the Iraqi forces to hold ground that has been liberated.

Mr Nigel Dodds (Belfast North) (DUP): The Secretary of State is right to say that, ultimately, ISIL forces will be defeated by ground forces, but he is also right to say that they should be local forces, not western forces. What can he tell us about his reassurances on how quickly, and the level to which, Iraqi forces are being trained, particularly among the Sunnis?

Michael Fallon: As I have said, about 11,000 Iraqi forces personnel have been trained in the past few months. The British Army has made a formidable contribution to that training and is now extending the training it offers to the training bases outside the Kurdish areas. We need to continue to do that. The Iraqi army has to be reconstituted. It has been weakly led and has been slowed up, particularly by improvised explosive devices in vehicles and by booby traps left behind in abandoned villages. The British Army can make a real contribution with the training we offer and the operational expertise we developed in Afghanistan, but it will be slow work.

Dr Andrew Murrison (South West Wiltshire) (Con): My right hon. Friend rightly spoke of the importance of aerial surveillance in gathering a picture of what is happening on the ground, but he will be aware of informed speculation on both sides of the Atlantic that we were to an extent blindsided by lack of HUMINT—human intelligence—on the fall of Mosul and, a year

later, Ramadi. What confidence can we have that the necessary assets are in place to build up an optimal picture of 21st-century jihadism?

Michael Fallon: I do not think that my hon. Friend or the House would expect me to go into too much detail about how we gather intelligence in either Iraq or Syria, except to say that 30% of the intelligence-gathering effort is done by British aircraft. We need to build up a more accurate picture of ISIL's strengths up the Tigris and west along the Euphrates before we can assist the Iraqi and Kurdish forces to retake the ground that has been lost. That advice, and train and equip, is all part of the mission to help bolster Iraqi forces.

Jeremy Corbyn (Islington North) (Lab): I think we should thank the Freedom of Information Act for today's statement. The Secretary of State really ought to come clean. What specific discussions has he had with Saudi Arabia about what happens to the arms supplied to it? Are any of them leaking through and ending up with ISIL forces or, indeed, any other weapons supplier in the region?

Secondly, what is happening about the oil that is clearly sold from the ISIL area of Syria to someone else and the money that then flows back to support it? How effective is the sanctions regime conducted by the western forces, with the co-operation of other Governments, to stop arms and money flowing to ISIL?

Michael Fallon: The hon. Gentleman is right to say that this does show the Freedom of Information Act at work: a question was put to us and we have answered it, and the answer is produced on our website. I have regular discussions with the Defence Minister of Saudi Arabia—the deputy crown prince—not least about the situation in Yemen and the need for humanitarian aid and to get talks going. I am not aware of significant leakage of Saudi arms into the conflict in Iraq or Syria.

John Redwood (Wokingham) (Con): If the coalition forces are successful in removing ISIL from parts of Syria, who would form the legitimate Government of those areas, assuming Assad was still in place?

Michael Fallon: We hope that Assad will not continue in place for a day longer than is necessary. There is no future for Syria with Assad still in place. As well as the military campaign and the counter-ideology campaign, we now need to work with friends in the region, as has already been said, to help to promote a comprehensive and moderate democratic Government in Syria that has the confidence of all the communities there, including the Alawite community, from which Assad originally came.

Mr George Howarth (Knowsley) (Lab): Does the Secretary of State accept that there is a huge difference between making this statement and making a case? Will he acknowledge that if he is going to take this House and the wider public with him over the coming months, he will need to make a better case than he has made today?

Michael Fallon: I hope I have made the case, first, that embedding UK personnel in other forces is absolutely standard and normal and has been going on for years—there is nothing unusual about this particular situation; and secondly, that the UK personnel who have been embedded have been embedded in actions that we support.

We support what the Americans have been doing in Syria, as well as the action they have been taking in Iraq. That action is legal and we welcome it, and it is of course action in which they would like us to join.

Tom Pursglove (Corby) (Con): On the flipside, how many foreign personnel are embedded in our armed forces today?

Michael Fallon: A number of Americans and personnel from other forces are embedded in our forces. My hon. Friend is absolutely right: this is part of the normal exchange between close partners in NATO and beyond, and these are some of normal operating procedures among the armed forces of friendly countries.

Mr Dennis Skinner (Bolsover) (Lab): Twelve years ago, based on half-truths and in some cases untruths, the Iraq war began. Even today, we know the repercussions of those half-truths and of the failure to tell Parliament everything. I believe that the Secretary of State has not learned those lessons, and history is repeating itself.

Michael Fallon: I hope we are learning some of the principal lessons from Iraq, including that Iraq's future will only be secure under a moderate Government of all the peoples of Iraq, whether they are Kurd, Shi'a or Sunni, and that it will only survive with the support of its friends and allies within the region. That is why this is an international effort to sustain a legitimate and democratically elected Government, which I hope the hon. Gentleman would welcome.

Mr Keith Simpson (Broadland) (Con): The Secretary of State will be only too well aware that, over the past half an hour, there has been considerable division and difference of opinion with reference to his statement. That also applies to his strategy, which I fully support, of using direct military action against ISIS. The conundrum is that hundreds of young British people believe that what ISIS is doing is right. We are trying to put in place a strategy to deal with that. Does my right hon. Friend have any doubts in his mind that, sadly, direct military action might encourage those young people to want to go out and not only die for ISIS but kill their fellow British citizens?

Michael Fallon: I am clear that were we to intervene on the ground with combat troops, we could well help further to radicalise opinion in western Europe and encourage more support. That is exactly why the Prime Minister of Iraq for one has made it very clear that he does not want foreign troops on the ground and that this fight has to be a fight of the Iraqi army, which has to win back the support of the local population. There is therefore no question of our supplying combat troops on the ground in Iraq.

Mike Gapes (Ilford South) (Lab/Co-op): For more than three years, the position of our Government has been to support the Syrian Coalition and the Free Syrian Army. The Secretary of State says that we are training people outside Syria to be reinserted at some point. Has he seen the press statement issued by the Syrian Coalition today, in which it denounces a breakaway group, "a so-called military council" that is being formed by "members of the dissolved FSA Supreme Military Council", as "just an attempt to mislead public opinion"?

Is it not clear that our strategy of working with the so-called moderate Syrian opposition has failed, is failing and will fail? Is it not time that we gave direct support to the only people in Syria who are fighting Daesh—the Syrian Kurds?

Michael Fallon: Support is going to the Syrian Kurds, but it is also important, as I hope the hon. Gentleman would recognise, to continue to try to identify moderate elements further south in Syria who are prepared to take the fight to ISIL. He is right that those who come forward for training have to be properly vetted. We are part of the overall American organisation of the programme. We must have confidence that, once trained, these people will be prepared to re-enter the fight when they return to Syria. That is why the numbers have been relatively small. However, we are at the beginning of the programme, and we expect and hope that the numbers will build up.

Mr James Gray (North Wiltshire) (Con): Were it not for the coalition's efforts, with our support, there is no question but that Iraq, including Kurdistan, would have fallen by now and that there would be a significant threat to the west as a result. Will the Secretary of State comment on something that he missed out from his statement? We have done great work supporting the peshmerga, who are the one people who have done fantastic work holding ISIS back. They are asking for more support through training on the ground and more heavy weapons. What consideration has been given to providing that support to these brave people?

Michael Fallon: The peshmerga have fought extremely bravely and have had some success in pushing ISIL out of Kurdish areas. I have welcomed the training and equipment that we have been able to supply to them. However, it is also important to assist the Government of Iraq by supplying training and equipment to the Iraqi army outside the Kurdish areas. That is where our new effort, which involves stepping up our counter-IED training, will largely be concentrated.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): The "Ministerial Code" states:

"Ministers should be as open as possible with Parliament and the public".

Not once, in a seven and a half hour debate last year on military action on Daesh targets, did the Government mention the potential role of UK forces embedded in US or Canadian forces in bombing targets in Syria. Does the Secretary of State consider that to be an open and transparent approach to this most serious of issues?

Michael Fallon: I have explained the practice in respect of publicising the role of embedded personnel. These are not our operations but the operations of other countries, and it is for them to decide whether they want to publicise them. Our policy has been, when we are asked for details of this embedding, to be open and transparent. We answer parliamentary questions or freedom of information requests from anybody in this House or outside it.

Mr Dominic Grieve (Beaconsfield) (Con): It is clear, on any analysis, that the military action being taken in Syria is lawful under international law. Will the Secretary

[*Mr Dominic Grieve*]

of State also confirm that each of the operations in which embedded British personnel have taken part has been seen as necessary and proportionate to meet a legitimate aim under international law? Will he take it on board—on the basis of his statement, I am sure that he will—that the sooner we remove the wholly artificial distinction between taking military action against ISIL in Iraq and taking military action against ISIL in Syria, the better?

Michael Fallon: All these actions, as my right hon. and learned Friend said, contribute to the collective self-defence of Iraq. They are not simply legal, necessary and proportionate, but very welcome, because they are actions against an enemy of this country, which is ISIL.

Several hon. Members *rose*—

Mr Speaker: Order. A lot of colleagues are still seeking to catch my eye. I want to accommodate them all, but brevity is of the essence. Who will lead us in that important mission? I think that Mr Cryer will do so.

John Cryer (Leyton and Wanstead) (Lab): Let us be clear: the Secretary of State is here today not because he is a big fan of parliamentary accountability, but because he knew that there would be an urgent question and he did not want to look as though he had been dragged kicking and screaming to the House of Commons—he is doing a pretty good imitation of that anyway. Will he answer a question that was asked previously: how long has he known about British involvement in military strikes in Syria?

Michael Fallon: I have known about the embedding of UK personnel with our allies since I took up my post, and as I said, when each deployment on operations takes place, my permission is required and was given.

Several hon. Members *rose*—

Mr Speaker: Pithiness personified, I call Sir Edward Leigh.

Sir Edward Leigh (Gainsborough) (Con): I agree that we should keep the embedding of five pilots in hundreds of missions in perspective, but the fact remains that we were given a solemn promise that if British service people were to bomb in Syria, we would be consulted. I urge my right hon. Friend to learn the lessons of these incidents. Twice bitten, twice shy; twice we have relied on faulty intelligence to undertake disastrous invasions of Libya and Iraq. Two years ago we were told that we had to bomb Assad; now we are told that we have to bomb his enemies. I say to my right hon. Friend, please do not take us for granted; tell us all that is going on.

Michael Fallon: I have never taken my hon. Friend for granted. The motion that the House debated almost two years ago in August 2013 did not license UK military operations in Syria. There are no UK military strikes in Syria, but I have explained to the House that where our personnel are embedded with other forces, they are participating in those countries' operations that are approved by their procedures and Parliaments.

Mr Tom Watson (West Bromwich East) (Lab) *rose*—

Mr Speaker: The hon. Member for West Bromwich East is not quite standing, but he looks as though he is poised to pounce. I call Mr Tom Watson.

Mr Watson: Will the Secretary of State tell the House on what date he authorised the first embed with US forces in Syria?

Michael Fallon: That was last autumn, but I will write and give the hon. Gentleman the exact date.

Bob Stewart (Beckenham) (Con): I understand the political requirement to restrict Royal Air Force operations only to Iraq, but it is military and strategic nonsense and I totally support any move that removes that artificial restriction. Will my right hon. Friend assure me that the overall strategy against Daesh, which may well include our having to beef up help on the ground, is continually under review?

Michael Fallon: Yes it is. That is why my right hon. Friend the Prime Minister agreed with Prime Minister Abadi at their most recent meeting that we would step up our effort, particularly in the niche training that we are offering in measures to counter IEDs. We are also working in the Ministries to help to advise the Iraqi Government and Iraqi army security effort, and we stand ready to consider further requests for help.

Mrs Madeleine Moon (Bridgend) (Lab): In the last Parliament, the Defence Committee undertook an inquiry into strategic defence planning, and we found it woefully inadequate. The former Chair of the Joint Intelligence Committee told us that the Prime Minister's idea of strategy was "What's next?" What is next seems to be a plan that is coming forward in September for us to take action in Syria. Will the Secretary of State undertake to bring a fully worked out strategy that includes what nations and organisations will hold any ground cleared by our planes, rather than policy on the hoof, which is what we have on a day-by-day basis at the moment?

Michael Fallon: I do not accept that. I described the strategy to defeat ISIL, including the campaign to cut off its finances and efforts to stop the flow of foreign fighters, in which we are playing our part. The battle to do with ISIL's ideology is being led by our Government and the working group on strategic communications, and there is a military campaign in which many countries are involved. As far as ground force operations in Iraq are concerned, I have made it clear that the Prime Minister of Iraq does not want foreign troops involved. He does not want British or American forces on the ground, and in the end, this battle must be won by the Iraqi forces with our help.

Johnny Mercer (Plymouth, Moor View) (Con): When I was serving, one of the most frustrating things was an almost uninformed debate about our military action. Does my right hon. Friend agree that questions about embeds, and asking special forces capabilities to be raised on the Floor of the House of Commons, belie a fundamental misunderstanding of how our forces operate,

and that in interoperability it is vital we have embeds to ensure we take part in the international fight against terrorism?

Michael Fallon: My hon. Friend brings his very direct military experience to our debates, and I absolutely agree with him.

Caroline Lucas (Brighton, Pavilion) (Green): Does the Secretary of State accept that so-called IS actively wants war? Its core message is to present itself as the guardian of Islam under crusader attack. That is a pernicious but effective message. Stepping up our involvement in air strikes reinforces that narrative, even if we stop short of being involved in a ground war. Moreover, it is likely to lead to more civilian casualties. Will he tell us how many civilian casualties there have been so far as a result of US-led air strikes?

Michael Fallon: I can certainly write to the hon. Lady on the latter point. Our rules of engagement only agree operations where the capacity for civilian casualties is minimised. I hope she is not suggesting to the House that we should take no action in Iraq or in Syria against ISIL. This is an evil organisation that has committed terrorist outrages on the streets of western Europe and on our own streets. It inspired an attack in the past couple of weeks in which 30 of our citizens were murdered.

Henry Smith (Crawley) (Con): I welcome the statement by my right hon. Friend the Defence Secretary. What recent discussions has he had with other Muslim nations in the middle east on our common alliance against the evil of Daesh?

Michael Fallon: I and the Foreign Secretary have regular discussions with leaders in the middle east. I recently met the King of Jordan, I speak to other leaders on the phone, and I shall be visiting the middle east in a couple of weeks. They are very aware that the effort to defeat ISIL has to be led from within the region, as well as by using the international coalition to support it from outside the region. They are grateful for our assistance and they would certainly welcome any additional support that we can give the Government of Iraq. As we can do more, so too can they.

John McDonnell (Hayes and Harlington) (Lab): As part of his campaign to tackle extremism, the Prime Minister is quite rightly promoting the values of democracy, in particular parliamentary democracy. Does the Secretary of State agree that essential to the operation of parliamentary democracy is respect for the decisions of Parliament and honesty by Ministers?

Michael Fallon: Of course that must be right, but since the debate we had two years ago we have seen the rise of ISIL. The debate in August 2013 was on a motion that would have authorised the Government to take action against the Assad regime and its potential use of chemical weapons. It was not a debate about ISIL. It is since August 2013 that we have seen the rise of ISIL and its capture of a huge swathe of Syrian and Iraqi territory. We have seen terrorist outrages, promoted by ISIL, in western Europe and on our own streets. We have now had 30 of our citizens murdered in an attack inspired by ISIL. All those things have happened since that debate on a different issue—chemical weapons in Syria—in the previous Parliament.

Tom Tugendhat (Tonbridge and Malling) (Con): Does the Secretary of State recognise that the call for inaction, in the face of such evil as is being seen on the streets of Rakka and other areas of northern Syria today, is to opt out of protecting our friends and allies? Having served alongside Jordanians, Lebanese and Iraqis in recent conflicts, may I urge him to redouble his efforts to support our friends and allies who require such assistance at times like this?

Michael Fallon: This is an allied effort, and we are certainly encouraging the other Gulf countries to do more, but we too face an enemy in ISIL and we too need to do more. That is why we are stepping up our training effort and taking on a huge burden in the intelligence and surveillance missions. It is also why, so far, we have conducted a very large number of strikes.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Plaid Cymru MPs opposed the bombing of Daesh in Iraq, as it was inevitable that operations would have to be extended into Syria, drawing the UK into an intractable civil war. In the light of the proliferation of Daesh and its affiliates throughout the middle east and north Africa, will the Secretary of State concede that the rationale of current UK foreign policy could lead to UK involvement in a war without end across the whole region?

Michael Fallon: The hon. Gentleman needs to reflect on what would have happened last summer, when ISIL was within a few miles of the gates of Baghdad, if countries in the region and those outside it—such as the United States and eventually ourselves, after our vote—had not intervened. What would have happened if Iraq had shattered into pieces? What would the effect have been on the overall stability of the region and, indeed, on the economic prosperity of this country?

Mark Field (Cities of London and Westminster) (Con): I fully accept that co-operation in these matters requires embedding, not just in military activities but in areas such as intelligence and humanitarian assistance. It must be clear to my right hon. Friend, however, that the real concern is a result of the aftermath of the vote in the House in August 2013. Will he make a full statement on behalf of the Government at some point on where the royal prerogative arises in these circumstances? Many of us are concerned about that. We had a vote in Parliament, and I am concerned that Parliament is overriding the will of the Executive. We need clarification on that at the earliest opportunity.

Michael Fallon: The debate and vote that we held towards the end of August 2013 were on whether the House would accept military action against the Assad regime and its potential use of chemical weapons. That predated the rise and viciousness of the ISIL phenomenon that we are now confronted with.

My right hon. Friend also raises a more intriguing point on the extent to which the Executive of the day should be bound—rightly bound, I think—by the debates that take place in the House. I want to give him a clear answer. It is for the Government of the day to defend this country and the values our country believes in, and then to be accountable to this House for their actions.

Paula Sherriff (Dewsbury) (Lab): Will the Secretary of State explain how the cause of building consensus on tackling ISIL has been advanced by the Government's failure to be clear with the House about the involvement of UK armed forces in Syria?

Michael Fallon: I have reported to the House on the actions we take to deal with ISIL in Iraq and in Syria, and when we have been asked questions about the embedding of our personnel in other forces, we have answered them. That is one reason why I am standing here today. We answered this question properly on our own website last week.

David Morris (Morecambe and Lunesdale) (Con): I am quite disturbed that the Opposition seem to think that embedding is a recent phenomenon. It has been going on for generations. My father was an embed based in Hong Kong in the 1960s. What the House should really be concerned about is whether what is being carried out in these armed forces manoeuvres is legal. Will my right hon. Friend please assure the House that it is?

Michael Fallon: I can absolutely give my hon. Friend that assurance. Action in Syria, in aid of the collective self-defence of Iraq, is perfectly legal, particularly in an area such as northern Syria, where the authorities are neither willing nor able to act themselves. The action that is taking place is perfectly legal. So far as previous practice is concerned, there have indeed been embedded UK personnel in armed forces for the past 50 or 60 years, and it has never been our policy to announce the embedding in any particular operation, because those operations are matters for the countries of those forces.

Richard Burden (Birmingham, Northfield) (Lab): When the Defence Secretary sits down at the end of the statement, will he reflect on whether some of his answers have been a little too casual in addressing the serious concerns that have been expressed about the use of embedded forces without the Government first volunteering that information? The House wants the Government to be straight with it, and to be proactive in doing so.

The Secretary of State was asked by the Chair of the Foreign Affairs Committee, the hon. Member for Reigate (Crispin Blunt), about the regional strategy into which these actions will fit, but I was not clear about his response, so will he again say what regional strategy he wishes to pursue in confronting Daesh?

Michael Fallon: On the first point, of course we give the House information about the military operations that we are conducting in Iraq and Syria. We do not announce every operation in the way that the hon. Gentleman perhaps envisages, but we are always ready to give information to the House proactively in respect of UK operations for which we are responsible, and that is only right.

I am sorry if my answer to my hon. Friend the Chair of the Foreign Affairs Committee was not clear. I hoped I was making it clear that we agreed with him. This has to be a regional strategy that involves Syria's neighbours, particularly Turkey, Jordan and Egypt, in finding a way forward for Syria, as happened in Iraq,

with a Government who are genuinely open to all parties in Syria and can command the confidence of all sectors.

Kevin Foster (Torbay) (Con): We cannot ignore the evil of Daesh, but there are reports that former military figures support deploying ground troops in Iraq and Syria. Does the Secretary of State agree that it is important that we learn from past mistakes in Iraq and do not do anything that might enflame local tensions?

Michael Fallon: Yes, I do. Putting ground troops into Iraq or Syria would help the ISIL narrative and help further radicalise its potential supporters by showing that foreign armies were there to deal with it. That is why the Prime Minister of Iraq has made it crystal clear that he does not want British or American troops on the ground in this particular fight.

Andrew Gwynne (Denton and Reddish) (Lab): The Secretary of State keeps extolling the virtue of transparency, saying that his Department released this information under the Freedom of Information Act rather than by coming to Parliament and explaining the Government's actions to Members. Given that the Government are in the process of reviewing the functions of the Act, does he think the actions in question will be removed from the scope of FOI under any proposed changes?

Michael Fallon: As I understand it, the review has only just been announced. From my point of view, it certainly is not envisaged that we should lessen the flow of information about our operations, but I did not simply rest my answer on the operation of the Act. It has been open to hon. Members—as it was to the hon. Member for West Bromwich East, who tabled questions well before Christmas—to table questions on this matter. If they do, those questions will be answered.

Mr Peter Bone (Wellingborough) (Con): I would be the first on the Conservative Benches to criticise the Secretary of State if I thought there had not been any transparency, but operational exchange is perfectly normal, and military pilots would be surprised were it not happening.

On another important issue, which the Secretary of State has touched on, if the Government propose to change military strategy in Syria, will he first come to the House so that there can be a full debate on a substantive motion, even if it means recalling Parliament?

Michael Fallon: The Prime Minister has already made it clear that if we planned British military strikes and operations in Syria that we would be directing or responsible for, yes, he would first come to the House.

Mark Durkan (Foyle) (SDLP): The Secretary of State has said that western troops operating in a combat role would serve only to promote ISIL's ideological narrative and radicalise more people. Why does he think that such risks attach only to boots on the ground and not to bombs from the air?

Michael Fallon: That is the view of the Iraqi Government, not simply my view. Everything we do in Iraq is done either at the request of the legitimate Government of Iraq or with their permission. The Iraqi authorities

have full authority over this campaign and can veto any action they think would be unhelpful. They do not think that combat troops on the ground would be helpful, but they certainly welcome the air support the coalition is providing.

Mr Philip Hollobone (Kettering) (Con): What proportion of coalition air strikes against ISIL in Iraq are undertaken by the Royal Air Force? I quite understand that, given the outstanding quality of our pilots and our aircraft—especially the Tornado—an increased contribution from the RAF is being sought, but is it not the case that many Islamic countries in the region are very well off and have established air forces? Should they not also be required to do more? Surely if ISIS is to be defeated, it must be defeated by the Islamic countries in the region.

Michael Fallon: I can provide my hon. Friend with the exact number of strikes as of last week, but we have been shouldering one of the biggest burdens of the strike missions being flown in Iraq. Other countries have, of course, been flying and striking in both Iraq and Syria, and some of the Gulf countries that are not flying in Iraq have been involved in the campaign in Syria, but each of the coalition countries is making its contribution in its own way. Some are doing other things, such as providing financial help for the refugees of Iraq and Syria, or providing logistics and bases for the plans to fly from and help with refuelling. Each country is helping in its own way.

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): My hon. Friend the Member for Gedling (Vernon Coaker) has made it clear that there is ample precedent for embedded troops to be withdrawn from specific operations when they are outwith the foreign policy of their country. The Secretary of State has told the House that he has personally authorised each bombing raid by a British pilot. Does he understand how concerned the public will be about the fact that he seemed prepared to flout the settled will of the British Parliament and, more importantly, the British people?

Michael Fallon: I do not accept that. The hon. Lady is right in that there have been a handful of instances—and only a handful—in which UK embedded personnel have been withdrawn from an operation that was not in accordance with UK law or UK policy, but in this case we fully support the action that the United States is taking, because it is legitimate and in our interest.

Nick Smith (Blaenau Gwent) (Lab): How successful has the international effort been so far in cutting off funds from ISIL?

Michael Fallon: More certainly needs to be done to interdict the flow of finance. Various actions are being taken internationally, through the United Nations and other bodies, to try to get to the heart of ISIL financing. That includes its operations in the oil market, from which it is deriving some revenues, and its ability to purchase arms and other equipment on the international market. As I have said, however, more needs to be done.

Emily Thornberry (Islington South and Finsbury) (Lab): It simply is not good enough for the Secretary of State to come to the House and tell us that he does not

understand what the fuss is about. On not one occasion but two we were asked whether we would support limited bombing of Syria, and on both those occasions we made it clear that we did not agree. The Secretary of State has just told us that, in fact, members of the armed forces were bombing Syria last autumn. Was that before or after we were asked for the second time whether we supported such action? Does this not set a dangerous precedent?

Michael Fallon: I do not agree with the hon. Lady. The motion that was before the House two years ago was about the chemical weapons in Syria. That was the motion that was debated, and, ultimately, defeated.

Emily Thornberry: And last year?

Michael Fallon: Last year was about UK military operations in Iraq and in Syria. This is not a UK military operation in Syria. If it were, we would of course come back to the House and ask for authority, but it is not a UK military operation.

Danny Kinahan (South Antrim) (UUP): We have seen excellence in our Army medical corps and in how we treat wounded personnel and civilian injured. Are we thinking of offering help of that kind to those who will take on the ground forces for us?

Michael Fallon: I am afraid that I missed some of the hon. Gentleman's question, but in relation to medical assistance we have been providing a series of training courses for members of the Iraqi army and the Kurdish forces, entailing, for instance, short infantry skills. If I may, I will write to the hon. Gentleman specifically about whether that includes the treatment of battlefield casualties.

Kate Green (Stretford and Urmston) (Lab): If the Secretary of State intends to return to the House at some point to ask for an enlargement of our military engagement in Syria, does he not accept that Members and our constituents—especially our Muslim constituents—will now feel more sceptical about whether we are fully informed and able to take any such decision?

Michael Fallon: I do not accept that. If we are to come to this House to debate the matter and seek permission to carry out UK military strikes in Syria, of course we will provide all the information we can for hon. Members. What I have been describing today is the long-standing practice of placing embeds in the forces of other countries.

Barry Gardiner (Brent North) (Lab): On the five occasions when the deployment of embedded UK personnel was approved, which Minister or Ministers, including the Prime Minister, were aware and gave such approval? What is the point of requiring ministerial approval if it is always granted even when Parliament has expressed its overwhelming view that such deployment should not take place, and is it not the case that the Government always disagreed with Parliament's view and were happy to see it circumvented in this way?

Michael Fallon: I do not accept any of that, but let me try and help the hon. Gentleman with information on the approval process. My predecessor gave approval for embeds with American forces to participate when they

[Michael Fallon]

were due to be deployed. That was given last summer, just before I took up office. I gave a similar approval in the autumn of last year, and I gave a subsequent approval when the Canadian forces were deployed earlier this spring.

Jim Shannon (Strangford) (DUP): The Iraqi army is well resourced and has access to the best and most modern equipment. However, confidence in the Iraqi army to take on Daesh is severely lacking. Can the Secretary of State outline what has been done to train experienced officers with courage and leadership abilities to lead their soldiers and defeat Daesh?

Michael Fallon: Elements of the Iraqi army have had to be almost completely reconstituted under the current Government from what existed beforehand, and it is to the credit of the new Abadi Government that there has been a clear-out of some of the higher command—the senior generals who were not prepared to take the fight to ISIL—and a restructuring of the army, and I hope that the passage of the national guard legislation will soon enable the deployment of a security force alongside the army that is able to hold ground that has been liberated from ISIL.

Rachael Maskell (York Central) (Lab/Co-op): It is now clear that this House should have had a further debate in the autumn about embedding our UK service personnel. Will the Secretary of State therefore withdraw our personnel pending any further debate in this House that may or may not provide a mandate?

Michael Fallon: A number of UK personnel are embedded with American and Canadian forces, but at the moment no UK pilots are involved. We welcome the operations the Americans and Canadians are carrying out alongside us to help defeat and degrade ISIL in both countries, because as the Prime Minister made clear again today, ISIL can only be defeated in both Iraq and Syria.

Jonathan Ashworth (Leicester South) (Lab): In the event that the Government bring forward a motion for further military intervention in Syria against Daesh, can the Secretary of State assure us that we have a strategy in place so that that bombing does not have the consequence of bolstering the Assad regime?

Michael Fallon: Absolutely. I do not think any Member on either side of the House wants to see the Assad

regime in office a day longer than is necessary. We do not see any future for Syria with President Assad remaining in place, but President Assad is not in control any more of areas around Raqqa and northern Syria where ISIL is headquartered and from where its supply routes run into Iraq. It is no longer regime territory. That is where ISIL's effort is directed from, and that is where the Americans and other forces are striking.

Andy Slaughter (Hammersmith) (Lab): The Secretary of State has disregarded the will and vote of this House, he has been found out and he is now trying to wriggle out of it. So when will this Parliament be given a vote on the engagement of British personnel in Syria? Will he assure us that it will be in a properly timetabled debate, in sitting time, not in a mid-August ambush? Will he say that there will be no more involvement of British personnel until that vote has taken place?

Michael Fallon: No, not on the latter point. As I have said, we continue to have personnel embedded with American and Canadian forces. They are engaged in action that is legal and necessary. It is action that I welcome and that I would hope the House would welcome to help defeat ISIL. So far as any further vote in the House is concerned, no, we do not have a specific timetable.

Conor McGinn (St Helens North) (Lab): As my hon. Friend the Member for Gedling (Vernon Coaker) said, the serious issue here is the fact that the Government have given permission for UK armed forces personnel to be involved in air strikes in Syria, despite giving first the impression and then the assurance that they would come to the House before they did any such thing. The Secretary of State has not recognised that. How can the Government expect to build the confidence of hon. Members, never mind the British public, to embark on further military action in Syria when they behave in that manner?

Michael Fallon: I have described to the House the long-standing practice as regards embedded personnel. I have described exactly what information is released about that embedding, the fact that we do not publicise the embedding because these are operations of other countries, and the fact that personnel are deployed on them with my agreement. But it is also our policy, whenever we are asked about these operations, to give full answers about them. That is what we have done and what we did last week in response to a freedom of information request.

Points of Order

5.31 pm

Wayne David (Caerphilly) (Lab): On a point of order, Mr Speaker. On Friday the Government published a written statement announcing a commission to look into the Freedom of Information Act. The impression has been given that it is a cross-party commission with the support of all parties. May I make it clear that Opposition Members have not been consulted about the work of the commission, nor do we have representation on the commission, nor do we want to see any watering down of the Freedom of Information Act, the worth of which has been demonstrated this afternoon?

Mr Speaker: The hon. Member has made his point and that of his party with crystal clarity. It is on the record, and we are grateful to him.

Caroline Lucas (Brighton, Pavilion) (Green): On a point of order, Mr Speaker. During the debates on the Infrastructure Bill on 26 January, the Secretary of State for Energy and Climate Change told the House unequivocally that there would be an outright ban on fracking at sites of special scientific interest. That was the basis on which the majority of the House agreed the Bill should be enacted. Yet secondary legislation published on Friday does the exact opposite, by failing to include SSSIs in the list of protected areas. Mr Speaker, could you please offer some guidance on the appropriateness of concealing such a U-turn in the small print of a statutory instrument, and advise us of whether you have had any indication that the Secretary of State intends to make a statement on the matter, given that what she told the House very clearly and specifically no longer appears to be the case?

Mr Speaker: I am very grateful to the hon. Lady for her point of order and for giving me notice of it. I have received no indication that a Minister is intending to come to the House to make a statement on the matter. I am not familiar with the detail of what was said at an earlier stage, and it would not be right for me to seek to umpire between competing voices on the subject of the history of commitments made. Suffice it to say that Members on the Treasury Bench will have heard the hon. Lady's point of order.

Beyond that, I think what I would say is that the regulations will have to be brought forward, if they have not already been, and proceeded with either by the negative or by the affirmative procedure, with both of which the hon. Lady—an experienced Member of the House—will be well familiar. There should, therefore, be at least an opportunity fully to debate the matter, and for the hon. Lady to flag up what she regards as an inconsistency between past commitment and present content. I think we had better leave it there for today.

Welfare Reform and Work Bill

Second Reading

Mr Speaker: I must inform the House that I have selected the amendment standing in the name of the acting Leader of the Opposition.

5.34 pm

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): I beg to move, That the Bill be now read a Second time.

I am conscious of the fact that many people here wish to speak today and that we have compressed time as a result of the statements. I will take interventions, but I recognise that we need to make some progress so that everybody has a chance to speak. In moving the motion, I wish to make it very clear that Conservative Members are united in support of the Government's aim to move from a high tax, high welfare and low wage society to a low tax, lower welfare and higher wage society. This Bill lays the ground for that commitment and helps us to continue the job of reversing the Labour's Government's failure that led us into the difficulties we inherited.

Let me remind the House quickly, before we get into the details, of what we inherited when we came into office in 2010: nearly one in five households had no one working—this is what Labour left us; the number of households where no one had ever worked had nearly doubled; 1.4 million people had been on benefits for most of the previous decade; and close to half of all households in the social rented sector had no one at all in work. Since then, even through the coalition, we have proceeded to get to 2 million more jobs being created; there are now 2 million more apprenticeships; the number of workless households has reached a record low—it is down more than 670,000 since 2010; and the workless household rate in the social rented sector is now the lowest on record. The recent Budget debate, in which we had a pretty full discussion of many of the characteristics of this Bill, made it clear that we want to go further, delivering 3 million more apprenticeships and moving towards full employment. These are measures that this Government will drive forward and that this Bill requires us to report on each year.

We will also continue to bear down on the deficit and debt, achieving a surplus by the end of the Parliament. We are spending £3 billion on debt interest payments alone every month—the figure is £33 billion a year, which is £1,236 per household. Every pound we spend on paying off the debt is a pound we are paying to others such as overseas investment funds, rather than on the necessary public services such as schools and hospitals or on being able to reduce taxation further. Eliminating the deficit and paying off our debts is the moral and most effective things for a responsible Government to do for people on low incomes, who rely more than anybody on those services.

It is worth pointing out that we also need to drive productivity improvements. The Budget contains some important measures to make that a reality, and our long-term productivity plan sets out how it will boost productivity over the next 10 years. As my right hon. Friend the Business Secretary made vividly clear in launching that plan, if we could, for example, match US levels of productivity, we would increase GDP by 31%—that

[Mr Iain Duncan Smith]

is £23,000 a year for every household. A key driver to getting us there is the national living wage. That historic reform will give more than 2.7 million people currently on the minimum wage a pay rise of more than £5,000 a year. With the increase in the personal allowance to £12,500 by the end of the Parliament, the national living wage will make work pay and improve people's living standards. It will also help productivity. The Governor of the Bank of England confirmed last week that the living wage will help increase the productivity of workers and of the country—

Jeremy Corbyn (Islington North) (Lab) *rose*—

Mr Duncan Smith: I want to quote what the Governor has said and then I will give way to the hon. Gentleman. The Governor said:

“There should be some improvement in productivity as a consequence of adjustment in the national living wage”.

Jeremy Corbyn: I thank the Secretary of State for giving way so early on in his speech. Obviously, all of us are supportive of a productive, growing economy—that benefits everybody. But when he drew up proposals for this Bill, did he look at the levels of child poverty in Britain? Did he look at the levels of homelessness, destitution and rough sleeping in Britain? How does he think this Bill is going to improve that situation? Alternatively, will it make the holes in the welfare state safety net rather bigger, with more people falling through it as a result?

Mr Duncan Smith: I am grateful to the hon. Gentleman for his intervention. I wish him well in his campaign. [Laughter.] I was being genuine and not politically expedient. I must say that being Leader of the Opposition is not all that it is cracked up to be. I have some personal experience of that. He should be careful what he wishes for. None of us wishes him ill.

On the hon. Gentleman's legitimate question, I say yes to the first part. The measures in the Bill relating to life chances will do more to help us target the kind of work that we should be doing to turn lives around in families and households to ensure that people are able to get into work and to sustain themselves in work. As for the third part of his question, it is also correct that this Bill, with all the other welfare reforms and the things that we are bringing in, will ultimately improve the life chances of people and the numbers in work. We know that the best way out of poverty is through full-time work.

Several hon. Members *rose*—

Mr Duncan Smith: I will give way to my hon. Friend the Member for North West Leicestershire (Andrew Bridgen), but then I will make some progress. I will give way again a bit later.

Andrew Bridgen (North West Leicestershire) (Con): Does my right hon. Friend agree that, by putting welfare spending on a sustainable footing, these measures are the best way to secure the future of the poor and the vulnerable in our society?

Mr Duncan Smith: I do agree with my hon. Friend, which is why I want to get to the Bill. This backdrop of rising employment, falling deficit, increased productivity and higher wages brings me to the Bill before the House today. This is a Bill for working Britain, and it is underpinned by three key principles: first, work is the best route out of poverty, and being in work should always pay more than being on benefits; secondly, spending on welfare should be sustainable and fair to the taxpayer while protecting the most vulnerable; and, thirdly, people on benefit should face the same choices as those in work and those not on benefits. I wish to talk about each of those principles in turn.

My focus in government—and the focus of the Government—has been to ensure that it pays more to work than to be on benefits. This Bill builds on that principle. First, it extends the important principles of the benefit cap. The £26,000 cap we introduced in 2013 has been a huge success—

Carolyn Harris (Swansea East) (Lab) *rose*—

Mr Duncan Smith: One moment, please. The cap has been a huge success in getting people back to work and reintroducing fairness to the welfare system. Capped households are more than 40% more likely to go into work after a year than similar uncapped households. It is right to keep the level of the cap under review to ensure that it continues to be fair and that it provides the right incentives for people to move into work.

Emily Thornberry (Islington South and Finsbury) (Lab) *rose*—

Mr Duncan Smith: No, I will give way to the hon. Member for Swansea East (Carolyn Harris) in a second, but I wish to make a bit of progress.

We know that around four in 10 households outside London earn less than £20,000, and the same proportion of households in London earn less than £23,000. To ensure that the cap better reflects the circumstances of hard-working families, the Bill lowers the current cap to £20,000 for households outside Greater London, and the Greater London cap will be set at £23,000. The exemptions will continue to apply to the most vulnerable, which includes people on disability living allowance and personal independence payment, those in an employment and support allowance support group and those moving into work who are entitled to working tax credits.

Carolyn Harris: What assessment has been made of the effect of his welfare reforms on children?

Mr Duncan Smith: I am sorry, but I did not quite hear the hon. Lady. Will she repeat what she said?

Carolyn Harris: The right hon. Gentleman must listen carefully. What assessment has he made of the effect of his welfare reforms on the children of this country?

Mr Duncan Smith: The impact assessments are in the Library and the Vote Office. Full assessments have been made.

Grahame M. Morris (Easington) (Lab): I am grateful to the Secretary of State for giving way. Earlier, he said he would protect the vulnerable. May I remind him that there are 1.4 million people in this country with a learning disability? Has he considered an exemption for

the specialist disability housing providers, such as Mencap, from the 1% reduction, so that people with a learning disability have more opportunities to live in the community, especially after Winterbourne and all those terrible scandals?

Mr Duncan Smith: I am happy to meet the hon. Gentleman to discuss that and to look at the issue he raises. I know that we have looked at it, but I am happy to look at it again with him.

Several hon. Members *rose*—

Mr Duncan Smith: I will make some progress, and then I will give way, but many Members wish to speak and make their own points.

We are committed to helping people who have health difficulties and who are capable of taking steps into work to do so, which is why we are putting greater support into jobcentres. For new claims, the Bill will end the disparity between what people receive on the work-related activity component of ESA and on jobseeker's allowance. We know that the majority of people receiving work-related activity ESA payments want to work, but the current system discourages claimants from making the transition into work. People on ESA receive £30 a week more than those with a health condition on JSA, but they receive far less support in finding work: people on JSA can expect about 11 hours of work coach time per year, whereas those on ESA typically receive only about two hours per year. The Bill will help people to achieve their ambitions. Current claimants will not be affected, and new funding will be provided for additional support to help claimants to move into work.

Emily Thornberry: I was interested to hear the Secretary of State talk about the benefits cap and fairness. Is he aware that his right hon. Friend the Member for Epsom and Ewell (Chris Grayling) also talked about fairness and the benefits cap, saying that it was only fair that people's benefits were capped at the level of the average that someone would expect to earn by working? At that point, the cap was £26,000; now, it seems that average earnings are £23,000 and £20,000. What is the reason for the difference?

Mr Duncan Smith: I just explained, I think, that there are differences between gross and net figures. Now, we are looking at lowering the cap from the original £26,000, as hon. Lady will know if she uses her intelligence—

Emily Thornberry: Will the Secretary of State give way?

Stephen Timms (East Ham) (Lab): Will the right hon. Gentleman give way?

Mr Duncan Smith: I am not going to give way to the hon. Lady again, because I thought it was pretty simple maths. However, I will give way to the right hon. Gentleman.

Stephen Timms: Given what the right hon. Gentleman was just saying about ESA, what is his response to Parkinson's UK and Macmillan Cancer Support? They point out that, in the case of Parkinson's, there are some 8,000 people in the work-related activity group with Parkinson's and other progressive diseases who are not going to get better but who, under his proposals, will lose £30 a week. How can he defend that?

Mr Duncan Smith: As originally designed by the Labour Government, the work-related activity group was to be a transitional stage on the way to work. It included people who had conditions that were perceived to be likely to improve, thus enabling them to move into work, and people who could, even while they were in the work-related activity group, do some work, and that had to be assessed. If a person's condition is such that they are unable to do any work at all, under the existing rules of the work capability assessment, they should be assessed and moved into the support group. That is exactly the point.

The objective of the work-related activity group—its design was, I think, rather faulty, but we have what we have—is to encourage people to go into work. As the right hon. Gentleman knows, there are no sanctions to make them take work. There are sanctions if they are unwilling to make an effort, but if they cannot take the work they are not sanctioned.

Stephen Timms: The Secretary of State will readily acknowledge that people with Parkinson's or multiple sclerosis who are in the work-related activity group are not going to get better. Surely he should not be taking £30 a week away from them.

Mr Duncan Smith: As I said—the right hon. Gentleman should remember this—the purpose of the work-related activity group is that the people in that group are deemed to be capable of some work, or at least to be capable of doing some work very soon. That is the point of the group. My point is that when someone becomes too ill to do any work, at that point they are assessed and they should go into the support group. I am happy to discuss the matter further with him elsewhere, but those are the rules as they stand.

Several hon. Members *rose*—

Mr Duncan Smith: I want to make some progress. I will give way again later, but I am conscious of the fact that over 35 Members are waiting to speak—

Mr Deputy Speaker (Mr Lindsay Hoyle): Forty.

Mr Duncan Smith: Forty Members, so it is in colleagues' interest to let me make some progress.

I also want to support parents claiming universal credit to get into and stay in work after having a child. We found just last week that the number of children living in households claiming out-of-work benefits is at a record low, down by 450,000 since 2010. That is very good progress, but we want to build on it. The Government are introducing a far-reaching childcare offer: with universal credit, people will get up to 85% of their childcare costs paid from April 2016—up from 70% under the previous system. All three and four-year-olds already receive 15 hours of free childcare a week, as do 40% of the most disadvantaged two-year-olds. On top of that, there will be an additional 15 hours of free childcare available for working parents of three or four-year-olds. Overall, we anticipate that this provision will be worth about £5,000 per child per year. In line with that, we believe it is fair to ask parents claiming universal credit to look for work when their youngest child turns three, and to prepare for work when the youngest child turns two, and the Bill makes provision for that as well.

Ian Paisley (North Antrim) (DUP): I want to bring the Secretary of State back to the cap. Lowering the cap is one thing, and it is something that we could probably agree on, but having different levels of the cap across the United Kingdom breaks parity and sets an unwanted precedent for other benefits, and we strongly disagree with that. Will he reconsider and have the cap at the same level across the whole United Kingdom?

Mr Duncan Smith: The problem with the cap when we set it previously was that it disproportionately affected London without having a great effect on the rest of the country. This process means that of the 92,000 extra people who are likely to be affected, 16,000 will be in London and 77,000 will be outside London, which I think resets the balance. By the way, many people tell me that the cap is set far too high.

Ian Paisley *rose*—

Mr Duncan Smith: I have already given way to the hon. Gentleman, so I will make some progress. He is more than welcome to try to intervene later, but I want to move on to the next aspect of the Bill. I stand by the fact that the cap will now be more likely to be equal. It will not be absolutely equal because there are variable incomes, as he knows.

Caroline Lucas (Brighton, Pavilion) (Green): Will the Secretary of State give way?

Mr Duncan Smith: I will give way to the hon. Lady, because I have not yet done so.

Caroline Lucas: On the level of the cap, the cost of living for my constituents is very similar to that in London, yet they will have to make do with a much lower cap. Moreover, the Bill will allow the Secretary of State to reduce the cap over time without having to come back to Parliament to seek any kind of agreement. Why is he essentially playing politics with poverty?

Mr Duncan Smith: The hon. Lady's question is rather mixed; I thought that she was asking me to impose an even stricter cap on her constituency, with a lower level. The reality is that none of this is absolutely perfect, but we believe that it will reset the balance, which is better than just leaving a single figure at a lower level and making London suffer more than the rest.

As the Chancellor set out in the Budget, the benefits system has to be put on a more sustainable footing, but in a way that protects the most vulnerable. That brings me to the second principle of the Bill, which is sustainability. In 1980 working-age welfare accounted for 8% of all public spending, but by 2010 it had risen to nearly 13%, which is over £200 billion, or almost £8,000 for every household. Nine in 10 families with children were eligible for tax credits when we came into government. It is clear from what we heard last week that many Opposition Members have still not learnt anything from some of the mistakes made during Labour's 13 years in government. They have not weaned themselves off the addiction to paying for more and more debt with somebody else's money. They are still not credible when it comes to managing the public finances.

As a result of our reforms, five in 10 families with children will be eligible for tax credits, bringing greater balance to the welfare budget. However, it is also clear in the Bill that we have been careful to ensure that the changes are fair. We are protecting the most vulnerable in society, including the elderly and disabled. Where possible, we are introducing changes only for new claimants so that those who have planned on the basis of what is currently available are not affected.

Mr David Burrowes (Enfield, Southgate) (Con): On that point about protecting the vulnerable, particularly the disabled, our manifesto commitment to halve the disability employment gap is very welcome. Will the Bill's reporting obligations on full employment include the Government publishing data each year showing to what extent they are meeting that target?

Mr Duncan Smith: All the data that we have committed to publishing will be open and available to everybody, so everybody will be able to see exactly how much progress we have made. Through the life chances measures, people will be able to figure out whether we are making progress, and therefore what we should be doing about it. I am glad that my hon. Friend welcomes some of the changes, particularly the living wage, which I know he has campaigned on for some time.

We are making provision to tackle social rents, which have increased by 20% since 2010. The Bill will reduce rents in social housing in England by 1% a year for four years from April 2016, protecting taxpayers from the rising cost of subsidising rents through housing benefit, and protecting tenants from rising housing costs. This will reduce average rents for households in the social housing sector by around 12% by 2020, compared with current forecasts. It will also mean that those people not on housing benefit and not subject to "pay to stay" will be better off by around £12 a week by 2019-20.

Several hon. Members *rose*—

Mr Duncan Smith: I have given way quite a lot and I am conscious that 40 Members wish to make speeches. [*Interruption.*] I do not think that I can be accused of having not given way, because I clearly have.

Finally, we are reforming the way support for mortgage interest payments will be paid in future. Instead of a benefit, it will be made in the form of a loan. I think that will be welcomed by most Members on both sides of the House, although it is difficult to tell with the Opposition.

Let me turn to the third principle of the Bill. We are ensuring that people on benefits face the same choices as those in work and those not on benefits. Families in work have to make careful choices about what lifestyle the money they earn can support and what their income can provide for. In that context, it is right that people who receive child tax credit should make the same financial choices about having children as those who are supporting themselves through work. Therefore, from April 2017 the Bill will limit the child element of child tax credit to the first two children. The two-child limit will also apply on universal credit in relation to a third child or subsequent new children in the household and to completely new claims. Again, we are ensuring that this charge is fair. It will not affect existing claimants at the point of change. That is the key point.

Geraint Davies (Swansea West) (Lab/Co-op): The Secretary of State knows that the number of those earning over £25,000 now is 800,000 fewer than it was in 2010. The real crisis in Britain today is not the number of people not in work, but in-work poverty. Given that child and family tax credits basically subsidise and incentivise work, will he look at this again and accept that the real crisis is not the number of people without jobs, which is what he has been talking about, but the fact that people in work do not earn enough to put food on the table, and they are getting more and more poor?

Mr Duncan Smith: I do not agree. If the hon. Gentleman looks at our record over the past five years, he will see that we have increased the number of jobs and that wages are now rising much faster than inflation. The last set of jobs statistics showed that every single one of those jobs was full time. All this nonsense about them being low-earning, part-time jobs is just complete and utter fabricated idiocy.

Emily Thornberry: On a point of order, Mr Deputy Speaker. The impact assessment for the Bill has only just arrived in the Vote Office; it was not here for the beginning of the debate. Surely we ought to be given the statistics in order to have an informed debate, rather than having to rely on what comes out of the Secretary of State's mouth.

Mr Deputy Speaker (Mr Lindsay Hoyle): We will investigate the matter. I would have thought that the hon. Lady would give me a little more warning of her point of order, but there we are.

Mr Duncan Smith: We released them earlier and they have been available since before the debate began, so I will simply move on.

I would like to turn to how we tackle the root causes of poverty. I believe that the past approach focused on dealing with the symptoms of poverty while completely failing to target the root causes. The Bill will provide a statutory basis for much-needed reform to improve children's life chances. I have long argued that there are five key pathways to poverty that affect children's life chances: worklessness, educational attainment, drug and alcohol addiction, family breakdown and problem debt. The Bill will remove the existing measures and targets in the Child Poverty Act 2010 and introduce a new duty to report on worklessness and educational attainment. Alongside the statutory measures, we will develop indicators to measure progress against either of those root causes of poverty.

Our new approach will drive real action, which will make the biggest difference to the most disadvantaged children now and in future. The key point is that this will enable us to measure what Government policy actually does, rather than just how much money we put into it. It is worth reminding the House that we will continue to publish the HBAI—households below average income—statistics so that those who wish to look at them can still do so.

Angela Crawley (Lanark and Hamilton East) (SNP): Child Poverty Action Group figures indicate that 21% of the children in my constituency grow up in poverty. As a result of the benefit freeze, a couple with two children

earning £400 per week will be £34.20 worse off each week. Does the Secretary of State agree that the Bill punishes families on low pay?

Mr Duncan Smith: No. The hon. Lady should realise that the main way out of poverty is to get into work and then to progress through work. The vast majority of people progress through work. [*Interruption.*] The records in Scotland are remarkably good. Employment in Scotland—[*Interruption.*]

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. The Secretary of State has given way quite a lot. We cannot have three people at once shouting, "Will the Secretary of State give way?" The Secretary of State will give way when he feels it is correct to do so, but we cannot have three people hanging loose.

Mr Duncan Smith: Let me give the hon. Member for Lanark and Hamilton East (Angela Crawley) some figures for Scotland, which are worth looking at. Employment in Scotland is up 40,000 on the year and 179,000 since 2010. The employment rate is 74.3%, up 4.5% since 2010. Private sector employment is up 58,000 on the year and 244,000 since 2010. Just 5.2% of workers in Scotland are on temporary contracts and over 80% of those who work part-time do so because they say it suits them. Although there is still much more to do, our reforms to lower corporation tax, get people back to work and create more jobs are exactly the route for her constituents to improve their life chances.

Helen Jones (Warrington North) (Lab): Will the Secretary of State give way?

Mr Duncan Smith: I do not want to intrude on internal fear and loathing among Opposition Members. They will have time for their private argument among themselves about what they should do. I am trying to give a little more time for them to do that, to be fair to the Opposition.

This Bill is an important legislative step in moving Britain from a high welfare, high tax, low pay society to a lower welfare, lower tax and higher pay society. It will ensure that the right support and incentives are in place so that people are always better off in work rather than trapped on welfare. Yes, there are difficult decisions, but it would be wrong to turn a blind eye, as the Opposition did for so many years, and not face up to these difficulties. The Bill puts work first and puts welfare spending on a more sustainable footing for the future, while protecting the vulnerable and those most in need. I commend the Bill to the House.

6.2 pm

Stephen Timms (East Ham) (Lab): I beg to move,

That this House, whilst affirming its belief that there should be controls on and reforms to the overall costs of social security, that reporting obligations on full employment, apprenticeships and troubled families are welcome, and that a benefits cap and loans for mortgage interest support are necessary changes to the welfare system, declines to give a Second Reading to the Welfare Reform and Work Bill because the Bill will prevent the Government from continuing to pursue an ambition to reduce child poverty in both absolute and relative terms, it effectively repeals the Child Poverty

[Stephen Timms]

Act 2010 which provides important measures and accountability of government policy in relation to child poverty, and it includes a proposal for the work-related activity component of employment and support allowance which is an unfair approach to people who are sick and disabled.

In government we addressed all the challenges set out by the Secretary of State. We stand for the right to work and the responsibility to work. We believe the Government have a responsibility to ensure full and fulfilling employment. We believe in making work pay so that people are always better off in work, and that work is the best route out of poverty. The deficit has to be eliminated. We believe in controlling the costs of social security so that it is fair on the working people who pay for it and so that it is there for people who need it because they cannot work or earn enough to live.

We support a number of measures in the Bill. We welcome the reporting obligations on full employment, apprenticeships and troubled families. We are committed to a cap on household benefits to help make families better off in work. We support reforms to mortgage interest support that will strengthen work incentives and deliver savings. But this Bill does some very bad things as well. It abolishes the duty of Government to tackle or even to report on child poverty, it breaks promises that the Conservative party made before the election to protect sick and disabled people, and it comes alongside a ruthless reduction in the support to working families through tax credits that will reduce work incentives and undermine the goals of universal credit—

Several hon. Members *rose*—

Stephen Timms: I will give way in a moment. Universal credit is a reform which, even though it is running four years late, we still want to succeed.

Andrew Gwynne (Denton and Reddish) (Lab): Was my right hon. Friend as shocked as I was at the response of the Secretary of State to his intervention in respect of disabled people, especially those who have terminal illnesses as well—cancer and Parkinson's disease were two of the examples that he used? The Secretary of State does not seem to understand the implications of the changes to the employment and support allowance for these very vulnerable people at a very worrying time in their lives.

Stephen Timms: My hon. Friend raises an important point, which I wanted to return to. The implication of what the Secretary of State said is that, for example, people with Parkinson's disease or multiple sclerosis should be in the support group, not in the work-related activity group. The Secretary of State needs to follow that through.

Because we support some measures in the Bill, oppose others and want to change yet others to make them workable, we ask the House to support the reasoned amendment in my name and those of my right hon. and hon. Friends.

Mike Wood (Dudley South) (Con): There seems to be an omission from the list of measures that the right hon. Gentleman supports. Will he clarify whether the

Labour party will support the measures to limit child tax credits to two children, and whether that will still be the party's position in October?

Stephen Timms: I look forward to coming to that part of my speech. The Bill, as I understand it, says that the limit does not apply in the case of tax credits for children born before 6 April 2017. The limit does apply in the case of universal credit for children born before 6 April. That seems to me a pretty clear unfairness and we will oppose that unfairness, and we will table amendments to deal with that and other unfairnesses in the Bill.

Mr Duncan Smith: For the sake of clarity for Opposition Members if not for Government Members, will the right hon. Gentleman tell us, as this is missing from his reasoned amendment, whether he supports in principle that reduction of payments for two children for families on child tax credits?

Stephen Timms: As I told the House, we will table amendments to deal with unfairness in those measures and in others in the Bill, and we will vote on those in Committee in the autumn.

Mr Duncan Smith: I want to be very clear about this. Is it now the official Opposition's position that they support the limiting of payments of child tax credit for two children from the date specified in the Bill?

Stephen Timms: We support removing unfairness from the Bill that the Secretary of State published. For that reason we will tonight table a raft of amendments to that part of the Bill and others where we think there is unfairness.

Mr Duncan Smith *rose*—

Stephen Timms: I will give way one more time.

Mr Duncan Smith: The right hon. Gentleman is very generous in giving way. I want to establish clarity for those on the Government Benches as well as those on the Opposition Benches. Putting aside the fact that in Committee he may want to table amendments to make changes, do the official Opposition support the principle that those with more than two children should not receive further child tax credits? Is that the principled position they support? That is missing from the right hon. Gentleman's reasoned amendment.

Stephen Timms: The Secretary of State does not need to wait until the Committee because we will table a raft of amendments tonight: if our reasoned amendment fails and the Bill receives a Second reading, we will table our amendments. He will see in that list of amendments a series of amendments to deal with the unfairness in that part of the Bill. Those amendments will give him the answer that he seeks. They will appear on the Order Paper tomorrow so that the House can consider them over the weeks ahead.

Barbara Keeley (Worsley and Eccles South) (Lab): My right hon. Friend is right to talk about removing unfairnesses. There are a number of unfairnesses in the Bill that affect carers. The Conservatives seem blind to

the impact of their measures on carers. Can my right hon. Friend say whether we will table an amendment to exempt carers from the benefit cap? Carers should not be affected by the benefit cap and they should never have been affected by the bedroom tax, but the Government would not listen about that either.

Stephen Timms: My hon. Friend is absolutely right. That will indeed be the subject of one of our amendments, because at the moment carers who do not live with the person they are caring for are caught by the cap, and they should not be.

I want to turn to the impact of the Budget changes on tax credits and on universal credit, some of which are in the Bill and some not. Of course the increase in the minimum wage is welcome, but it does not make up for the measures in the Budget, though mostly not in the Bill, that cut tax credits for working families. The claim that they do make up for it—the Secretary of State repeated it in his speech—is, according to the Institute for Fiscal Studies, “arithmetically impossible”. The problem will be especially bad in the next couple of years. The increase in the national minimum wage is phased in over five years, but big tax credit cuts hit immediately next year. Over 3 million working families will lose over £1,000 a year on average, and work incentives will be cut. That is the reason we voted against the Budget. When the Government bring forward the statutory instruments to implement those huge cuts to the incomes of working families, we will vigorously and fiercely oppose them.

James Cleverly (Braintree) (Con): Do Labour Members not understand the fundamental idea that being in work should always make people better off than being out of work? If so, will the right hon. Gentleman lead his party through the Lobby in support of the proposals in this Bill that make people better off for being in work?

Stephen Timms: I fear that the hon. Gentleman did not understand the Budget. According to the Institute for Fiscal Studies, the Budget reduced the income of 3 million working families by over £1,000 a year on average, and in many cases it lessens the incentive for the first person in a household to go into work. He need only read the very clear analysis of that point by the IFS.

Huw Irranca-Davies (Ogmore) (Lab): My right hon. Friend goes right to the heart of one of the difficulties involved. I support the idea of getting away from taxpayer-funded poverty pay to a situation where people are paid a genuine living wage. The IFS analysis shows clearly that the people most affected by this change are working families in the second lowest decile. If it goes through, together with the other changes, I will have to go back to my constituents and explain why I have made them poorer in work.

Stephen Timms: My hon. Friend is absolutely right to highlight this, because the IFS is absolutely clear that the cuts in tax credits target working families. Those people will lose out from the changes not in this Bill but in the Budget—that is why we voted against them. This is not about making work pay; it is about making working families pay. As the party of working families, we will be fighting those changes tooth and nail in the period ahead.

Ms Karen Buck (Westminster North) (Lab): Returning to my right hon. Friend’s commitment to amend unfairnesses in the Bill, will he confirm that one of his amendments might tackle the obscenity of a woman who has been raped having to prove to the Department for Work and Pensions that she has been raped in order to be able to claim tax credits in future?

Stephen Timms: We will have to hear from the Government how they envisage that part of their proposal working, but I can well understand the concern that my hon. Friend raises.

Let me turn to the individual measures in the Bill, starting with the benefit cap. We support the principle that work should always pay and that people should be better off in work than on benefits. That is why our manifesto supported a household benefit cap and the idea that it should be lower in areas where there are lower housing costs.

Lyn Brown (West Ham) (Lab): Does my right hon. Friend accept that Conservative Members do not seem to understand that two out of three children growing up in poverty are in working households?

Stephen Timms: My hon. Friend is absolutely right. For the first time, the majority of children below the poverty line—quite a significant majority, as she says—are in working families. That is a reflection of how things have gone over the past few years.

To avoid hardship and unfairness with the reduction of the benefit cap, we will press for some people to be protected from the cap. My hon. Friend the Member for Worsley and Eccles South (Barbara Keeley) referred to the position of carers. Under the current cap, carers who live with the person for whom they are caring are exempt, yet 8% of those affected by the cap are carers. That is because carers who do not live with the person they are caring for are included in the cap. We want that to change. We think that those with the very youngest children should not be affected by the cap. We also want protection for those affected by domestic violence. As it stands, those who have been affected by domestic violence can be exempted from job-seeking requirements at the jobcentre, but if they are living in supported accommodation a cap will apply. The amendments that we will publish tonight would exempt them along the same lines as the current exemption in jobcentres.

It is absolutely vital to keep the implementation and the impact of the benefit cap policy under scrutiny. There must be jobs for people to move into and childcare available to help them. We need to be vigilant against increases in homelessness and child poverty. We also need to make sure that the policy does not have knock-on consequences for councils and others which mean that it ends up costing more than it saves. If the Bill goes ahead, we will seek to add a requirement for the Secretary of State to report to Parliament within a year on the impact of the policy.

Martin John Docherty (West Dunbartonshire) (SNP): Will the shadow Secretary of State join me in recognising the unpardonable folly of these proposals and their impact on the entire islands of the United Kingdom of Great Britain and Northern Ireland? Does he agree that that is felt not only on the front line by children and

[*Martin John Docherty*]

women but by the staff of the DWP, who in Glasgow and Bolton are considering strike action because of the effects of these proposals and the stress that they are under?

Stephen Timms: There do need to be some safeguards in place, as I have been spelling out. Indeed, the Government themselves have recognised the need for a fund to protect people in exceptional circumstances. We welcome the extra £150 million for the fund for discretionary housing payments to help mitigate the worst impacts, but it will not be enough. Many local authorities have already exhausted their funds, which are vital in preventing those affected from becoming homeless. With the cap now lower, there will be more demand for discretionary help. We will therefore want to amend the Bill to require the Social Security Advisory Committee to review the funding for discretionary housing payments each year to make sure that sufficient resources are available.

Caroline Lucas: The right hon. Gentleman has talked a lot about child poverty. The benefit cap, according to the Government's own figures, will push a further 40,000 extra children into poverty, yet he is talking about some amendments around the edges. Will he explain how much extra child poverty is acceptable to Labour Front Benchers?

Stephen Timms: As the hon. Lady well knows, the big impact on child poverty will come from the huge cuts in working tax credits and other changes not in this Bill but elsewhere. I hope that she will join us in fighting very strongly against those changes when the House has the chance to do so.

Andrew Bridgen: The shadow Secretary of State is making a brave effort to defend whatever his party's policy is on this, but he has very little credibility because the country knows that under the previous Labour Government the number of workless households doubled, so Labour policies not only trap people in welfare but trap people in poverty.

Stephen Timms: Child poverty fell dramatically under the previous Government; now it has plateaued. I fear that because of measures announced in the Budget, it is going to rocket, and we are determined to stop that happening if we can.

Another reform in the Bill that we support in principle is the provision to turn support for mortgage interest into a repayable loan. That is a sensible step, in principle, given that the benefit enables homeowners to retain an asset and potentially gain substantially from rising house prices. However, it must not make affordability problems worse for people struggling to stay in their homes. Repayments must not tip people into repossession and homelessness. The Secretary of State did not tell us what arrangements are proposed for repaying these loans. We will argue that those who access that support should be able to defer repayment until they sell the property without pressure from the Government to do so. The Budget announced an increase in the waiting period for support for mortgage interest from 13 weeks to 39 weeks. That is too long. As it is a loan scheme, why make people wait, particularly as that could force them

into the hands of loan sharks? With support for mortgage interest becoming, in effect, a form of low-risk consumer credit, it should be readily available without nine months of delay to those struggling to make repayments.

We welcome the plans to reduce social rents, which will save 1.2 million households £700 a year, but we have grave concerns about the impact on housing associations and local authorities. They will face a huge reduction in rent revenue, drastically undermining their capacity to borrow and to build. The Office for Budget Responsibility says that many fewer homes will be built; the National Housing Federation puts the figure at 27,000. We will table amendments to address that.

Catherine West (Hornsey and Wood Green) (Lab): Is my right hon. Friend aware that anything up to billions of pounds will go missing from local authorities? If we lifted the cap, they could build more homes and thereby help address the terrible housing crisis, particularly in London and the south-east?

Stephen Timms: My hon. Friend is absolutely right. Affordable home building is already at a historic low, and the Government need to stop making things worse. We will table an amendment requiring the Secretary of State to produce a plan to make up the shortfall in house building funds that will result from this change.

Jeremy Corbyn *rose*—

Stephen Timms: I give way to my hon. Friend, whose popularity among Conservative Members I have noted.

Jeremy Corbyn: Obviously, a reduction in local authority rents is good for tenants—I fully understand that—but does my right hon. Friend know whether the Government have given any consideration to the effect that a consistent drop in rental income over five years will have on the housing revenue account; on housing maintenance, including of the common areas of estates; and, of course, on any future building programme that could have been funded by the housing revenue account?

Stephen Timms: My hon. Friend is absolutely right. The proposal will affect not only new house building funds, but funds for maintaining existing stock. The Secretary of State needs to explain how that shortfall will be met.

We support the aim to provide 3 million apprenticeships, but the Government need to do more than just publish a target in a Bill. We want quality apprenticeships. There is deep concern among businesses and others that the quality of apprenticeships is being watered down in order to increase their numbers, so we will table an amendment to require that the UK Commission for Employment and Skills should provide an independent assessment of whether quality is being delivered.

Matthew Pennycook (Greenwich and Woolwich) (Lab): Does my right hon. Friend agree that the concern about the impact of the changes to housing rental income relates not just to the immediate shortfall in funding, but to the uncertainty they will create among registered providers, whose business plans are drawn up five, 10 or 15 years in advance?

Stephen Timms: My hon. Friend is absolutely right. Attention has been drawn to that issue, not least by the *Financial Times*, which has reported that housing associations' business plans and their loan covenants and agreements with lenders could be at risk, and that even some big associations could go bust. The implications are very serious.

Richard Graham (Gloucester) (Con): The right hon. Gentleman is a reasonable man, so I am surprised that he cannot see the advantages of the housing policy in, first, reducing rents for large numbers of tenants who are among the poorest people in the land; secondly, obliging housing associations to make a 1% productivity saving each year, which is very small compared with other parts of the public sector; and thirdly, reducing the welfare spend and therefore the budget deficit. Surely they are all advantages.

Stephen Timms: I think the hon. Gentleman was momentarily distracted, because I have welcomed both his first and third points. We welcome the fact that rents are being reduced, but he needs to recognise the impact that the changes will have. As I am sure he will be aware, housing associations do not share his rather sanguine view of what the changes will mean, particularly for new house building at a time when we all recognise the need for substantial new socially rented housing, which is not being delivered at the moment.

The Bill does not provide a definition of "full employment". In line with recent research and the previous Labour Government's definition, our amendment will set the full employment target at 80% of the working-age population. To pick up on a point rightly made in an intervention by the hon. Member for Enfield, Southgate (Mr Burrowes), in our view the annual report on progress to full employment must also set out progress on the target to halve the disability employment gap.

We will support policies that make work pay and increase opportunity, but where the Government are wrong we will not hesitate to say so. The Conservative party promised in its manifesto that it would

"work to eliminate child poverty".

It is now absolutely clear that it did not mean it: the Bill abandons any pretence that it did. Instead of eliminating the scandal of child poverty, the Bill attempts to eliminate the term. Labour in government was committed to reducing the appalling levels of child poverty left behind by the Thatcher and Major Governments, and we did so. We introduced the Child Poverty Act 2010, with cross-party support, including from the Secretary of State when he was in opposition and the Conservative party. It contained clear targets to reduce absolute and relative poverty, persistent poverty and material deprivation.

We have known for some time about the debate in the Conservative party about the validity of the relative poverty measure, but now it is not just changing the definition. It is interested not in stopping child poverty, only in stopping people talking about it. It is exactly the same with food banks: the Tories want to stop people discussing them. Clause 6(9) tells us that we should not refer any more to the Child Poverty Act and that instead it is to be known as the life chances Act, but there are fewer life chances for a child growing up in poverty, and poverty needs to be reduced.

Getting rid of the targets and measures leaves the Government with no commitment to tackle child poverty at all, just a requirement to publish a mix of loosely connected statistics. Instead of removing child poverty, the Bill seeks simply to remove it from the lexicon.

John McDonnell (Hayes and Harlington) (Lab): My right hon. Friend is, like me, a London MP. The driver of child poverty in my constituency is a combination of low pay and high private rents. When the cap was introduced, the Prime Minister advocated—there was an element of logic in this—the idea that it would reduce rents in the private rented sector. That has failed in my area and right across London; rents have increased significantly. Have the Government produced any evidence to prove that the cap reduced rents in the private sector at all?

Stephen Timms: I certainly have not seen such evidence. We have just seen the impact assessment, and the figures are in there, so we will have to see what information they provide. I am worried about the proposal—it was made in the Budget, but it is not in the Bill—of a cash freeze in local housing allowance for the next four years, irrespective of what is happening to rents in London and elsewhere.

The child poverty changes are a shameful attempt to brush under the carpet what should be right at the forefront of Ministers' minds as they make policy and manage the economy. It is, I am afraid, the final nail in the coffin for compassionate conservatism.

Chloe Smith (Norwich North) (Con): It is always a mystery to me why more Labour Members do not agree with the right hon. Member for Birkenhead (Frank Field) and, indeed, Alan Milburn, who think that the Government's proposal to measure the root causes of child poverty is an improvement on what went before. Why does not the right hon. Member for East Ham (Stephen Timms) agree with them, or indeed with another 50 of his colleagues? Is it not the case that Labour is a shambles?

Stephen Timms: I have no doubt that my right hon. Friend the Member for Birkenhead (Frank Field) will contribute to the debate, but I can tell the hon. Lady that he feels very strongly, as we all do, that this huge hit on 3 million working families—it will take more than £1,000 a year from them, with tax credit changes coming in next year—is a very bad thing to do. It will let down working families, and all Labour Members will fight hard against the iniquitous change being made by the hon. Lady and her colleagues.

Before the election, the Government promised to protect those with disabilities from welfare cuts, but that promise has been broken. As has already been discussed, Parkinson's UK reckons that there are currently 8,000 people in the work-related activity group with progressive and incurable conditions such as Parkinson's and multiple sclerosis. Macmillan, in opposing the provision, points out that

"thousands...will experience a significant drop in support at some point during their cancer journey."

As my hon. Friend the Member for Easington (Grahame M. Morris) said in an intervention, that group includes people with learning disabilities and many with mental health problems.

[Stephen Timms]

The Bill reduces the level of support for new claimants by nearly £30 a week, from £101 to £73. That change introduces a new perverse incentive, because it increases the incentive for people with health problems to get into the support group by providing a higher payment, meaning that even more people will not get help to return to work.

The recent marked increase in the ESA case load, at a time when unemployment has come down, has been sharpest in the support group. Anyone in the support group will be seriously deterred from taking the risk of trying employment, for fear that it will result in their receiving a much lower level of support if they are then reallocated to the work-related activity group. I say to the Secretary of State that a particular worry is that young people with mental health problems, who ought to be getting help to return to work, are being abandoned in the support group at the moment. We therefore want the ESA measures removed from the Bill.

Simon Hoare (North Dorset) (Con): These serious issues are arousing passions on both sides of the House. I am slightly concerned that none of the right hon. Gentleman's colleagues who are candidates for the leadership has decided to put their name either to the amendment tabled by the hon. Member for Bishop Auckland (Helen Goodman) or to the Opposition's reasoned amendment. Are they not prepared to give us their views?

Stephen Timms: I am glad to be able to reassure the hon. Gentleman that he will be pleased with what happens when the House divides at 10 o'clock tonight.

The Bill seeks to restrict support provided through tax credits and universal credit to families with more than two children. We will aim to amend the Bill in Committee, for example to protect families with multiple births or those whose claim arises because of exceptional circumstances. We do not support locking in a cash freeze for four years for tax credits and benefits. We recognise that reducing the deficit will require savings on indexation, but those decisions should be made annually so that actual inflation can be taken into account. We do not support the accompanying sharp reductions in income thresholds for tax credits and the corresponding cuts to work allowances announced in the Budget, which will be legislated for outside this Bill. They will be a huge setback to work incentives. The whole point of universal credit was supposed to be to improve work incentives; now it is being hobbled even before it has properly got started.

We want progress towards full employment. We want demanding targets for apprenticeships and help for troubled families. We want a household benefit cap, and to make sure that families are always better off in work. We want support for mortgage interest and reductions in social rents that will deliver savings to the taxpayer. We want better economic opportunities, and we want social security to be fairer and more affordable.

However, children who are growing up in poverty—as we have heard, the growing majority of them are in working households—need a Government committed to improving their position. People who because of illness and disability are found by the Government's own

tests to be not fit to work, as can happen to anybody, need social security to assure them of a decent basic standard of living. Families who are doing the right thing and going out to work, often when they are already struggling with low or stagnant wages and increasing insecurity and uncertainty about their future, need a Government who are on their side, not one who will pull the rug out from under them, as the tax credits announcements in the Budget will do.

These are not just matters of morality and social justice, although they most certainly are; this is also about how we secure our future prosperity and stability, ensuring that everybody in Britain can play their part, make the most of their talents and make the most of the ambitions of all.

Emily Thornberry: On a point of order, Madam Deputy Speaker. I made a point of order earlier about when the impact assessments were published, and I understand that there is an inquiry. I put on the record that when we heard the Secretary of State announce that they had been published, my researcher went to the Vote Office and found that they were not available. A phone call was made to the Vote Office in Members Lobby, which said that they had just arrived. This is not right, and I would like your advice about how we can hold the Government to account when they do not publish impact assessments until after the Secretary of State has got to his feet.

Madam Deputy Speaker (Mrs Eleanor Laing): I am grateful to the hon. Lady for her point of order. If a mistake has been made by the Vote Office, I am quite sure that Mr Speaker will be annoyed on behalf of the House by that mistake.

Mr Duncan Smith *rose*—

Madam Deputy Speaker: I can see that the Secretary of State has something to say, and I am delighted to call him further to that point of order.

Mr Duncan Smith: Further to that point of order, Madam Deputy Speaker. I rise only to say that we sent the impact assessments to the House authorities before 5 o'clock. I gather that there was some technical hitch in the House before they were able to get them to the Vote Office, but that was not a problem of our making. *[Interruption.]*

Madam Deputy Speaker: Order. The Secretary of State has explained what he and his Department have done. If there has been a mistake in getting the papers between the Secretary of State's office and the Chamber, that will be investigated. It should not have happened, but there is no point in Members shouting about it from a sedentary position. The Secretary of State has apologised for his part in any mistake, if such a mistake has been made. *[Interruption.]* No, I will not have any more shouting about this. It is a technical problem, and it is not strictly a matter for the Chair, except in so far as saying that Members ought to be provided with all the information necessary to enable them fully to take part in a debate. If that has not happened, there will be an investigation, but one way or another, there is no point in any further shouting about it.

Emily Thornberry: Further to that point of order, Madam Deputy Speaker. I seek your guidance as to whether Members can be given sufficient information even if papers are provided some 10 minutes before a debate, given the nature of the impact assessments. If we are to read them properly and understand them, surely Members, if at all possible, should be given more than a few minutes' notice.

Madam Deputy Speaker: I simply observe that the debate started at 5.34 pm and it is now 6.36 pm, so it has been under way for an hour. I appreciate that the Chair insists that Members of Parliament should take part in the debate and concentrate on the speech being made at any particular moment, but I am sure it is not beyond the ingenuity of intelligent Members to be able to participate in the debate while also looking at the papers that are now available to them. It would have been better had they been here earlier, but I am quite certain that this debate will go on for another three hours and 23 minutes and, if they now have the papers, Members ought to be able to multitask to the extent of listening to the debate and reading the papers at the same time. That does not mean, if a mistake has happened, that I condone it; if there has been one, it will be thoroughly investigated.

6.37 pm

Nigel Mills (Amber Valley) (Con): It is a pleasure to speak in support of this very important Bill, which is one of the measures we need to move us to the high pay, low tax, low welfare economy that the Secretary of State wants.

I will start with the measures relating to work. From having served on the Work and Pensions Committee, I know that getting people into work is the area of the Department that gets the least scrutiny. The reporting obligations on full employment and apprenticeships are a really important step forward. We all want the 3 million apprenticeships to be created by the end of the Parliament.

I hope that the power the Government are taking to report on the number of apprenticeships will cover the details on the quality of those apprenticeships. I would like the annual report to include the number of higher apprenticeships, because we want apprenticeships that give people real skills and real future careers, not just to be tick-box training schemes that add little value. As we occasionally see in our constituencies, some employees get sold such schemes, and we ought to look at whether they provide any real advantages. The reports will be extremely useful.

Another important thing to strengthen work is to have a welfare system that encourages rather than disincentivises it. Our measures to increase the minimum wage, which will start later this year, and to increase the amount of childcare, as well as the welfare reforms, are the right package to ensure that all people and all families are very clear that work will always pay and, at least in the medium and longer term, is the best way of securing a better financial situation.

Whoever won the election, we knew from the campaign that the welfare reform measures would be the most contentious issue at the start of this Parliament. We all knew that we had to find several billions.

Catherine West: Will my hon. Friend give way?

Nigel Mills: I will give way.

Catherine West: He is not my hon. Friend. [*Laughter.*] I apologise, Madam Deputy Speaker.

How many children in the hon. Gentleman's constituency will be affected by the cuts in the Bill?

Nigel Mills: I do not have that number to give the hon. Lady. However, her party is also committed to making large welfare savings. It is very easy to support the theory, but if Labour Members oppose all the large measures that are taken in practice, they are not going anywhere. They have to answer this question. If they are committed to large savings, but they do not support all these measures, which measures would they like to see? That is the challenge. We have to find savings to close the deficit. We have a clear mandate for welfare savings to form a large part of those savings.

The Government have produced measures that are a little less severe and fast than many of us feared they would be. The Labour party thought that they would be a lot more severe only a few weeks ago, when we were told that families would be £1,400 worse off overnight unless the minimum wage went up by 25%. What we are seeing is wages going up by more than 25% and some of the cuts being deferred over several years. The Government have attempted to make the cuts as fair as possible.

Barbara Keeley: The hon. Gentleman is being generous in giving way. He made a point about making work pay. I raised a point with my right hon. Friend the Member for East Ham (Stephen Timms) about carers and the benefit cap. Some 5,000 carers will be affected by the benefit cap. The hon. Gentleman is talking about making work pay, but many carers cannot work. Does he agree that carers should therefore be exempt from the changes?

Nigel Mills: We need to give carers every possible support. They perform an important and difficult role. Having done a bit of caring in my time, I know how hard and stressful it can be. We can look at that, but I cannot stand here tonight and say I would vote for it.

The reduction in the benefits cap is a hugely popular policy. Everybody I spoke to in my constituency said that the benefits cap was a great idea, but £26,000 a year was far too high. It was higher than the average wage in my constituency, so people did not think that it would affect a lot of people. In fact, the number of people who were affected by it in my seat was extremely small.

It is right to bring the cap down and to have different levels in London and the rest of the country. There are different levels of housing benefit around the country and that is one of the biggest costs that triggers the benefits cap, so it is right to have a different level in London. Twenty thousand pounds is the right level for the cap. It is a bit less than the average wage in my constituency. That will show people clearly that anyone who goes out to work will be better off than those who live solely on benefits.

I support the hard decision to have a benefit freeze for four years. When we have to find savings, perhaps one of the least bad ways of doing it is to freeze what people are already getting, rather than taking more people out of the system completely.

[Nigel Mills]

The point that the acting shadow Secretary of State raised about the withdrawal rates for tax credits and universal credit showed how fiendishly complicated the tax credits system is. It is difficult to work out exactly who will be hit at what level and by what amount by the new withdrawal rates and the new starting position. That reinforces the case for universal credit. Everyone will be able to see from every pay packet they get that when they work more hours in a month, they are better off than in months when they work fewer hours. We need that system to be in place, rather than the incredibly complex, slow and clunky tax credits system, which applies a year behind or a year ahead. Nobody quite understands how what they get in tax credits bears any relation to the work that they have done in the year.

Mr Duncan Smith: Even with the changes to universal credit, the taper remains exactly where it was, so every hour in work will mean better pay. That principle still stands.

Nigel Mills: I was not doubting that for a second. With the tax credit changes, we need to be sure that the people who are still claiming tax credits understand that they will be better off doing more hours and earning more than they would have been otherwise. That is why universal credit needs to be rolled out. Everyone will be able to see that they are better off month by month, rather than having to work out if they might have been better off a year ago if they had worked a bit less in a complex way through online calculators. That cannot be a sensible system.

On the child tax credit limit, it has to be right that people who spend a life on welfare have to take the same decisions as people who are going out to work. It is therefore right to draw the line at two children for where the welfare system stops helping. There will still be a lot of help through child benefit and the Prime Minister confirmed that we would not seek to limit that. I think that we have got the line in the right place. It should be clear to people that from 2017, if they have more than two children, there will not be more tax credits.

Kate Green (Stretford and Urmston) (Lab): We agree that people in work and people not in work should face the same choices, but does the hon. Gentleman not accept that the proposals on limiting access to child tax credit to the first two children will affect working families and those who are out of work?

Nigel Mills: Yes, but clearly the principle is that people should have to make the same choices if they are claiming benefits in work or are in work and not claiming benefits. It is not entirely clear whether the Labour party supports limiting child tax credit to the first two children. It sounds like it might support it, but that it dare not quite say so tonight.

Finally, the hardest issue in the Bill is the level of welfare for people in the work-related activity group. We have to get work capability assessments right. We have to get people in the right group, and people must believe themselves to be in the right group. I have seen constituents who have been through the assessment and have accepted the WRAG as a compromise on the basis that they will get much the same as they would get in the support group, but will have some requirements put on

them. However, they thought that they should be in the support group. People who ought to be in the support group, but have chosen to be in the WRAG need support to put their situation right.

We need people to get the support that they need. Those who can never and will never work again need the right support. It is not in their interests or ours to put them in a different group. Clearly, we have to get the system right so that those who are in the group where they are meant to be able to work at some point in the future have the right incentives to take the support, undergo the training and get into work, rather than trying to stay on benefits claiming the slightly higher rate. We need to see the detail of how we can get that right and make it fair, so that we do not end up with perverse incentives.

Overall, I welcome the Bill. It is an important step forward in sorting out our deficit and making our welfare system fair for those who are claiming from it and those who are paying for it.

Several hon. Members *rose*—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. It is obvious that a great many people wish to speak this evening and that there is a limited amount of time. I am afraid that I will have to impose a time limit of five minutes after the SNP spokesman.

6.47 pm

Hannah Bardell (Livingston) (SNP): I rise to urge the House not to give the Welfare Reform and Work Bill a Second Reading.

On the day of the Budget announcement, I, like many of my colleagues on the SNP Benches and many in society, watched in horror at Conservative Members jeering and cheering as the Chancellor announced swathes of cuts that will hit the poorest and most vulnerable in our society hardest. When I was elected by the good people of Livingston to this House, I anticipated some aspects of Dickensian tradition, largely framed around the traits and traditions of Westminster, but not for one minute did I expect that we would be taken back to Dickensian times by a Government hellbent on dividing our nation in such a regressive way.

The Conservative Government have claimed that they have

“a long-term economic plan to move the nation back to where we should be. This offers that and will reward hard-working families.”

We are certainly going backwards. The rhetoric that the Conservatives use in this Chamber about hard-working families and aspiration is fast wearing thin for many of us. Apart from anything else, when we delve into the detail, what we find is deeply worrying.

Let us look at exactly what the Government plan to do for our so-called hard-working families. The Conservatives will rename the Child Poverty Act 2010 the life chances Act. I spent a number of years in the marketing industry and recognise that this is rebranding on a grand scale. Perhaps the Chancellor is in the wrong job. I have taken the advice of the hon. Member for Islington South and Finsbury (Emily Thornberry) and looked at the impact assessment that came out very recently. Paragraph 33 says of the life chances Act:

“The proposed changes enhance the life chances of children as they ensure that households make choices based on their circumstances

rather than on taxpayer subsidies. This will increase financial resilience and support improved life chances for children in the longer term.”

Let me explain why SNP Members do not believe that to be the case.

The Scottish Trades Union Congress says that the “so-called” living wage is

“simply a cheap gimmick aimed at undermining...a meaningful living wage”

and that

“continuation of the public sector pay gap is...a kick in the teeth for hard-working public sector workers.”

The Scottish Council for Voluntary Organisations said that the Budget was an attack on the poorest and most vulnerable communities by an “economically illiterate” Chancellor who has admitted that this is not about tackling the deficit, as he said that it was part of his push for a low tax, low welfare society. In SCVO’s view, he was

“demonstrating a cruel disregard for the impact this will have on hundreds of thousands of people’s lives.”

Barnardo’s has stated that renaming the Child Poverty Act 2010 the “life chances Act” sends the message that eliminating child poverty is no longer an aim of this Government. It is clear that the Bill will push more children, families and vulnerable people across Scotland and the UK deeper into poverty. Rebranding child poverty plans as “life chances measures”, and completely removing any legal obligation to meet those targets, only proves how badly this Government are failing our society on welfare. As indicated by the House of Commons Library, the Social Mobility and Child Poverty Commission’s “State of the Nation” report from October 2014 stated:

“Modelling for the Commission illustrates the scale of the challenge. It projects that—based on current OBR forecasts for employment and wage growth—relative poverty (before housing costs) will rise to 21 per cent by 2020, 11 percentage points above target, and absolute poverty will rise to 24 per cent, even further behind the target of five per cent. This is likely to be an optimistic view as it ignores the impact of the further cuts to welfare benefit entitlements that are pencilled into current plans for deficit reduction in the next Parliament.”

Those plans are no longer pencilled in; they are in black and white for all of us to see. It is crystal clear to me that the Conservatives cannot meet their targets or fulfil their promises to folk across the UK, so instead they will just rebrand and repackage swathes of cuts to make it sound as if we are getting a better deal. It simply will not wash.

Another genius rebranding exercise by the Tories has been the introduction of the so called “living wage”—which, in reality, is a small increase in the minimum wage, up to £7.20 and to £9 by 2020—and the Chancellor has blatantly stolen the terminology used by the Living Wage Foundation that has set the living wage rate at £7.85 outside London and £9.15 in London. Rhys Moore, director of the Living Wage Foundation said:

“Is this really a living wage?...The Living Wage is calculated according to the cost of living whereas the Low Pay Commission calculates a rate according to what the market can bear. Without a change of remit for the Low Pay Commission this is effectively a higher National Minimum Wage and not a Living Wage.”

He went on to say that, to add insult to injury, the current calculation is based on workers receiving tax credits, which are also being cut.

Let us move on to tax credits and universal credit. The four-year freeze starts in 2016 and will affect around 577,000 families in receipt of child benefit in Scotland, and an overlapping 468,000 in receipt of housing benefit. More than a third of a million households in receipt of tax credits will also lose out. The Conservatives claim to be the workers’ party, but that claim could not be further from the truth as they lower the total amount that a household can receive in benefits to £20,000 outside London, and £23,000 in greater London. In the words of charity Barnardo’s:

“This will significantly reduce the income of some very poor families.”

Worse still, in the Trade Union Bill—yet to be debated by this House—the Government plan to introduce standards for unions when voting for a strike that not even we as politicians are required to meet.

Let us consider the proposals for lone parents and other “responsible carers” in receipt of universal credit. We know that they are not currently subject to “work preparation” requirements until their youngest child reaches the age of three, and they do not have to be available for and look for work until that youngest child reaches five. The Bill reduces the age thresholds for work preparation to two, and for full work-related requirements to three. Let me be clear: the SNP is abjectly opposed to the capping of benefits such as carer’s allowance, child benefit, child tax credits, severe disablement allowance, and widow’s pension. The people who receive those benefits are some of the poorest and most vulnerable in our society, and it is abundantly clear that there is no level to which this Conservative Government will not stoop as they attack those vulnerable groups.

Instead of considering how we can properly protect and support folk who have already faced significant challenges in their life, we have a Government who cannot see past reducing a deficit, and will do so at all costs. This is an “at all costs” attack on the sick, the poor, the disabled, the elderly, and the many families who are working and trying their best to get to the end of the month without getting into debt. This Government’s cuts will affect the working poor, so that instead of being supported to better themselves, those in work will be further marginalised and have their benefits cut. Barnardo’s has noted that:

“A lone parent working full time on the minimum wage for 37 hours a week with two young children would lose £1,200 a year as a result of changes introduced from April 2016, even after accounting for the increase in the minimum wage.”

Alison McGovern (Wirral South) (Lab): The hon. Lady is making an important point. Does she think that all lone parents are able to work 35 hours a week?

Hannah Bardell: I believe we must have benefits that are suited to the situation, and the Conservative proposals will not do that.

Simon Hoare: Will the hon. Lady give way?

Hannah Bardell: I will not; I will make some progress.

I am one of those children from a single parent family. My own mother worked all the hours in the day to provide for my brother and I, at a time when single parents were demonised by the Thatcher Government.

Angela Crawley: At the moment, 1 million more children are expected to grow up in poverty by 2020 across the UK. That would mean 5 million children in poverty in one of the world's richest nations. Does my hon. Friend agree that those children need support, not savage cuts to the security of their families?

Hannah Bardell: I could not agree more.

As I was saying, there was limited support for single parents, and although my mother held a good job in academia, finances were always close to the edge. I recall Lady Thatcher famously saying not long after she left office:

"It is far better to put these children in the hands of a very good religious organisation, and the mother as well, so that they will be brought up with family values."

She told the audience in the Commonwealth convention centre in Louisville, that the spread of illegitimacy "devalues our values and our community".

She said that Governments had made things worse by providing social security benefits for single mothers, and it feels to me as if this Bill and the Conservative proposals are taking us back in time. We have come a long way since the dark days of the Thatcher Government: please do not let us return. All Opposition Members should be uniting against these pernicious Tory cuts—perhaps even a few progressive Government Members will join us to say no to a Second Reading.

Let me turn to the two-child policy. This part of the Bill makes changes to universal credit and tax credits, including a two-child limit for new claims and births after 2017. The Budget documents say that there will be protections in cases of rape and exceptional circumstances such as multiple births, but there are no details in the Bill. The limit will reduce the value of tax credits for future claimants with three or more children. There are currently 50,000 households in Scotland with three or more children receiving tax credits. Many of them are in Livingston and I have heard already from a number of constituents who are deeply worried about the impact that this measure will have on their finances.

To suggest for a moment that a woman who has been raped will have to justify herself to a member of the DWP is as sickening as it is unworkable. I have to hope that this grave error in policy making is a matter that the Conservatives will rethink and completely remove from the Bill. Either it is a deeply insensitive afterthought, or it is a proposal that shows utter disregard for a woman's privacy and basic human rights.

How on earth can that policy work? What criteria will be applied to women justifying whether or not they have been raped? Will the criteria require a conviction—numbers of which, as we all know, are notoriously low—and what if a woman's first or second child was the result of a rape? Will she be asked to retrospectively justify herself if she goes on to have a third child? What kind of training will staff have in dealing with women who have been raped? I simply do not want to believe that anyone in this House would want a woman to be subjected to this kind of regime. Asking a woman to relive such an abhorrent crime, simply to get enough money to keep a family going, is surely one of the most ill-conceived policies any Government have ever proposed. We deplore this policy and ask the Government to

rethink it as a matter of urgency. As Sandra Horley, the chief executive of domestic violence charity Refuge, said:

"Women experiencing domestic violence are often completely controlled by their partner, including their access to birth control. Some women are also raped and sexually assaulted on a regular basis. Will this tax credit exemption mean vulnerable women who have been raped are forced to re-live their ordeal to prove they deserve support?"

We need detail and a rethink on this policy urgently. Similarly, for people who have had multiple births, the details and parameters of this policy are not clear. Much more clarification is required.

I will turn now to other aspects of the Bill, including the abolition of the employment and support allowance work-related activity component. Under the Bill, employment and support allowance for claimants in the work-related activity group will see their payments reduced to jobseeker's allowance rates for new claims from April 2017. People affected are therefore set to lose up to £1,500 a year under current rules.

My hon. Friend the Member for Paisley and Renfrewshire South (Mhairi Black) described eloquently the pernicious nature of the changes to housing benefit for young people when she highlighted the fact she was now the only 20-year-old in the country the Chancellor would be helping with her housing bill. We now know that, from April 2017, those out of work aged 18 to 21 making new claims to universal credit will no longer be entitled to the housing element.

Anne McLaughlin (Glasgow North East) (SNP): Listening to my hon. Friend talk about women having to prove they have been raped and about 18 to 21-year-olds having to move back in with their parents when housing benefit is removed, reminds me of when I was a welfare rights officer in the late '80s and the Tory Government decided that 16 and 17-year-olds were no longer entitled to any benefits unless they had exceptional reasons. I had to advise a frightened 17-year-old girl sitting in front of me that yes, if she wanted to stay in her own not very nice house, which was at least safe, she would have to tell a stranger that her dad regularly raped her. What does my hon. Friend think of progress under Tory Governments?

Hannah Bardell: I thank my hon. Friend for her intervention. It is very clear from her experiences that these cuts are pernicious and unfounded, and we must, must oppose them.

The Scottish Government are protecting people from Westminster cuts. To be properly supported to live a full and meaningful life, be that in employment or otherwise, we have to look at a different way of doing things. In Scotland, the Scottish National party Government are providing £104 million in 2015-16 to protect as many people as possible from the damaging impact of the welfare reforms imposed so far by Westminster. That includes £35 million to mitigate the bedroom tax and the council tax reduction scheme, which has protected 500,000 Scots.

Nia Griffith (Llanelli) (Lab): Does the hon. Lady agree that the changes on conditionality to three and four-year-olds are an interference with Scottish and Welsh Government policy? They impose an obligation

to provide some form of childcare for those policies to be in any way humane. That is above and beyond how a UK policy should affect Welsh or Scottish Government policy.

Hannah Bardell: I agree with the hon. Lady wholeheartedly. We will certainly have to look at that. The Joint Ministerial Committee met today. Hopefully, it will have discussed this matter and we will hear further information on it.

The SNP believes that having socially progressive policies is the key to unlocking our society's potential. That is why our First Minister, Nicola Sturgeon, wrote in yesterday's *Sunday Herald*:

"The UN General Assembly in New York will provide the backdrop for national governments to agree the 17 Sustainable Development Goals (SDGs). The Sustainable Development Goals themselves offer a vision of the world that I believe people in Scotland share. From ending poverty to combating inequality, the aims set out by the UN form an agenda for tackling some of the world's greatest problems.

I am delighted to confirm that Scotland has become one of the very first nations on Earth to publicly sign up to these goals and provide leadership on reducing inequality across the globe."

Michael Green, from the Social Progress Index, said:

"The term Gross Domestic Product is often talked about as if it were 'handed down from god on tablets of stone.' But this concept was invented by an economist in the 1930s."

He says that we need a more effective measurement tool to match 21st century needs: the social progress index. We absolutely agree that GDP is the internationally recognised benchmark, but we have to take into consideration much wider aspects. Michael Green asserts that economic growth has lifted hundreds of millions out of poverty and improved the lives of many more over the last half century, yet it is increasingly evident that a model of development based on economic progress alone is incomplete. Economic growth is not enough. A society that fails to address basic human needs, to equip citizens to improve quality of life, to protect the environment and provide opportunity for many of its citizens, is not succeeding. We must widen our understanding of the success of societies beyond economic outcomes. Inclusive growth requires achieving both economic and social progress. If we focus solely on GDP and reducing the deficit at all costs, we will store up significant problems for the future.

The SNP was very clear in its manifesto proposals about the aspects of policy that could be introduced to help bring people out of poverty. We want a vote for child tax credits and child benefit to be uprated in line with the consumer prices index and to support an increase in free childcare up to 30 hours a week by 2020. We propose an increase in carer's allowance to bring it in line with JSA, which would see more than 100,000 unpaid carers in Scotland better off by almost £600 a year. We support increases in the personal tax allowance, but will back an increase in the work allowance—the amount people are allowed to earn before their benefit is cut at 20%.

The Bill is an attack on civil society. It is an attack on our poorest families. It is a regressive Bill that takes us back in time with cuts that will hit women and children the hardest. It will stigmatise and marginalise women who have been raped, and put conditions on the most needy in our society. At a time when we should be looking

outward and forward, when we should be progressive and look to give our people a bright future and something to hope for, this Government are instead looking inward to attack their own people and turn them against each other in a way that even Thatcher's Government would not have dared. The people of Scotland will not stand for this and neither will its democratically elected politicians. If the Bill and the Budget succeed, going our own way in Scotland and building a society that is progressive and for everyone, not just the rich, will be increasingly attractive. I urge the House to reject the Second Reading of the Bill.

7.6 pm

Mr David Burrowes (Enfield, Southgate) (Con): As a member of the workers' and one nation party, I am very proud to support the Welfare Reform and Work Bill.

Chris Stephens (Glasgow South West) (SNP) *rose*—

Mr Burrowes: No, we have heard enough from the SNP for now.

Unlike the previous speaker, I am going to talk about the Bill. It shows the Conservative party and the Government full of head and heart. We care passionately about mobility and aspiration. We also care about security and solidarity, helping the vulnerable and the disabled. Our head says that we have to live within our means. Finally, we are grasping the nettle and recognising that we have to live within our means. The welfare budget has to be sustainable. What the Chancellor has said has to be said again: we have 1% of the world's population, 4% of the world's GDP and 7% of the world's welfare spend. We have to deal with that to make sure we can help the most vulnerable and ensure they have a sustainable future.

This is the Welfare Reform and Work Bill, but as the Secretary of State said, it could also be described as the "Catch you when you fall" Bill or the "Lift you when you can rise" Bill. That is what it is all about. We are spending more than £33 billion on welfare for the sick and the disabled. That will continue. What does that mean? Compared with the previous Labour Government, we have spent £7 billion more on disability benefits. We will continue to spend just shy of £7 billion more than the previous Labour Government on disability and sickness benefits. That matters.

The hon. Member for Livingston (Hannah Bardell) prayed in aid Margaret Thatcher. In 1979, Margaret Thatcher said:

"Our aim is to provide a coherent system of cash benefits to meet the costs of disability, so that more disabled people can support themselves and live normal lives."

The hon. Lady was right when she said the Government are following in the tracks of Margaret Thatcher, because disability payments increased under her Government by 21%. This Government are continuing to increase disability benefits, despite the £12 billion in welfare cuts. The difficult cuts to the work-related activity group payments represent one twenty-fourth of the welfare cuts that are being made. We are protecting the disabled. We heard all the scaremongering, particularly from Labour during the election, about our plans to cut carers' allowances savagely and to means-test and tax disability benefits, but the Bill shows that that is not happening.

Michael Tomlinson (Mid Dorset and North Poole) (Con): Does my hon. Friend agree that, while the most vulnerable must be protected, welfare must be a safety net rather than a lifestyle choice?

Mr Burrowes: I agree that it is a generous safety net, and that will continue under this Government. Despite the challenging decisions that have to be made, it is clear that we will have a generous safety net.

However, we need to act with great care. Clause 13 deals with payments for those in the work-related activity group—the WRAG. The proposed reduction of £30 will be significant for those who are assessed as not yet fit for work, and we need to deal with that issue with care. Disabled people and those who are sick have additional costs. Macmillan Cancer Support says that 83% of people living with cancer are £570 a month worse off. One in five in the WRAG have a mental health condition, and 50% of those with one of a number of characteristics will have a mental health characteristic. We have to deal with those people with care.

The Bill must be a reforming measure. Much has been made of the need to cut costs, with cuts of £450 million rising to £620 million by 2020, but it needs to be a reforming measure. The problem is that far too few disabled people are getting into work—only 1% per month. That is a scandal. We must ask ourselves whether the WRAG is really fit for purpose. Rather than just looking at the spend, let us look at the outcomes. We want more people to get into work. We have a system with nine-month delays in assessing people, and we agree that the system has to be improved. It is also not good enough that 58% of people are still in the WRAG after two years. Those people are getting an average of only 130 minutes' coaching a year to help them to get work, compared with 710 minutes for those on jobseeker's allowance. That disparity will not be bridged by this reforming measure.

We must ensure that the fit-for-work services and the access-to-work mental health services come on stream now. I welcome the fact that there will continue to be support for that group of people, but when we consider the £60 million of investment in 2017-18, going up to £100 million, we must ask whether there will be a gap now.

Dr Philippa Whitford (Central Ayrshire) (SNP): Does the hon. Gentleman agree that, when dealing with the work plan and Jobcentre Plus, the most difficult-to-place people with disabilities are unlikely to have time spent on them, because the payment is designed for those who are easy to return to work? We need to re-orientate the support and the finance to get them into work, but the jobs just are not there in most parts of the country.

Mr Burrowes: The hon. Lady makes a valid point. This is about outcomes and about giving tailored support. We must recognise the concerns about the loss of payment, but those who are not yet fit for work but who are on that journey should be encouraged to cut that journey short. One per cent. per month is not good enough. We need to provide tailored support through Jobcentre Plus, but we also need to consider the many other organisations, particularly small businesses, that do not use Jobcentre Plus.

We all need to be involved in Disability Confident events and to take up this cause in our constituencies to ensure that tailored support can be provided to those

hard-to-reach groups that are finding it difficult to get work, whether through the WRAG or in other ways. We need to provide tailored packages of support to ensure that this reforming—and cost-cutting—measure really works for that particular group.

I look forward to hearing the Minister and others say that we are very much on the side of those people, and that we are pretty much keeping up the overall spend on disability. However, we need to get more people back into work. That matters to all of us. I look forward to hearing the Minister say that she is deeply committed to investing in tailored support for those people, to show that this is a one nation Bill encompassing two traditions: that of Margaret Thatcher but also that of Winston Churchill. We often pray in aid Winston Churchill in our speeches, and he said that we must have an ambition to have the best social ambulance in the world when it comes to welfare support for people with disabilities. The Bill meets that ambition for us to have the best social ambulance in the world.

7.14 pm

Frank Field (Birkenhead) (Lab): Madam Deputy Speaker, if I leave the Chamber shortly after my speech, I shall come back immediately afterwards to listen to the rest of the debate. I know that there is a huge amount of interest in the Bill.

We now have a more political Chancellor than any I can remember in the whole of my time in the House of Commons, and he has laid traps for us in the Bill. I make a plea to my very hon. Friends not to fall into them. The Government have, however, exposed their soft underbelly in one respect, and we should attack them in that spot. There is a huge difference between giving notice that the terms of a contract will be changed at some point in the future and changing the terms for people who have already bought into it. In the long build-up to the election, as well as during and after it, we heard that the one group of people about which the Conservatives, as a party and as a Government, cared most were the strivers, yet it is the strivers who will feel the worst effects of the Bill.

In tonight's debate, I want us to unite and launch an offensive against part of the Bill that the Government will not be able to carry in the country. By doing so, we can change the debate on welfare, on work, on productivity and on all the other parts of the Government's programme. There are more than 3 million people in this country who are in work but whose income is being supplemented by tax credits. They are among the strivers in our society who are going to be walloped by the Bill. Many of them will be a minimum of £1,000 a year worse off. Some will be much worse off than that. We should not be at sixes and sevens in voting for the various amendments tonight. The one message we need to hammer home is that the Government use one language outside the House and a different one to enact legislation inside it. They talk about strivers outside, but the Bill will affect 3 million in-work strivers and make them worse off.

Worse still, it is going to be difficult for us to vote against that particular measure in the Bill, because the Government could well try to enact it by means of a statutory instrument upstairs. If they dare to take the cuts against 3 million strivers outside this main Chamber, I hope we will all learn from the new contingent from Scotland, who do not accept the conventions of this

House, and that we will crowd into that Committee Room and make it very difficult for them to get the measure through. We must send a message to the rest of the country that we are united in our opposition to this unbelievably vicious move against people who have responded to the Government's plea to become strivers, who are in work and who will find themselves much worse off as a result of the Budget.

My plea to my very hon. Friends is this: please do not have what Aneurin Bevan might have called an "emotional spasm" and try to feel better by simply voting against this, that or the other. The one message tonight is that we must get behind the reasoned amendment tabled by the Leader of the Opposition. Later, we can discuss all the other disadvantages that the Government have put into the Bill, and we can vote against them if we wish to do so. The one message that must go out from the Chamber tonight is that the Government talk loudly about supporting strivers but, when it comes to it, they are proposing to make that group worse off without a second thought. It will be difficult for us to oppose what I see as by far the worst measure in the Bill, but I hope that we can send a united message and not be at sixes and sevens voting to our hearts' content on all different aspects of the Bill. That is my plea. I shall return to the Chamber as soon as I can to listen to how others develop their own themes on the way in which the Government are making strivers worse off.

7.19 pm

Chloe Smith (Norwich North) (Con): It is always a pleasure to follow the right hon. Member for Birkenhead (Frank Field), who, despite many of his remarks being concerned with his own team, as it were, made an important point.

I wish to refer to six measures in the Bill that I welcome because they are about work. First, I welcome the proposal for an apprenticeship levy. We are setting out the right ambition to create 3 million more apprenticeships in this country, and it is right to take a look at quality as well as quantity as we do that. Although the details are yet to be fleshed out, I welcome measures to encourage higher quality apprenticeships. I look forward to discussing with businesses in my constituency—I am sure Ministers will be doing the same up and down the land—ways to achieve that goal and the goals set out by others, such as the noble Baroness Wolf of Dulwich in the other place.

Secondly, I wholeheartedly welcome the provision on full employment. The task of selecting the measure to be used will follow later, but none the less I welcome that, because it marks out the kind of ambition that we should all have and that my hon. Friend the Member for Enfield, Southgate (Mr Burrowes) rightly mentioned.

Michael Tomlinson: My hon. Friend is the chairman of the all-party group on youth employment, the name of which was recently changed from "youth unemployment". Does she, like me, welcome the title of the Bill, with its emphasis on work?

Chloe Smith: I do, and I thank my hon. Friend for that point. It is important to reflect on what we can do to help people be in work rather than rely on welfare.

Thirdly, I turn to the measures in the Bill about work and disability and a point that my hon. Friend the Member for Enfield, Southgate made. Let this not be a taboo topic that we find too difficult to deal with. There

is a case for making the best of everybody's talents in this country. My right hon. and hon. Friends on the Front Bench are right that we all ought to be disability-confident, and we should all encourage businesses in our constituencies up and down the land to be disability-confident. Why should we do that? According to Mind, the mental health charity, the Royal College of Psychiatrists and many other reputable sources, work can be extremely beneficial to a person's health—in the case of those two organisations, mental health. The measures in the Bill range from mental health to other aspects of health, but let us understand that we can and must offer chances to everybody in the country. We can all look at ways to do that in our constituencies.

Patricia Gibson (North Ayrshire and Arran) (SNP) *rose*—

Chloe Smith: I am afraid I will not give way. Out of fairness to other Members, I must finish and then allow others to speak. I have already taken one intervention.

As my hon. Friend the Member for Enfield, Southgate said, we need to ensure that the support provided in jobcentres is proportionate to the distance claimants have to go to find work, and to the height of the barriers in their way. That is the right thing to do.

Fourthly, I turn to the measures on child poverty. I referred earlier to the comments of the right hon. Member for Birkenhead—I think in his absence, I am afraid to say. He noted that the definition of poverty, and everything that is needed for someone not to be regarded as poor as defined by academics and politicians, can be utterly bewildering. I agree with that, and we are right to attempt to improve on a measure that the Institute for Fiscal Studies, the Social Mobility and Child Poverty Commission and others readily say is unattainable. It makes no sense to press on with something that is unattainable when we have the opportunity to improve the situation and do better for children by referring to educational attainment and being in work.

Fifthly, a measure connected to the Bill is the national living wage, which is a crucial part of serving the strivers in this country. No doubt the right hon. Member for Birkenhead knows far more than I do about the difficulties of encouraging high pay at the same time as the Government are effectively subsidising pay with a high welfare net. Nevertheless, I support the measures in the Bill and the Budget for turning Britain into a higher wage economy and a lower tax society, and for creating a more reasonable approach to welfare.

Finally, my constituents in Norwich, where the gross median income is £23,000, will welcome the measure in the Bill to reduce the welfare cap one step further to £20,000 outside London. That is the right thing to do and will support work over welfare.

7.25 pm

Tim Farron (Westmorland and Lonsdale) (LD): We are very clear: we cannot and will not support the Bill. If it did what it said on the tin, there might be much to commend it, but it does not. The Government pledge a living wage that even they know is not one, they want a welfare state that is anything but good for our country's welfare, and they use the guise of economic necessity to cover up ideologically driven cuts. Tonight, we will vote

[Tim Farron]

against the Bill because we know that the depth and character of the proposals are unfair, unwise and inhuman, and anything but economically necessary.

In truth, the Government do not have to take £12 billion from the poorest families in the country, mostly working families, but are choosing to do so. No amount of political spin will protect the individuals who have to live with the reality, not the words. Calling something a living wage when it is not does not make it a living wage, calling housing affordable when it is not affordable does not make it affordable, and labelling the Bill as progressive does not make it progressive. In the end, the consequences of these actions for Britain will speak louder than the Chancellor's attempts to change the definition of his words.

The proposals on employment and support allowance—support designed to help people who, through no fault of their own, face more barriers to work than most—will not help into work people with depression, fluctuating conditions, schizophrenia or physical conditions that make more difficult the ordinary tasks that many of us take for granted. In fact, they will act as a ridiculous disincentive. Almost 500,000 people will see their vital support cut by one third once they apply to the new system, meaning that if they are on the existing support, they will lose it as soon as they get a job, even on a short-term contract. It is a disincentive to work and will trap people on welfare, not liberate them.

The Chancellor has chosen to implement a counterproductive policy that demonises people with disabilities and mental health conditions. I am disappointed by Labour's confusion over the Bill. To give in to the narrative that the answer to our country's needs is to pit the working poor against the temporarily-not-working poor is shameful. Cutting tax credits, tightening the benefit cap and ramping up the right to buy is not just morally wrong but economically wrong; widening inequality is not just against British decency but economically stupid.

Greg Mulholland (Leeds North West) (LD): Of course, we accepted some of the changes to welfare in the last Parliament, but this goes too far. Does my hon. Friend share my concern about the effect on young people who, through no fault of their own, find themselves in need of housing benefit? Why should they be excluded from the same rights that any other citizen in this country has if they have need of the safety net?

Tim Farron: My hon. Friend makes an excellent point. In many ways, young people are the biggest victims of the Bill. I think of young people being supported by housing benefit—for example, in the location of a Foyer, such as the wonderful Foyer in Kendal—and who thereby have access to work, training and further development opportunities. Taking housing benefit away from young people is not just morally wrong but utterly counterproductive, because it will prevent them from accessing work and other life opportunities.

We will stand for the thousands of people in work and yet in poverty, and for the millions of people who might not be personally affected but who do not want to see inequality grow in Britain. Instead, we want a direction for the country that combines economic credibility with truly socially progressive policies, which is why we

will continue to make the case for using capital investment to build houses and strengthen our economy for the long term, and for a welfare system that understands the needs of people with mental health conditions and helps them back into work, rather than putting them under the kind of pressure that simply makes them worse.

The reduction in the incomes of poor families in work comes at the same time as the Government are giving inheritance tax cuts to millionaires, cutting corporation tax for the richest firms and refusing to raise a single extra penny in tax from the wealthiest people—for example, through a high-value property levy. We will continue to speak for the millions of people who are young, who suffer from mental health problems, whose parents have no spare rooms or spare income, who do not have parents at all, or who have more than two children. The Liberal Democrats will stand up for families, whether they are hard-working or just desperate to be hard-working. We will not let the Conservatives through choice, or the Labour party through their silence, unpick our welfare system.

7.29 pm

Oliver Dowden (Hertsmere) (Con): Let me take this opportunity to welcome the vision of welfare reform that has been set out by the Government, and by my right hon. Friend the Secretary of State in particular. I think we all agree—certainly on this side of the House—that we have a problem with the amount of money spent on welfare. When Gordon Brown first became Chancellor and introduced tax credits, he promised they would cost £2 billion. They now cost £30 billion, which is a fifteen-fold increase. We have been in a ludicrous position: people have been in work, on the minimum wage, and paying tax, only for those tax payments to be recycled through the welfare system and returned to them in the form of welfare payments.

Patricia Gibson: According to the Government's rhetoric, work is the best route out of poverty, but is this not the reality of their proposals: it does not matter how hard those who live in poverty work; their poverty will remain stubbornly present in their lives owing to cuts in child tax credit and low pay? Is this not about ideology rather than necessity? Is it not about rolling back the frontiers of the state?

Oliver Dowden: No, it is not about rolling back the frontiers of the state. The points that the hon. Lady has raised are addressed by our introduction of universal credit, which gives people who are in work a progressive route out of poverty by helping them, as they earn more, not to have all their benefits removed. Moreover, by introducing a national living wage, we are ensuring that everyone who is in work and has a low income will be given a pay rise.

Faced with the current problem, a Government might be tempted simply to salami slice benefits across the board. However, this Government have set out a coherent vision of welfare, which has a number of elements. First, if we are to move from a low wage, high tax, high welfare economy to a higher wage, lower tax, low welfare economy, we must deal with the tax problem. The last Government, with their coalition partners, set about massively increasing the amount of money people could earn without paying tax. We are continuing that agenda, so that as people earn more they keep more

Secondly, we have grasped the problem of people who are in work but do not earn a sufficiently large wage, which is why, for the first time, we are able to increase the minimum wage significantly. Our increase is far greater than any increases that were made by the Labour party when it was in power.

Peter Grant (Glenrothes) (SNP): I am grateful to the hon. Gentleman for his honesty. Having claimed, as his colleagues have claimed, that this is a living wage, he himself has now used the phrase “national minimum wage”. Is it not the case that all the Government are doing is increasing the minimum wage without making it enough for full-time workers to live on?

Oliver Dowden: I do not accept that. I hope that Members will forgive my slip of the tongue. The increase in the current minimum wage, which is less than £7 an hour, to a minimum wage of well over £9 an hour by the end of this Parliament is huge. It is not in line with the standard increase in the minimum wage. This is a step change that reflects the introduction of a national—

Anne McLaughlin: Will the hon. Gentleman give way?

Oliver Dowden: I will give way once more, but I am subject to the time limit.

Anne McLaughlin: I assume the hon. Gentleman knows that the Institute for Fiscal Studies has noted that it is “arithmetically impossible” for the increase in the minimum wage to

“provide full compensation for the majority of losses experienced by tax credit”

—and universal credit—

“recipients.”

Is it the members of the IFS who need to go back to school, or is it the hon. Gentleman?

Oliver Dowden: I invite the hon. Lady to note the analysis showing that the income of a typical renting household receiving tax credits, consisting of two people working full time with two children, will increase by 12%. That is exactly what we are seeking to achieve.

The third element comes into play once we have ensured that wages are higher—and I should point out that we are able to do that only because our welfare reform programme has been so successful that it has brought about a massive cut in unemployment. Because 1 million fewer people are receiving unemployment benefit and 2 million more people are employed, the labour market can withstand a significant increase in wages. Had it not been for those developments, the whole package would have fallen apart. Our measures reflect a more coherent vision.

Once those first two elements are in place, it is only right for us to consider reducing welfare benefits. There is a clear principle behind this. People in my constituency, and in many other constituencies, face tough choices, and those choices should also be faced by those people who are receiving welfare benefits. For example, one of my constituents will have to decide whether he or she can afford to have another child; we are saying that, similarly, child tax credits should, in due course, reflect what is appropriate for a family with two children.

Nia Griffith: Will the hon. Gentleman give way?

Oliver Dowden: I am afraid that I cannot, because I am subject to the time limit.

We concluded that it should not be possible to earn more on welfare than a person who had gone out and worked every single day could earn after tax. We also concluded that it should not be possible to leave school and immediately start claiming benefits. I think that those are fair principles, and I think that principles are better than mere salami slicing.

All this has given rise to a need to change the measure of child poverty. It was absurd when Gordon Brown spent huge amounts of time and money showing people one side or the other of an arbitrary line. We are looking at more fundamental principles and measures of what drives poverty. Living in a workless household is one of the biggest drivers of poverty, and I think it right to take account of the massive reduction in workless households that has taken place under our Government. Lack of educational attainment is another huge driver of poverty. I know that such opportunity-based measures are dismissed by Opposition Members—including, as was clear from his speech, the right hon. Member for East Ham (Stephen Timms)—but I think that they are vital if we are to establish whether we are merely putting a sticking plaster over poverty, or addressing the fundamental causes.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): Will the hon. Gentleman give way?

Oliver Dowden: I have some time left, so I will.

Drew Hendry: That is very gracious of the hon. Gentleman.

In my constituency, 3,900 working families will have lower incomes as a result of the Government’s changes, and 7,100 children will be pushed into poverty. Can the hon. Gentleman tell me how that encourages people to think that working is a good idea?

Oliver Dowden: First and foremost, we are introducing a national living wage, which will deal with the current problem and give people a massive pay rise. Ultimately, however, there is a wider point to be made. Opposition Members are decrying every single measure in the Bill, but if they oppose our welfare reform measures, they must be able to tell the House and their constituents what measures they themselves plan to introduce. Which other welfare costs do they intend to cut, and which other taxes do they intend to increase—or do they intend to continue to borrow, thus forcing our level of national debt ever higher?

That is the contrast between Labour and the Conservatives, who are willing to make difficult decisions. None of us enjoys making those decisions, but we make them in a principled fashion that sets the economy and the country on the right track.

7.38 pm

Helen Jones (Warrington North) (Lab): I listened with great interest to the Secretary of State’s attempt to reinvent himself as the workers’ friend. In fact, the Bill contains hugely regressive measures that will make many working families much poorer. It is no wonder that they include measures that will effectively repeal the Child

[Helen Jones]

Poverty Act 2010. From now on, there will be no income-based measure of child poverty; instead, the Secretary of State will have to report on worklessness and educational attainment, although two thirds of the children who are in poverty come from families who are in work. The problems to which the Secretary of State has referred, such as family breakdown and addiction, are indicators of poverty, but they are not a measure of it. Those problems can occur across the whole income spectrum.

As for educational attainment, the Secretary of State knows, or ought to know, that the biggest predictor of failure in education is poverty. It is not family breakdown, addiction or anything else; it is pure, material poverty. He should not confuse indicators and measurements.

Secondly, this Bill will make many working families much poorer. We have already heard that the increased minimum wage that the Chancellor is introducing is not a living wage, but many people will be excluded even from that increased wage: 21 to 25-year-olds. These people are adults and may have families, but under this Government they will pay a penalty for being poor and working. Where is the incentive to work in that?

As a result of this Bill's measures, 13 million families will lose £260 a year or £5 a week. That might not sound much to those on the Government Benches, but for families on the margins it is the difference between getting through to the end of the week and not getting through.

The measures to restrict child tax credits and the child element of universal credit to two children are based on the assumption that people are always on tax credits or on benefit, whereas in fact there is a revolving door.

Richard Graham: Will the hon. Lady give way?

Helen Jones: No, I am afraid I do not have the time.

Life does not proceed in a straight line. Let us take the example of a family with three children. They are doing all right; they can afford it. Then one partner falls ill or dies. The other partner might have to work, and take a part-time or low-wage job. Under this Government's proposals that third child becomes superfluous—one that they should not have had. Not every child matters under this Government.

Let us say a family improve their prospects and get more hours or get a better job. If that job lasts for more than six months and they have to make another claim, that is treated as a fresh claim and they lose the credits for their third child. Where on earth is the incentive to work in that?

We have also heard about what might happen in cases of rape, and I hope the Minister will be able to answer that point when she sums up. Many women do not report rape for reasons that we understand. When they do report it, the prosecution rate is very low and the conviction rate is even lower. What will be taken as proof—reporting, prosecution or conviction? How will a DWP official, not trained in investigation or used to dealing with rape cases, decide on that? Not since Mao Tse Tung has there been a proposal to limit families that is more degrading to women.

This Bill is a purely regressive Bill. It will make millions of families in this country worse off. That is why I will not support it in the Lobby tonight.

7.43 pm

Michael Tomlinson (Mid Dorset and North Poole) (Con): There are many measures in this Bill, but I shall discuss just one or two aspects of it.

I am the vice-chairman of the all-party group on youth employment and I am delighted that under the chairmanship of the hon. Member for Norwich North (Chloe Smith) its name has been changed from “youth unemployment” to “youth employment”, showing a more positive outlook. Likewise, this Bill is called the Welfare Reform and Work Bill, which also shows a welcome direction of travel.

Clause 1 has the welcome ambition of reaching full employment and a reporting obligation to ensure that we here in Parliament are regularly updated on progress. Over the past two and a half years I have had the pleasure to run a jobs club in my constituency, from the Pilot pub in Canford Heath, and I pay tribute to its landlady, Lisa Ballet, for being so community spirited and permitting that jobs club to exist.

The claimant count in Mid Dorset and North Poole is down to 312. Of course I do not claim credit for that entirely, but I do welcome the ambition to lower the claimant count in my constituency. Although I would ordinarily guard against targets and a target culture, if this is simply an ambition, then I welcome it, and I look forward to the numbers in work in my constituency increasing over the coming Parliament.

Simon Hoare: Does my Dorset constituency neighbour agree that we have to view alongside the tax allowances measures the increase in the minimum wage with the aspiration of going to the living wage? For areas such as those in Dorset that we represent where median or average wages are quite low, those are real incentives to get back into work.

Michael Tomlinson: I agree with my hon. Friend and constituency neighbour.

Clause 3 sets out the reporting obligations for the troubled families programme and I pay tribute to that programme in Dorset, which is aimed at the hardest-to-reach families. There are potential long-term cost benefits because these are the families that cost the country the most, but more importantly these are the families that are most likely to benefit from this measure, and I welcome it.

Opposition Members have from the outset expressed concerns about scrapping the current child poverty measure, and they have done so again this evening. However, scrapping that measure is not the same as scrapping the route out of poverty; it is quite the opposite in fact, as that child poverty measure was flawed and did not provide a proper test of whether children's lives were improving. For example, in the aftermath of the recent recession the number of children in poverty went down significantly under the old measure; in one year it fell by 300,000. Does that mean that those children's lives were really altered in such a way as a result of the recession? Of course not; a shrinking economy is not the way to raise children out of poverty.

A second example, which was mentioned by my hon. Friend the Member for Hertsmer (Oliver Dowden), is the arbitrary line introduced by the last Labour

Government. Does tipping a family that falls just below an arbitrary line up above it really mean poverty has been alleviated? Of course not.

I encourage Opposition Members to support this Bill, as it is aimed at the real causes of poverty. It addresses family breakdown, school attendance and attainment and levels of work within the family. It focuses on ways to make a real improvement to children's lives rather than offering illusory measures.

As I have said, the most vulnerable must be protected. There must be a safety net but, by removing disincentives to work, introducing a living wage and reducing the benefits cap, this Bill will encourage more people away from a life on benefits and towards the real benefits of getting into work—better health, greater wellbeing and the self-esteem that comes from being in work. Work really is the best way out of poverty.

7.48 pm

Sammy Wilson (East Antrim) (DUP): We support many of the measures in the Bill, which will be important in the debates we will have on it, but my role today is to highlight the things that cause us concern.

This Bill probably spells the end of the Northern Ireland Assembly, because the current welfare reform measures have not been introduced, which has left a £600 million hole in the budget. I say to the Members from Scotland who are keen to have welfare reform devolved, that there is a cost in that because every measure that is not introduced means money is taken off the block grant. People should be aware of that. It is significant that Sinn Féin, who are not here, will probably claim that they will block these measures.

Peter Grant: Does the hon. Gentleman not understand that the very firm view in Scotland is that those additional costs are a price well worth paying if they give us the fair and just society each and every one of us was elected to deliver?

Sammy Wilson: My point was that there is a cost. How people decide to distribute it is another matter. The one thing I do know—

Alex Chalk (Cheltenham) (Con): Will the hon. Gentleman give way?

Sammy Wilson: No, I will not give way.

The one thing I do know is that the people who will complain most about this measure in Northern Ireland—Sinn Féin—are not even here to defend the vulnerable, whom they will claim they wish to protect.

Government Members have talked about the measurement and recording of child poverty. I would have thought—indeed, the DWP review indicated—that the most important source of short-term child poverty, and of the length of time people are in such poverty, is the level of income. It stands to reason: you don't have to be a genius to know that if you don't have money, you're poor. If you want to lift people out of poverty, what do you do? You ensure that they get more money. If we remove that as a measure, we ignore the most fundamental aspect of what causes poverty and what puts children in poverty. Yes, in the longer run, as the review says, educational qualifications, family stability

and so on are important, but in the long run, as Keynes said, we are all dead. If we want to deal with the problem now, we cannot ignore the level of income.

Members from all parts of the House should be concerned about the way in which the Bill divides the cap into two. But that is not the end of the matter, because the Bill makes it clear that the Secretary of State can review the caps at any time. All he or she has to consider is “the national economic situation” and “any other matters that the Secretary of State considers relevant”. Then the Government can introduce changes by regulation.

Mr Nigel Dodds (Belfast North) (DUP): I am very grateful to my hon. Friend for his point about the difference in the cap on welfare and benefits between London and the rest of the country. That measure is very clearly the thin end of the wedge, and, if we are not careful, what will eventually happen with benefits and public sector pay will be the introduction of regionalisation.

Sammy Wilson: Indeed. The Policy Exchange think tank, which prepared the welfare manifesto for the Government, talked about the introduction of a two-tier cap, stating:

“The first stage in creating a regionalised system would be to create two levels of Benefit Cap, one for London and the South East where average incomes within the UK are highest, and one for the whole of the rest of the UK.”

The measure before us is the first step towards regionalisation, and we ought to be aware that in this Bill is contained the embryo of further cuts to the poorest regions of the United Kingdom, because that is where we are likely to find the pressure to try to reduce the welfare bill further.

On tax credits, I support the Government's desire and objective to get people into work—to make work pay, to give people an incentive. That is why the proposals on apprenticeships, full employment reporting and so on are all good. But the change in universal credit, the freezing of benefits and the change in tax credits are, as the right hon. Member for Birkenhead (Frank Field) pointed out, an attack on aspiration. It is an attack on people who are in work.

Heidi Allen: Will the hon. Gentleman give way?

Sammy Wilson: I am running out of time. I would be happy to give way if I could get an extra minute out of it.

As has been pointed out, many people will not even be subject to the safeguard of the higher national living wage. Many of those who are in work will still find that the reduction in their benefits and tax credits is not compensated for by the increase in the national living wage, so the Government will not achieve what they are seeking to achieve. We are talking about people who are already on low wages and who are not in the best employment.

My final point is on the changes in employment support allowance and the work-related activity group. There are many people who do require support, but if the Secretary of State is right, he is not going to create an incentive for those people to get back into work. In response to the shadow spokesman, the right hon. Member for East Ham (Stephen Timms), the Secretary

[Sammy Wilson]

of State said, “We’ll put those with Parkinson’s and MS into the support group.” The idea may be to get people into the work-related activity group and to give them the support they need to get into work, but, if the Secretary of State says, “No, we’re going to move them to the support group”, they will not get the support they need to get into work, and he is defeating his own objective.

There are contradictions in the Bill which need to be teased out. While there may be things in it that we can support, there are many aspects which I believe will be detrimental to our constituents, which will have a disproportionate impact on regions of the United Kingdom and which, therefore, should be voted against.

7.55 pm

Richard Graham (Gloucester) (Con): Thank you for calling me to talk in this important debate, Madam Deputy Speaker. I shall start by focusing on one or two comments that Members made earlier and then return to a central issue—getting those with disabilities back into work.

The right hon. Member for Birkenhead (Frank Field) said that 3 million strivers will be hammered. I am a great fan of his—he is the Chairman of the Select Committee of which I am a member, and I am sorry he is not in the Chamber to hear this—but his gloom tonight was focused on two things. The first is the big problem of unity and what approach to take to welfare and work within his own party. The second is an underlying belief that the only way to help the poor is ultimately to increase benefits from taxpayers, and that the only way out of poverty is to grow a tax credits bill that is already, at £30 billion a year, far greater than in the similar populations of France or Germany, and is, in the words of the former Chancellor, previously the right hon. Member for Edinburgh South West,

“subsidising lower wages in a way that was never intended”

when it was first introduced by the Government of the right hon. Member for Birkenhead.

The reason why the right hon. Gentleman and his party are discombobulated on the issue is that they rightly feared a reduction in benefits before an increase in wages and did not expect that my party, the party of compassionate conservatism, would implement precisely that: a national living wage considerably above that mooted by their former leader, plus an expansion of the tax-free allowance which will take the amount one can earn without paying income tax to almost double by 2020 the £6,500 allowance of 2010. They know that higher wages, lower tax and less welfare is the right way forward, because there was no social justice in spending over £170 billion more than we received in tax revenues, leaving the interest on Labour’s debts alone—the interest alone—costing us more than the entire education budget. There is no social justice in spending more on benefits—on the interest on all that debt—than on helping our children with education and giving them the chance to attain and to go on to good jobs.

Some of Labour’s leadership candidates have realised that point and seen that there are no more sweeties in the sweet bag and no credible alternative to this overall philosophy of higher wages, lower tax and less welfare—

unless one believes that living within one’s means is always for someone else and not for us, and one wishes to follow an anti-austerity programme that has led a country like Greece to the brink of disaster. That is a political option, but it is not one that the city of Gloucester would ever want this country to follow.

I turn briefly to the second part of my speech. The Chancellor promised in his Budget speech that we would always support the elderly, the vulnerable and the disabled.

Jeremy Quin (Horsham) (Con): Our hon. Friend the Member for Enfield, Southgate (Mr Burrowes) said that £30 billion a year is being spent on disability living allowance and on similar allowances. Does my hon. Friend agree that that is something all Government Members welcome?

Richard Graham: My hon. Friend is absolutely right to point out that the current welfare bill is unsustainable, but he is also right—I have seen him say this in Select Committee meetings—to say it is vital that we support the elderly, the vulnerable and the disabled. It is true that the Work programme has been far more successful for those on JSA than for those on ESA. The question therefore is: how do we help those people with disabilities who are currently not getting a job and not benefiting from the Work programme in the same way as those on JSA?

Some 61% of those in the ESA work-related action group say that they want to work and the evidence is that they do. I have heard from charities and from people with disabilities in my constituency how passionately they want to have the same working opportunities as the rest of us, so what can we do to help them? The Under-Secretary of State for Work and Pensions, my hon. Friend the Member for North Swindon (Justin Tomlinson), in his role as the Minister for disabled people, has the ambitious task of halving the number of people with disabilities who are out of work. He will need some innovative thinking to help him, so let me make a couple of suggestions.

Dr Whitford: Should the hon. Gentleman not recognise that if these people want to work, it is the lack of support and the lack of jobs that is preventing them from getting into work. Why punish them by taking money away? It is like removing the crutches from someone who has just lost a leg before we give them the new limb. Let us get them into work—then they will not need the support.

Richard Graham: The hon. Lady raises a perfectly valid point. There is a philosophical difference here: do we take the difference between what they currently get on ESA and JSA and use that money to help give them the greater support that should get them into jobs, or do we just carry on as we are, knowing that the current programme is not that successful? We have to do something different. We have to do more in the Work programme to make it more likely that people with disabilities will get jobs. The jobs are there; all the statistics tell us that more jobs are available than there are people looking for them, but those with disabilities are not getting them at the moment. They need more help with resilience and confidence—the things that make a difference when people go to an interview. They need employers who understand, so the Disability Confident programme is

important. They need—we need—providers to understand that they must do more to help, and in return we probably need to give more cash up front, rather than depending solely on payment by returns for those in the ESA category. We MPs need to do our bit. When we hold job fairs, how many of us focus on those on ESA? It is time to tilt our jobs fairs away from those on JSA and towards those with disabilities and on ESA. We can do that, with the help of the Department for Work and Pensions.

There is much to be done, and I believe Ministers are aware that when they review the Work programme they will have to innovate to make sure that those with disabilities and on ESA stand a better chance of winning jobs in a competitive marketplace. We need to do more to help employers realise the importance of this. All of us need to do more as Members to inspire our residents and our businesses to apply for those jobs and to help them win them. That will be vital in reducing the working age welfare cost from 13% of all public spending at the moment to a more reasonable figure.

Hannah Bardell: Will the hon. Gentleman give way?

Richard Graham: I regret that there is no more time. Above all, we need to inspire those with disabilities into a job. The Leonard Cheshire Disability charity said:

“We believe that disabled people should have the freedom...to contribute economically and to participate fully in society.”

I believe that all of us agree with that. Now we must do our bit to make sure it happens.

8.3 pm

Helen Goodman (Bishop Auckland) (Lab): It is a pleasure to follow the hon. Member for Gloucester (Richard Graham). Unfortunately, the £640 million that is being saved on ESA is not going to go to work-related activities; it is going to go to the Chancellor of the Exchequer.

In the last Parliament, I had the privilege, along with my right hon. Friend the Member for East Ham (Stephen Timms), who made a characteristically excellent speech, to take the Child Poverty Act 2010 through, and we had all-party support at that time. It is therefore very disappointing that this Government are abandoning that Act and even the aspiration to end child poverty. Furthermore, it is ridiculous of them to attempt to airbrush the whole concept from the statute book.

I do not believe this Government have a mandate for the changes they are making in this Bill. Throughout the election campaign the Tories refused to say how they were going to save £12 billion from the welfare bill, because they knew that the measures would be unpopular and it would hit them in the ballot box. Indeed, the Prime Minister went on national television to say that he would not be cutting tax credits. In any case, the truth of the matter is that 9 million people did not Tory on 7 May. The most obnoxious part of the Bill is the proposal to cut tax credit support for families with more than two children. When we were in government, Labour had a principle that Every Child Matters, and I believe that was the right principle.

Heidi Allen: Will my hon. Friend give way?

Helen Goodman: I will. *[Interruption.]*

Heidi Allen: We are friends, I believe. I think we are all friends in here—I hope we are.

Mr Deputy Speaker (Mr Lindsay Hoyle): Absolutely.

Heidi Allen: Thank you. I do not have children, so I often tread carefully in these sorts of debates because I do not want people to point the finger and say, “Well, you don’t understand.” But I am certain of one thing: a choice between one, two or three children is a choice. If you cannot afford it, why should the taxpayer subsidise you? Can she answer that? *[Interruption.]*

Helen Goodman: As my hon. Friend the Member for Warrington North (Helen Jones) described, people’s circumstances can change. People do not have a complete and perfect forecast of how their life is going to pan out, which is why we need a safety net. The problem is that a child living in a family with more than two children is 50% is more likely to be living in poverty than the average. Some 35% of the children in this country who live in poverty live in those families, so these measures are precisely targeted at those children. The measures will increase the number of children affected and deepen the poverty they face.

Richard Graham: Does the hon. Lady recognise The Children’s Society’s comments? It said it supports plans to add additional reporting requirements on parental employment and educational attainment as these are important in contributing to children’s welfare. I know she would say that these were additional, not a substitute, but does she recognise that they are important measures to study?

Helen Goodman: I used to work for The Children’s Society and it does some excellent work. What I am concerned about tonight is that rather like a child who has broken a toy and hides it under the bed, the Chancellor tried to hide the impact of this Budget by not presenting the distribution tables in the normal and proper way after the Budget. Fortunately, the IFS told us the truth, which is that people at the top are losing 0.2% of their income and people at the bottom are losing 7% of theirs. This is a phenomenally regressive Bill and a very regressive Budget. It will take £10 million out of the local economy every single year in my constituency. As hon. Members have said, one of the worst things about the tax credit cuts is that they affect in-work families, who are struggling in low-paid jobs to do their very best for their children. They are being given what my hon. Friend the Member for Nottingham East (Chris Leslie) has called a “work penalty”. The Bill worsens work incentives. A top-rate taxpayer who earns an extra pound can take home 55p whereas a lone parent on tax credits can take home only 25p.

The Chancellor believes that his rabbit—a rise in the national minimum wage—solves the problem. Of course we all welcome that increase, but it does not solve the problem. It does not compensate by the right amount, it does not compensate enough people and it does not compensate at the right time. Overall, 13 million people are losing from these measures. Some 3 million are losing £1,000 and 2.7 million people will gain from the national minimum wage. The mismatch is shown by

[Helen Goodman]

chart B3 on page 208 of the report by the independent Office for Budget Responsibility. It says something that surprised me and is very pertinent:

“around half the cash gains”—

from the increase in the minimum wage—

“may accrue to the top half of the household income distribution”.

It shows that people at the bottom gain less than £600 and those at the top gain more than £1,000. Furthermore, in evidence to the Treasury Committee last week, it told us that only 14% of people in the bottom decile receive the national minimum wage.

I have concentrated on the issue of children and tax credits, but I have also had many messages from carers, sick and disabled people, and lone parents who are worried that the 30-hour condition is coming in before the extra childcare provision is in place. There are so many serious issues here, and it is a shame that we do not have time to address them.

Recently, Professor Amartya Sen said:

“Democracy should be about preventing mistakes through participatory deliberations, rather than about making heads roll after mistakes have been made.”

He is right. I have been in this House for 10 years, and I have never voted against my party's Whip. I think that my right hon. Friend the Member for East Ham made a good case for the Front-Bench amendment. I shall vote for the amendment, but there are so many issues in this Bill that are deeply worrying that I cannot avoid going into the No Lobby against it tonight.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): I will try to get everyone in, but I now have to reduce the time limit to four minutes. Let us stick with it. Interventions, if we must have them, must be short.

8.11 pm

Amanda Milling (Cannock Chase) (Con): I am grateful for the opportunity to speak in this important debate. I wish to pick up on a few points relating to employment and apprenticeships.

First, I was pleased to see that in June, we had another fall in unemployment in my constituency. As I mentioned in last week's Budget debate, it is clear that the measures that we have taken and continue to take, such as the benefits cap, the national living wage and the changes to the personal allowance, are encouraging people back into work and making work pay.

Apprenticeships play a key role in ensuring that our young people get into work and, importantly, acquire the skills that they need to progress in life. In the previous Parliament, 2 million apprenticeships were created, 5,000 of which were in my constituency. In the past year alone, 11,000 apprenticeships have been created across Staffordshire. I am very much looking forward to attending the first apprenticeship graduation ceremony this Wednesday. I welcome the target of 3 million apprenticeships, as promised in our manifesto, which is now set out in clause 2 of the Bill.

There are three key points that I wish to make. First, we need to promote apprenticeships, and as I said last week, I welcome the local campaign Ladder for Staffordshire. On its first day alone, it created 50 new

apprenticeships. From my own experience, I know that we need to be better at connecting businesses, training providers and apprentices to ensure that all their needs are met and to mitigate any risks of an apprenticeship not working. Sometimes when such a partnership works, it happens by default rather than by design, with businesses stumbling across the right training providers and apprentices rather than using co-ordinated services, so there is more that we can do in this area.

I also feel that we need to do more in schools to direct young people to apprenticeships. It is important that vocational qualifications are seen to be as valuable as academic ones. We need to ensure that young people are directed to the right qualification for them. I note that the 3 million apprenticeships target is for England only. I would be interested to know what the targets are in Scotland, Wales and Northern Ireland, how they are faring and what we in England can learn from their experiences.

Turning to proposed new subsection (3) in clause 2, I welcome the annual reporting periods, and I hope that figures will be provided at a national, regional and constituency level, as has previously been the case. Although I appreciate that the reporting mechanisms in the Bill are intended to support the apprenticeship target, I feel that it would be valuable for them to continue beyond the end of this Parliament. After all, creating high-quality apprenticeships should be an aspiration for the long term and not just for the next five years.

In conclusion, I welcome the move to create more apprenticeships, as set out in the Bill. I will continue to meet businesses, training providers, schools and young people to understand their needs and ensure that they are represented. In the autumn, I will be looking to launch my own campaign to promote apprenticeships. I will be doing my bit to help us reach the 3 million target in this Parliament.

8.15 pm

Huw Irranca-Davies (Ogmore) (Lab): Welfare reform is needed, but if it is badly thought through it will hurt people, including low-paid workers. The Bill cannot be supported without major changes, so I say to the Government, think again. If the benefits and social security regime is not subject to sensible and proportionate reform, popular support for it across society will fracture, and the case for giving assistance to those in need will be undermined. That in turn will give those who are politically or ideologically opposed to providing assistance to the vulnerable, the temporarily jobless, the low-paid in expensive private sector housing, those with life-changing disabilities, carers and others the opportunity to destroy a social contract that has been steadily constructed and refined over decades.

The support regime must of course be refreshed and renewed for each new generation, and to fit prevailing social and economic conditions. Those who argue against any change are doing real harm to the durability of that social contract. But those changes must be carefully considered and evidenced, proportionate and progressive.

The Government are opening themselves up to accusations that their intentions may not be entirely pure and may not be focused on good and appropriate reforms. We can look at the rush, and at the dismissal of critical analysis of the consequences of tax and benefit

changes. There is a seemingly cavalier and careless attitude to negative impacts on low-paid working families, carers, some people with disabilities, and absolute and relative child poverty. All those things suggest that the honourable and high ambitions of some Government Members—to reform the regime to help people out of poverty—risk being bound together with a lower and less honourable ideological fixation with urging the poor to sort themselves out.

I have long been in favour of sensible, progressive and radical welfare reform. Most people, including Labour party members and supporters, want those reforms focused on conditionality, which is not limited only to funds, to help people back to work. They want support for those who genuinely cannot work, and help for carers that gives them dignity, not a begging bowl. They also want a continuing commitment and specific policies to target and remove poverty. Those are all marks of a decent society and decent government. Yet I cannot and will not vote for the Bill today, despite the need for reform, because it risks making life more miserable, desperate and unforgiving for some of the most financially exposed and vulnerable people in our society. The full-throated proponents of the Bill do not seem to see that, or perhaps they do not want to see it.

The core mission of government surely has to be to help make the lives of people better, or, at the very least, not to make them worse. That is why I urge all Government Members, including well-meaning supporters of the Bill, to think long and hard before swallowing it whole. The digestion of the contents by their constituents back home will be long and bitter, compared with the short-lived, sugary-sweet taste of a brief political moment in Westminster. I say to them: do not punish low-paid workers, when the IFS shows clearly that the combined impact of the tax and benefit reforms will do exactly that; do not further impoverish children, when groups such as 4Children, which are not against reform, call for changes to be made sensitively and intelligently; do not shoot the messenger by dismissing authoritative organisations and individuals who point out the flaws in the Government's proposals.

The Bill as it stands will not have my support today, and unless it is changed to take into account the valid concerns that have been raised, it will not have my support in future. In light of all the dangers contained in it, I call on the Government to think again.

8.19 pm

Jeremy Quin (Horsham) (Con): It is a pleasure to follow the thoughtful and interesting speech of the hon. Member for Ogmores (Huw Irranca-Davies). He showed huge sincerity in his opposition to the Government, but during a couple of sections of his speech, I thought he might be joining us in the Lobby this evening, and I am disappointed that on this occasion he will not. I draw his attention to the words of my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson) and other hon. Friends who have pointed out that this is, in fact, the Welfare Reform and Work Bill. I thought the hon. Gentleman was getting there—surely we all support systems that work; surely we all want annual reports to the House on progress on full employment, troubled families and apprenticeships. There must be much in the Bill that hon. Members on both sides of the House can agree on.

The last Labour Government spent £170 billion in tax credits between 2004 and 2010. It is not unreasonable to ask whether that £170 billion, or at least some of it, could not have been better spent on measures that would change recipients' life chances. That is particularly true since we know we have to live within our means, as my hon. Friend the Member for Gloucester (Richard Graham) stated so eloquently—far more eloquently than I put it in my intervention on him. Between 2010 and 2015, the welfare reform that we achieved made savings of £60 billion, helping to halve the deficit and restore confidence in our public finances. In the same period, employment increased by no less than 2 million. In my constituency, the number of people who are unemployed has fallen by a third, and I am sure that similar statistics could be quoted by hon. Members throughout the Chamber if they chose to reel them off.

The best way to tackle poverty and reform welfare is to ensure that everyone who can work has that opportunity. That is the best way to tackle poverty both in this generation and in the next. Under this Government, 387,000 fewer children are being brought up in workless households. That is hugely positive in enhancing the life chances of all our people. I am delighted that the Government are not only targeting full employment but ensuring, through the introduction of the national living wage and the targeted reduction of tax, that those working in lower-paid jobs get a fairer reward.

The proposal to reduce the welfare cap is right for two reasons. It will support a culture in which people know that work will always pay, and that it is the best way to maximise income and support a family. It is also right to redirect our support to enhancing life chances. The funds saved will go towards increasing the number of quality apprenticeships—I take the point made by the shadow Secretary of State that they must be quality apprenticeships, and I am sure that is what we will get. I know that enabling young people to achieve their ambitions is close to the hearts of all of us, on both sides of the House. I agree with my hon. Friend the Member for Cannock Chase (Amanda Milling) that that is an exciting feature of the Bill, which we should all support. The Government have overseen the creation of 2 million apprenticeships, delivering more apprenticeships in two years than Labour delivered in five. The Bill will take the aspiration further, with a target of 3 million apprenticeships.

I acknowledge much of what the hon. Member for Ogmores said, but there are great differences across the House in how we achieve our aims. We believe—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order.

8.23 pm

Hywel Williams (Arfon) (PC): I speak on behalf of Plaid Cymru.

So, we have another round of cuts to social protection and a Government unrestrained by the alleged compromises of coalition. I note that the new leader of the Liberal Democrats has already left us. The Government are unrestrained in slashing the social safety net, shrinking the state and allegedly balancing the books, and doing this, they say, to put the public finances in order—indeed, claiming that it is in the interest of working people.

[Hywel Williams]

They no longer talk about “hard-working families”; it is just “working families”. The election is over; the election is won; now it is the Government’s turn to be hard.

Government supporters say, “Aha! We have introduced the national living wage.” We saw the jubilation of the Secretary of State for Work and Pensions when that was announced—his ugly triumphalism at having got one over on the poor old Labour party—except it is not a living wage at all, and when combined with cuts to tax credits and a host of freezes and other cuts, people will be worse off overall, as respected bodies such as the IFS and the Resolution Foundation have made clear. I welcome any rise in the minimum wage, but a genuine living wage would provide a decent living and bring down the in-work benefits bill. What we are getting is the rebranding of the higher minimum wage, while a large chunk of tax credits is cut out—giving with one hand and taking much, much more with the other.

Look at the Government’s appropriation of the term “living wage”. They steal the language of social justice and talk about full employment, but there is a crisis of under-employment, low wages, insecure employment and precarious self-employment. Without proper measures to tackle those problems and boost the UK’s woeful productivity, the foundation is not firm and a dip in the global economy could swiftly push up unemployment again here and especially in Wales. Outside the headline figures, large areas of the UK still suffer from persistently high unemployment and levels of economic inactivity—areas on the so-called periphery. I live in Caernarfon, which is in no way peripheral to the people who live there, so what does peripheral refer to? It is areas out of the sight and out of the mind of the economic and governing elites. In my constituency of Arfon, the economic inactivity rate is 23.5%—almost a quarter of all people of working age are economically inactive.

The restriction of child tax credits to only two children seems to answer the question so often posed by Government Members: why should parents get support for more than two children when others cannot afford to have more children? However, it fails to answer a more fundamental question: why should any child be denied support through no fault of its own? It is a perverse logic that ignores a child’s inability to control their parents’ reproductive abilities, then punishes them none the less.

Heidi Allen: Will the hon. Gentleman give way?

Hywel Williams: I will not. The hon. Lady should have been here from the start.

That is the reasoning of the tyrant, from one-child China to Ceauşescu’s Romania. Most grim of all are the tortuous complexities involved in demonstrating that the third child is the result of rape.

We sorely need a system that pays a fair wage for a fair day’s work, and a top-up when the Government’s minimum wage policy fails to provide an adequate living for families with children.

8.27 pm

Maggie Throup (Erewash) (Con): The Bill marks a true revolution in how the Government administer welfare, with the roles and responsibilities of the state, business and individual citizens clearly defined for the first time.

Those who pioneered the welfare state at the turn of the last century intended it to be a short-term safety net for those in society who, for whatever reason, found themselves thrown on hard times. We Conservatives have long believed in the one nation principle of a hand up, not a handout when it comes to welfare, so through this reform Bill we seek to return Britain to a country that, once again, lives within its means and encourages aspiration among working people to get on and do well in life.

I am pleased to say that in Erewash we have bucked the national trend, with unemployment falling again this month to just 2.4%. Youth unemployment also continues to fall, and is now a third of what it was in May 2010. We have some fantastic employers in Erewash, such as FC Laser, which I recently visited. It is now investing in apprentices, helping our young people to earn while learning new skills on the job. That type of training is vital if we are to achieve a healthy, balanced economy, as it ensures a skilled workforce with a strong work ethic, making it less likely that they will need to rely on benefits or be out of work for an extended period.

Turning to social mobility, in Erewash we have a proud history of hard graft, whether in the manufacturing of Nottingham lace, Stanton Ironworks castings or railway wagons. Today, many of my constituents are still employed in a broad spectrum of industries that supply the country, and indeed the rest of the world, with top-quality goods and services. Put simply, they are hard-working people who do an honest day’s work.

Constituents often ask me why someone on benefits can get the same amount of money for doing nothing, and in some cases more, as they do for going to work day in, day out. I consider that to be unfair, and so do the Government, who have introduced a welfare cap to make the whole system fairer. Social mobility and a low welfare bill can be achieved only if going to work is an attractive option. We need to break the cycle of those who believe that it is okay to exist on benefits. We need to strengthen the links between businesses and schools to ensure that the example we set our children is that work is the right path for getting on and succeeding in life.

When I rose to deliver my maiden speech a week ago, I said that we needed to be bold in our vision for this country and that I would stick my head above the parapet for the good of my constituents, even if at times those decisions might be unpopular with some. I believe that the Government have a duty to support the most vulnerable in our society, but that we should also give working-age people the means and incentive to stand on their own two feet, independent of the state. By introducing measures such as the new national living wage and increasing the number of apprentice opportunities, we are doing just that. That is why I will support the Bill in the Division Lobby this evening.

8.30 pm

Ms Margaret Ritchie (South Down) (SDLP): Unlike the hon. Member for Erewash (Maggie Throup), I will not support the Bill tonight, because it is an ideological attack on in-work parents, children, disabled people, carers and, generally, society. Lest the Government forget, people do not choose to be on benefits; they are in receipt of benefits because they might not have the

necessary access to work. That is the case for many people in Northern Ireland. As a former Minister with responsibility in this area, I can well recall that for many people achieving employment was impossible, even though it was what they most desired. It was what would have given them self-esteem, a position in society and a status.

Notwithstanding that, the Bill is clearly an assault on ordinary working people. It will deprive them of their necessary benefits. It will attack families with more than two children, and there are many such families in Northern Ireland. It is attacking the fundamental basis of civic society. For that reason, along with everything else, I cannot support it.

I want to look at one aspect of the Bill, the impact on child poverty. Due to parity in Northern Ireland, this legislation will eventually be ushered in there. Children's charities have warned that the cuts will push more young people into poverty. Recent figures show that one in four children in Northern Ireland are living in poverty, while the UK average is one in six. In fact, the Northern Ireland Commissioner for Children and Young People wrote to the United Nations in June, along with the other UK Children's Commissioners, to warn of the impact of cuts on young people if the Government insist on the proposals set out in the Budget and in this Bill. The commissioner said that levels of poverty are higher in Northern Ireland and that cutting in-work benefits would have a detrimental impact on the lives of young people, as 61% of children growing up in poverty across the UK live in families where at least one parent is working. The Bill is an assault on in-work parents.

It is imperative that the Government abandon the Bill and ensure that tax credits are maintained at the current levels to continue to provide assistance to working families who are largely dependent on them for their financial stability. The Government must also spell out the impact that a reduction in funds for tax credits and the refusal to provide for third and subsequent children will have on child poverty and on the wider economy, because there is no doubt that the implications of an attack on in-work benefits will be counterproductive for our economy, sucking money out and undermining it. For those reasons, I and my party will oppose the Bill tonight.

8.34 pm

Alex Chalk (Cheltenham) (Con): I am sure that all of us in this House believe in social justice, but I support this Bill because it recognises that the most effective tool to achieve social justice is encouraging work for all. It is work that provides dignity, security and life chances. It is work that improves general wellbeing and sets an example to the next generation. Work is at the centre of the Bill. It is a Bill that pivots our society from high tax to low tax, from low private sector wages to high wages.

It is worth noting that there are 2 million more people in employment now than in 2010. That means that, as has been said before but bears emphasis, there are now 370,000 more families with positive role models. Previously, one in five households had no one working. There is no social justice in that, as there is no social justice in unemployment. We should go further and I am glad this Bill agrees. Nothing less than achieving full employment should be our goal. That is why the imposition of a duty to report on progress to full employment is right.

So it is with apprenticeships. The coalition Government generated 2 million apprenticeships in the last Parliament. Our ambition now is to generate 3 million more. That is bold, but I am pleased that the Bill imposes a duty to report on progress so that this issue gets the attention it deserves. That should go hand in hand with ensuring that opportunities are made available to people, and children in particular, from all backgrounds—hence, the duty to report to Parliament on obligations to address life chances.

On welfare, it is correct to say that tough decisions have had to be made, but it is worth considering the context. Between 1997 and 2010 welfare spending rose by 60%. Tax credits, a measure originally expected to cost £600 million, which was the only reason Gordon Brown was able to sneak it under the nose of Tony Blair, now cost £30 billion. To place that in context, the defence budget is only about £35 billion. It is not right that this measure should effectively subsidise low wages in the private sector. It is unaffordable. But there is a question of resilience as well. Just before the 2007 financial crash Greece had a debt to GDP ratio of 100%. It meant that the cupboard was bare when the storm hit. Now in the UK we have a debt to GDP ratio of 80%. It means that we are spending £33 billion a year in debt interest.

It is also right to recognise that the bottom 3 million taxpayers have been taken out of tax altogether, and a further 26 million people have benefited from tax cuts. That is part of the context as well. The richest 1% now contribute 30% of the tax take. That is quite right. The richest 20% contribute 80% of the bill. That is right and it is progressive.

Finally, this is not just about social justice; it is about generational justice too. We owe it to our children and grandchildren to bequeath to them a country that can pay its way. Just as important, we must leave a country that can care for the next generation of vulnerable people. Thirty years from now, a young man or woman yet to be born will approach the state seeking help, having fallen on hard times. Our generation owes it to him or her not to leave the cupboard bare.

8.38 pm

Natalie McGarry (Glasgow East) (SNP): Ours is a disabling society. Some are born impaired, some acquire impairments. Some of those are visible, some invisible. All of us will, in time, feel the invisible agency of a society that is organised for the convenience of able bodies, a society which for too long has approached the mental wellbeing of its people with silence, embarrassment and denial. It is society that disables. It inscribes its exclusionary assumptions everywhere—on pavements, on buildings, in interview panels, in bleak ATOS assessment rooms.

The Government propose to abolish the employment and support allowance work-related activity component, which was originally envisaged as a way of supporting people with limited capability for work as a result of sickness or disability. It sought to recognise the barriers that people with disabilities face in seeking work, the disabling attitudes, the disabling environments, and the additional costs that disabled people bear, day to day, leading their lives. Employment and support allowance extended a small measure of recognition of the inequality that our society generates, and now even that small

[Natalie McGarry]

gesture is to be torn away. Paul Farmer, the chief executive of Mind, is reported as saying:

“People being supported by ESA receive a higher rate than those on JSA because they face additional barriers as a result of their illness or disability, and typically take longer to move into work. Almost 60 per cent of people on JSA move off the benefit within 6 months, while almost 60 per cent of people in the WRAG need this support for at least two years.”

Anne McLaughlin: Someone close to me who has bipolar disorder used to use her employment and support allowance to pay for things when she found it impossible to face the world. She would employ somebody to take her child to school and someone to provide talking therapies and things that improved her mental health. Does my hon. Friend agree that sometimes mental disabilities can be just as financially costly as physical ones?

Natalie McGarry: I thank my hon. Friend for that very well-made point.

According to the House of Commons Library, in November last year 492,000 claimants fell within the employment and support allowance work-related activity group—people assessed as being capable of undertaking some work, almost 250,000 of whom are classified by the Government as suffering from mental and behavioural disorders. Under the Bill, these people will see their payments slashed, at a saving to the Exchequer of £640 million a year by 2020. Affected claimants will receive up to £1,500 a year less than under current rules. A recent study by Scope found that disabled people spend an average of £550 more in disability-related expenses than non-disabled members of the population. These are not extravagances, they are not luxuries, and they are certainly not lifestyle choices.

Angela Crawley: Child tax credits will only be paid to families with up to two children, even if the third is disabled. Does my hon. Friend agree that if there is a disabled child in a family, they should be exempt from this cap?

Natalie McGarry: I absolutely and fundamentally agree.

While £30 a week may seem like small change to the Secretary of State, for whom it is a breakfast, for too many disabled people it is the difference between hunger and malnutrition—between turning on their fire or sitting shivering in the dark, or between booking a cab to take them for their one day out a week or sitting at home alone, excluded from society. We will not tolerate that. Disabled people are not passive victims. This Government see the poverty they inflict on disabled people, on their loved ones and on their children as someone else’s problem. They talk a good game on getting disabled people into work, but dismantle the best tools we have for doing so. They have used traditional tools: cynical innuendo about disabled people, with baseless assertions that they are workshy, idle, and disincentivised by employment and support allowance from seeking work. Knowing the price of everything and the value of nothing, they assume that everyone organises their lives according to their cynical standards. This is a Government determined to ignore the social barriers they are even now erecting.

Tonight the conscience of this Chamber will be tested. Hubert Humphrey, in his last speech, said:

“The moral test of government is how it treats those who are in the dawn of life, the children; those who are in the twilight of life, the aged; and those in the shadows of life, the sick, the needy and”

those with disabilities. The Minister’s hand signed the paper, but this Government, who would rather parrot empty slogans than address the real needs of our people, have no tears to flow. Yet the tears flow of my constituents, and yours and yours. If you vote for this Bill or abstain, go home to your constituencies and prepare your explanations.

8.43 pm

James Cartlidge (South Suffolk) (Con): We hear that there is something of a quandary among Labour Members about how to vote, perhaps characterised as a decision on whether they go for political pragmatism or principles of social justice. Let me assure them that they need not worry. If they vote with us, they will be voting for social justice, because, as my hon. Friend the Member for Cheltenham (Alex Chalk) said, this Bill is based fundamentally on social justice.

I want to highlight the three key principles that show that this Bill is about social justice. The first and most important relates to the dependency culture. There is an idea among Labour Members that if benefits are reduced, that will be it: people will be static and will never be able to go out into the workplace and improve their situation. We have to accept, however, that those benefits are far too generous—£30 billion a year is huge—particularly the individual awards to workers.

I have run a small business and have seen what it is like. People earn £13,000 from work and a similar amount from tax credits. In that situation, benefits are permanent. How can someone in that position ever reduce their benefit take when the amount they need to earn from work in order to overcome it is so big? That represents a massive extension of the dependency culture, and taking the tough decisions to row it back is a socially just agenda, which I support.

The second key principle relates to fairness to taxpayers. After all, the working population have to pay for these benefits. I strongly support the benefits cap. There is a great social injustice when people in work earn less than those on benefits. That may not happen in a large number of cases, but we should never accept it. It should be a key principle of our welfare system to always seek to reduce the benefits bill and increase in-work wages. That is our agenda, which will come through in the national living wage.

The third principle is the move towards full employment. I want to focus on a point that the right hon. Member for East Ham (Stephen Timms) made several times in his speech. He said that the measures attack work incentives, but I am afraid that that simply does not stack up in the real world. I am talking not just about my experience; every other employer to whom I have spoken who, like me, has had staff on tax credits, finds it difficult. That is particularly the case with part-time staff who are on tax credits: they do not want to work any more hours and often do not even want to take pay rises, because of the dependency system. That is what we are up against.

Stephen Timms: I wonder whether the hon. Gentleman has reflected on the fact that in 1997 the employment rate among lone parents was less than 45%, whereas today it is getting on for 65%. Those who have looked at the matter have confirmed that that dramatic improvement is largely thanks to the additional incentive from tax credits.

James Cartlidge: The employment statistics are very much on the side of the agenda we have been pursuing: employment is now at a record high. The fact is that this Bill is socially just because it will enable people to stand on their own two feet and to support themselves through their wages, not rely on the state. That is a sound Conservative principle.

Heidi Allen: I want to reiterate two of the points my hon. Friend has made. First, I am also an employer and have lost count of the number of times part-time workers have turned down wage increases or further hours—when I know that their households are short of money—purely because of tax credits. On the flipside, just this Friday I was visited in one of my constituency surgeries by a young married lady with three autistic children—it is a very sad case—who was scared to accept payment for the precious hours she worked as a volunteer teacher, for fear of having her benefits taken away.

James Cartlidge: My hon. Friend corroborates my point. I repeat that this is not a fantasy: every employer to whom I have spoken is wrestling with this situation. Tax credits can work as disincentives. I accept the point made by the right hon. Member for East Ham about lone parent employment, but to be completely honest I do not have that statistic to hand. The general statistics on employment are extremely strong.

Our agenda is one whereby we will reduce benefits but raise wages. Real wages are now increasing sharply. Obviously, after the credit crunch there was a period when wages were static. It was very difficult to follow that financial shock with a strong recovery, but we have achieved economic stability. The next stage is to share our prosperity more widely and the key to that is not the benefits system or dependency, but higher wages and people supporting themselves. That is a sound Conservative agenda, but it is also socially just.

8.49 pm

Neil Gray (Airdrie and Shotts) (SNP): The Bill's title is one of the finest examples of doublespeak I have seen outside of Orwell's own texts. The Bill is not about welfare reform; it is about welfare cuts. As for being about work, I repeat what I said last week in my maiden speech: this Government must realise that they cannot threaten, demonise or sanction people into work.

It is absolutely clear that the best route out of poverty is work, but we must keep open the safety net of the social security system for those who cannot work permanently or temporarily. The Bill cuts away many of the links in that safety net and will leave people to fall through into poverty. For example, removing the work-related activity component of ESA just punishes those who are sick or temporarily unable to work through no fault of their own.

ESA is supposed to be available for people identified as having a "limited capability for work" as a result of sickness or disability. According to the House of Commons

Library briefing, there were just short of 500,000 ESA claimants in that group in November 2014. Of those, 250,000 suffer from mental ill health or behavioural disorders. Under this cut, claimants will receive £1,500 less than they do now, which is an absolute scandal.

The chief executive of Mind, Paul Farmer, has said:

"People being supported by ESA receive a higher rate than those on JSA because they face additional barriers as a result of their illness or disability, and typically take longer to move into work. Almost 60 per cent of people on JSA move off the benefit within 6 months, while almost 60 per cent of people in the WRAG need this support for at least two years. It is unrealistic to expect people to survive on £73 a week for this length of time."

I could not agree more. This cut does nothing to encourage people into work. It just forces them into poverty, and will ultimately push people with mental health issues and illnesses, which have held them back from work, further to the margins of society.

Yet again, we have heard welfare described in this debate as a lifestyle choice, which is utterly shameful. I say to the hon. Member for Mid Dorset and North Poole (Michael Tomlinson) and his colleagues, "There by the grace of God go I". We never know when mental illness will affect us, our friends, colleagues or family members. It does not happen by choice; yet this Government have chosen to cut the support available to help them to return to work. It is disgraceful.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): My hon. Friend mentioned sanctions. As reported in today's *Paisley Daily Express*, my constituent Colleen Duncan has had her benefits stopped erroneously not just once, but twice. The first time was for not attending a meeting that she actually attended. The second sanction was for missing a back-to-work interview when she was actually securing a job by attending a job interview. Does he agree that we cannot trust the Government to implement fuller welfare reform when they cannot run the current system properly?

Neil Gray: My hon. Friend makes a point that any SNP Member could have made, and he makes his point well on his constituent's behalf. I hope that the Minister for Employment was listening.

The four-year benefits and tax credits freeze will reduce the real terms value of benefits received by most working-age recipients. The IFS has estimated that 13 million families across these isles will lose an average of £5 per week as a result of the freeze. That includes 7.4 million families in work, whose incomes will drop on average by £280 per year. That £5 may be a cheap lunch for some Conservative Members, but £5 a week could be the difference between heating or eating, new school shoes for the kids or getting transport to their work. Taking money from those in low-income jobs does not make work pay; it just pushes them closer to the breadline.

SNP Members came into politics to pursue progressive policies and social justice and if we are to stay true to that—I am looking at Labour Members—we cannot do anything other than oppose the Bill. As the IFS has pointed out, when the measures are taken in the round with other Budget measures, we can see the real winners and losers. The poorest four income deciles will see their annual net income cut by between 3% and 8%, or a drop of between £600 and £1,300. The higher up the income

[Neil Gray]

deciles, the smaller the income decline until the ninth decile, the second richest in society, who are to receive a net income rise.

What happened to the social solidarity Scotland was promised last year? What happened to the pooling and sharing of resources? What happened to the promises that our social security system would be safe with a no vote? They are all nailed to the wall, with this Bill and the Budget, as being utter fabrications, myths and untruths. The Bill, along with the Budget, is part of this Tory Government's ideological, social-engineering agenda. They are punishing the poor, the disadvantaged, the sick and low-income working families for economic failings that are not of their doing. Hon. Members should see that this Bill will take our society backwards and vote against it.

8.54 pm

Jeremy Lefroy (Stafford) (Con): The Welfare Reform and Work Bill has to be seen in the context of the announcements on the living wage and the increases in tax allowances. The overall theme of increased pay, full employment, lower tax and reduced reliance on the state is one that I support. I particularly welcome the commitment to apprenticeships and the support for troubled families. At the same time, it is vital that support is maintained for those who cannot work or who need help to get into work. It is therefore right that the DLA and PIP are excluded from the welfare cap and the freeze on benefits, and that, contrary to some pre-Budget reports, they will not be taxed.

I shall address some of the details of the Bill, but before doing so I want to highlight one part of the interplay between pay, tax and benefits that must be addressed, and that is savings. One of the great advances of the 20th century was the growth of various kinds of social insurance to guard against or smooth out the risks of everyday life. In the UK, the NHS is our health insurance, and our free primary and secondary education system is our insurance against the school fees that most parents in the world have to pay. The question is how to insure against the other basic costs of life, such as food, housing, energy and transport. The benefits system is designed to do that, but it is increasingly at the level of a safety net, as many Members have said. Benefits provide a minimum and are expected to be a stopgap until someone is able to return to work.

That being the case, we need to support people to make additional provision for the times when they are out of work, for whatever reason. That is why I believe that we should look closely at lifetime savings accounts that provide substantial incentives for people to save and that can be drawn down in times of need to supplement benefits.

I shall now look at points in the Bill or relevant to it that constituents have raised with me. There are many, but I shall focus on five. First, I would like to see clear action on making the use of sanctions fair and consistent. Benefits are, as I have said, a safety net and if that safety net is withdrawn, albeit temporarily, the situation becomes unsafe. Sanctions must therefore be used only where there is a deliberate and repeated failure to comply with conditions.

Secondly, we need to know more about the conditions surrounding the removal of housing benefit from the under-21s. Although that proposal is not covered in the Bill, the rules may be brought forward in the near future. I know that the Department is working closely with young people's housing providers to ensure that vulnerable young adults are protected. My major concern is over reaching a fair and workable definition of "estrangement" for situations where young people can no longer live with their parents because the relationship has broken down. We must ensure that proper provision is made for their housing in such circumstances.

Thirdly, we need to examine carefully the proposed removal of the work-related activity component of ESA and the equivalent in universal credit. It was my understanding—others have said the same—that the component was designed to meet the additional costs that someone who has a health condition may need to pay. I do not understand what has changed.

Fourthly, the replacement of the child poverty measures with the life chances indicators means that there is no clear assessment of the position of families who are in work but on low incomes. I welcome the additional measures on worklessness and educational attainment, but we also need a realistic income-based indicator for those who are in work.

Finally, we have to appreciate the impact that the reduction in rents will have on the building of additional social housing. Perhaps we need further capital investment by the Government to offset that.

A combination of higher wages, lower taxes, incentives to save and a lower dependence on welfare, with proper support, is the right way to go, but, as always, the details are essential, as is the phasing of the measures.

8.58 pm

John McDonnell (Hayes and Harlington) (Lab): I make this clear: I would swim through vomit to vote against the Bill, and listening to some of the nauseating speeches tonight, I think we might have to.

Poverty in my constituency is not a lifestyle choice; it is imposed on people. We hear lots about how high the welfare bill is, but let us understand why that is the case. The housing benefit bill is so high because for generations we have failed to build council houses, we have failed to control rents and we have done nothing about the 300,000 properties that stand empty in this country. Tax credits are so high because pay is so low. The reason why pay is so low is that employers have exploited workers and we have removed the trade union rights that enabled people to be protected at work. Fewer than a third of our workers are now covered by collective bargaining agreements. Unemployment is so high because we have failed to invest in our economy, and we have allowed the deindustrialisation of the north, Scotland and elsewhere. That is why the welfare bill is so high, and the Bill does as all other welfare reform Bills in recent years have done and blames the poor for their own poverty, not the system.

On Friday I brought together at a poverty seminar welfare advice agencies, local churches and religious groups to talk about why people in my constituency are poor. They are poor because rents are so high. People struggle to keep a roof over their heads. The welfare cap

in the Bill will remove £63 a week from those families who are simply trying to keep a decent home over their children's heads.

The second reason why people are poor is low pay. People in my constituency depend on tax credits to live. Parents choose whether they or their children eat, and the Bill will take £6 a week from every one of those families. The other reason for poverty in my constituency is that people have disabilities—they struggle to work but cannot do it. The Bill will take £30 a week from people with disabilities who are in the work support group and desperately trying to get work. Those are the reasons for poverty in my constituency, and I find it appalling that we sit here—in, to be frank, relative wealth—and are willing to vote for increased poverty for people back in our constituencies.

Some of the benefit cuts will be appalling. One measure not in the Bill but being sneaked through by the Government is a 30% cut in support allowances for asylum-seeker children. We are about to ensure that we push some of the poorest children in our society into further poverty.

We need an honest discussion about the reasons for that poverty and how we can invest to ensure that we lift people out of poverty. It is about some of the things that have been mentioned tonight, such as lifting wages. To come along and describe a derisory increase in the minimum wage as a living wage—we know that a living wage in this country is at least £10 an hour—is a disgrace to English rhetoric if nothing else. It is also rubbing it into the faces of the poor.

Tonight we have seen yet another way in which we blame the individual for the failings of our society. We need a proper debate about how we go forward investing in housing, lifting wages, restoring trade union rights and ensuring that we get people back to work and do not have high pockets of deprivation in areas such as mine and around the country.

Tonight the debate has not served the House of Commons well, but I say to Labour Members that people out there do not understand reasoned amendments; they want to know whether we voted for or against the Bill. Tonight I will vote against it.

9.2 pm

Marcus Fysh (Yeovil) (Con): In 2003 the former Member for Kirkcaldy and Cowdenbeath was spending 0.9% of GDP on tax credits. Under his stewardship that rose to 1.9% of GDP in 2010. By 2020, this Government will have brought that down again to 1.2%, which will still be one third more than the highest levels of spending on tax credits under Labour from 1997 to 2003.

I support the Government's desire to focus our welfare spending on those who are particularly vulnerable, and to make the system encourage work and people doing better at work. Welfare should be a safety net, not a net that ensnares those it is meant to help. People understand that welfare must be reformed, and even some Labour Members know that the system needs to change and that Gordon Brown's attempt to create a client state was wrong. His use of tax credits to flatter his relative poverty measure was disingenuous.

Abuse of welfare is something that people in Britain find distasteful. A week ago a constituent who has been diagnosed with a terminal illness came to me. He may

have a more difficult time under these measures, but he said, "I'm so glad that you are tackling this because the level of welfare is completely unfair on people who work."

The Bill is full of positive steps such as measuring the root causes of poverty and rightly emphasising the positive intent in calling the measurement process "life chances".

Helen Jones: Does the hon. Gentleman accept that the measures in the Bill do not recognise the fact that two-thirds of children in poverty are from families in work, and that the number of poor children in families in work, as a proportion of all children in poverty, has been increasing? It increased under his Government from 54% to 63% and he is not even going to measure that.

Marcus Fysh: We need to enable more people to get better work, and that is what my Government are focused on doing.

There are other very good measures in this package, such as keeping financial support for people in difficulty with their mortgages, and ensuring that people who claim benefits now face the same choices as people in work. We need to ensure that a job always pays better than welfare and turns life chances around.

It is telling that the Opposition are so divided on these issues, tabling conflicting amendments and saying they will come up with more later. Who knows what they will support in the end? What we do know is that the Liberal Democrats have for now, by their blanket opposition, moved further to the left than the Labour party and into the same basket as the SNP. No longer do they seem to have any intention of balancing the budget and rebuilding our finances.

I commend the Bill to the House.

9.6 pm

Melanie Onn (Great Grimsby) (Lab): The Bill as it stands will hurt some of the most vulnerable people in our society. I cannot support a Bill that abolishes the target for the Government to reduce and eradicate child poverty.

Lifting children out of poverty should be one of the primary duties of any Government. I am proud that the previous Labour Government made this issue a priority, introducing the Child Poverty Act 2010, and helping 1 million children out of relative poverty and 2 million children out of absolute poverty. We must be able to measure and monitor levels of child poverty. Progress has stalled in the past five years and it is outrageous that the Government want to scrap the child poverty targets just to save themselves the embarrassment of missing them.

During the previous Parliament, we saw support cut for families on low incomes, many of whom are in work. Cuts to tax credits hit households with children the hardest, with families losing thousands of pounds. Figures from The Children's Society show that 15,000 children in Grimsby were adversely affected by below-inflation rises in child benefit and by reductions in tax credits. Now, more than one third of children in my constituency are in poverty. In the East Marsh ward, the figure is close to one in two. Constituents, teachers and social workers in the town have reported to me

[Melanie Onn]

increased numbers of children arriving at school hungry and without school equipment, and whose school dinner is the only expected meal of the day.

It is not acceptable to balance the books off the backs of the poor; nor is it acceptable to backtrack on the work done in the past two decades to reduce deprivation while 2.3 million children are still living in poverty. I cannot support the removal of child tax credits from families with more than two children, and I cannot support a Bill that will remove protection from the most vulnerable young people. When I was 17, I needed assistance from the state because I did not have anywhere to live. The Bill will take away the very assistance from young people—very vulnerable young people—that I benefited from. Protections are not in place, and if Government Ministers had been in the position I was in, I doubt they would be proposing these changes.

Again, Labour has a record to be proud of on this issue. The previous Labour Government more than halved homelessness during our time in office. Since 2010, however, homelessness has gone up by 25%. I fear that removing housing benefit from under-21s could drive young people who have nowhere else to go on to the streets.

There is a driving narrative among Ministers and those on the Conservative Back Benches that people on benefits are making a lifestyle choice, and that when 18-year-olds leave school they make a choice between going to university, getting a job or going on benefits. The reality is that many young people find themselves in incredibly difficult circumstances, and they need to be supported. Whether they have fallen out of education, had to leave home because of a breakdown in a family relationship or been let down by the care system, we should not turn our backs on them. A Government who remove support from anyone in those circumstances are not, by any stretch of the imagination, a one nation Government. I urge them to think again about the effects the Bill will have on some of the most vulnerable people in our country, and to accept that the Bill needs to change.

9.10 pm

Graham Evans (Weaver Vale) (Con): The United Kingdom represents 1% of the world's population; it also has 4% of the world's wealth and accounts for 7% of the world's welfare. That is clearly not sustainable. During the last Parliament, I had the honour of sitting on the Work and Pensions Committee. We conducted several investigations and produced reports on Jobcentre Plus, the Work programme, universal credit, benefit sanctions and pensions reform. The Bill improves on the work done in the last Parliament.

Everyone with the ability to work should be given the support and opportunity to do so. The previous system wrote off too many people and left too many trapped in a cycle of welfare dependency. Over the past five years, the number of people in Weaver Vale claiming jobseeker's allowance and universal credit while not in employment fell by more than 1,000—a 51% drop. This Government's long-term economic plan is clearly working for Weaver Vale by getting people off a life on benefits and back into work.

Welfare reform is not just about saving money; it is about transforming lives. Employment has been this Government's real success, with 2 million more jobs, and with 1,000 jobs created each and every day during the last Parliament. We understand that the route out of poverty is not through welfare; poverty can be left behind only through work. The Office for Budget Responsibility has predicted that a further 1 million jobs will be created over the next five years, but we are the party of ambition and we want to go further. The Bill is working to a target of full employment.

I have held four annual jobs and apprenticeship fairs in Weaver Vale, and I have plans for more. The fairs involve bringing together local and national employers to showcase the job and apprenticeship opportunities they have available. Hundreds of jobseekers attend the events and benefit from seeing what is on offer and hearing first-hand accounts of how others have managed to get off welfare and into work.

The Jobcentre Plus and employment support schemes that were introduced in the last Parliament, which are being expanded in the Bill, underpin our success in getting people off benefits. With the jobcentre's help and guidance, most people move off jobseeker's allowance quickly, with more than 75% of people ending their claim within six months. The minority of people who have been on jobseeker's allowance for a longer time finish the Work programme and move on to the help to work scheme, in which they have to take up one of three different types of intensive support depending on what is preventing them from finding work. That could involve a daily meeting with their jobcentre adviser or taking up a new activity to improve their skills base. Previously, a claimant needed to attend only once or twice a week. Claimants whose lack of work experience is felt to be holding them back from finding a job might be asked to undertake a placement in their local community.

For jobseekers with multiple or complex barriers to work, the Jobcentre Plus advisers spend more time with the claimant looking at how to tailor back to work support. The help to work scheme is rightly mandatory, and those who fail to participate face financial sanctions. Conditionality remains a necessary part of the benefits system and is still one of the most effective tools for encouraging engagement with the employment support programmes at Jobcentre Plus.

The Bill continues the work of my right hon. Friend the Secretary of State in the last Parliament on restoring to the core of Britain's welfare system the ethos that it always pays to work. The reforms are transforming the lives of some of the poorest families in our communities and giving people the skills and opportunities to get on in life and stand on their own two feet.

9.13 pm

Nia Griffith (Llanelli) (Lab): In order to keep to the time limit, I will turn immediately to the Government's intention to increase the tax credits withdrawal rate—the taper—from 41% to 48%, and to the cut in the tax credits income threshold from £6,420 to £3,850 a year. Those are two of the most damaging and far-reaching changes, and the Government are determined to press ahead with them, but in fact they are not in the Bill. They will be dealt with in secondary legislation, yet they will have an enormous impact on family incomes, and the Bill needs to be considered in the context of those changes.

Increasing the taper from 41% to 48% will make it less attractive to seek more hours of work and will produce a marginal rate of tax higher than that paid by those on the 45% additional tax rate—those earning more than £150,000. Combine that with the cut in the tax credits income threshold—the point at which the withdrawal of tax credits begins—from £6,420 to £3,850, and people working on low incomes will be hard-hit. Furthermore, those earning just above £7.20 an hour, the new minimum wage from next spring for over-25s, will gain nothing. Figures from Citizens Advice show that a couple with one child, one working 37 hours a week and the other working 18.5 hours a week, both on £8 an hour, will lose £464 per annum; a similar couple with two children will lose £2,400; and a single parent with two children, who works full time, will lose £1,862. That is no way to treat those working hard on low incomes and with little prospect of getting better-paid work.

I am absolutely opposed to limiting child tax credits to two children. What if a family's income suddenly drops? If one earner loses a reasonably paid job and only finds a replacement job on much lower pay, the family might become eligible for tax credits, but they will not be eligible for the family element or anything for the third child. What about cases of family break-up, in which one parent—usually the mother—is left with sole responsibility for three or more children? The whole point of providing tax credits for children is that a child needs support, no matter how the family income has fallen in hard times.

The Secretary of State has talked about education and about better-paid jobs being ways out of poverty, but first a child needs food to develop healthily and clothes to wear at school. Only one in seven families in the UK have three or more children, and nine out of 10 families with three or more children have one adult in work. We should make sure that every child has food and clothing and provide support where family incomes are low.

The Secretary of State justifies the extension of conditionality to single parents of three and four-year-olds by saying that the Government will roll out additional childcare, but we already know that their manifesto promises on childcare are being postponed. The provision of childcare is devolved to the Welsh Government, so the change presupposes, or assumes, that the Welsh Government will provide exactly the same support, but that Government have extended the Flying Start scheme while the Tory Government have slashed Sure Start centres in England. They should not be introducing measures contingent on spending on specific provision by the Welsh Government without discussion with Welsh Ministers and the appropriate Barnett consequential funding.

I am also concerned about the freeze on payments such as tax credits and jobseeker's allowance that the Bill will enshrine in legislation. That comes on top of previous freezes implemented since 2010. Never before this Secretary of State came to office was the link between benefits and inflation broken; there was always uprating to reflect inflation, even in the time of Margaret Thatcher. The way to reduce benefits bills—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order.

9.17 pm

Simon Hoare (North Dorset) (Con): When viewed alongside the recent Budget, this important Bill shows a clear determination among Conservative Members and the Government to recalibrate Britain and our society in a way that is to be welcomed for the reasons that many of my right hon. and hon. Friends have given.

I support the Bill wholeheartedly, but many Members will be looking for further detail and clarity as it progresses. In particular, I draw Ministers' attention to carers and the need to ensure that local authorities have enough money to deliver the troubled families programme, which I welcome. Additional thinking also needs to be given to the condition regarding a woman having to prove rape. That is an enormously sensitive issue on which further work and clarity are needed.

Government Members have sat and listened to this debate in amazement. In the speeches of Opposition Members, Ministers have resembled the four horsemen of the apocalypse, riding through the town, with the firstborn having to be sold and vital organs having to be cut out to pay the bills. It has been a debate riven by ideology; not the ideology of the Government, who have approached the Bill as a pragmatic and one nation Government, but the ideology of the left—both the separatists and the Labour party—which believes that welfare is and should be a lifestyle choice. I do not know which planet some Opposition Members are living on if they do not believe that certain people in society have made a choice. Under the system that has been allowed to emerge under Governments of both colours, welfare has ceased to be a safety net and has become a way of life. Let us return to the welfare system that Beveridge envisaged: a helping hand up, and a safety net below which no fellow citizen should fall.

Some may want to wade through vomit, like the hon. Member for Hayes and Harlington (John McDonnell), but I suggest that the hon. Gentleman is wading through the primeval swamp, for the Labour party is clearly in disarray. No Labour leadership contender was prepared to put his or her name to either the Opposition or the rebel reasoned amendment.

I listened with great attention to the Scottish nationalists this afternoon. I listened with great attention because, according to the press, they can no longer say their Rs. Well, they could certainly say their Rs today, but I am afraid that, when it comes to welfare reform and economic management, they do not know their Rs from their elbow.

The Bill will reward work, incentivise our fellow citizens, and, most importantly, deliver fairness to hard-working families and the taxpayers who have to pay the bill at the end of the day. My right hon. Friend the Secretary of State has worked hard on this Bill, and it deserves the full support of the House.

9.21 pm

Carolyn Harris (Swansea East) (Lab): It is hard to see how the changes contained in the Bill will not result in hardship for the most vulnerable families. We know that the cuts in tax credits will have a serious impact on working families earning low wages, and that neither the increased minimum wage nor the higher personal allowance will plug the gap. We also know that there will be less support for families with more than two children, which will push even more larger families into poverty.

[Carolyn Harris]

As usual, however, the devil is in the detail. Behind the headline reduction in the household benefit cap to £20,000 outside London is something else that the Government are doing. Proposed new subsection (4) in clause 8 will allow the Secretary of State to change the cap at any time, without consulting Parliament. It grants the Secretary of State significant powers, and provides for no scrutiny whatever. In effect, it means that the Government could continue to lower the cap time and again, rendering more and more families unable to make ends meet, and forcing more and more children into poverty. I urge the Government to reconsider their decision, and—as was suggested by my right hon. Friend the Member for East Ham (Stephen Timms)—to amend the Bill so that Parliament will be able to play a role in scrutinising, debating and voting on any further changes to the cap.

Given that the Bill will make many more families significantly worse off, it is not surprising that the Government no longer want to measure how many children are living in income poverty. The headline measure in the Child Poverty Act 2010, which was passed with cross-party support, is 60% of median income. That measure is internationally recognised and allows for monitoring and transparency. However, the Government want to scrap it and replace it with a measure of workless households and educational attainment. Given that 65% of children in poverty live in a household where at least one adult works, I believe that changing the definition of child poverty is an attempt to avoid scrutiny of in-work poverty. Let us be clear about what that means. Clause 4 will repeal the Child Poverty Act in all but name, but deleting the term “child poverty” from the statute book will not make the problem go away. Changing the definition does not mean that parents working on zero-hours contracts and receiving the minimum wage will not have to rely on food banks to feed their children.

The Bill sends the message that child poverty does not matter, and that as long as parents are in work, we need not worry about whether they can afford to feed and clothe their children. For that reason alone, I will vote against the Bill.

9.24 pm

Helen Whately (Faversham and Mid Kent) (Con): This Bill, in combination with the summer Budget, asks us to make three choices. It asks us to think about what sort of society we want to live in, the place of welfare in that society and whether welfare should be a way of life. It asks us to think about the relationship between the state, employers and labour. It also asks us about our tolerance for people being better off on welfare than in work. I know where I stand on those three issues, but I have heard that some on the Opposition Benches are wavering.

On the first of those questions—what sort of society we want to live in and the place of welfare in that society—I am pretty sure we have a consensus that welfare should be a safety net and should be a hand-up rather than just a handout, but that means that a benefit such as child tax credits, which nine out of 10 families are receiving, simply cannot be right. Either a benefit should be universal, as with the NHS, or it should be to help

those in trouble, but this one is at present stuck somewhere in between. It is absolutely right that we should move towards tax credits being for far fewer families—five out of 10 families in due course—but arguably we should go further, because in future people’s incomes should cover their cost of living. That is the direction we are going in with the living wage going up towards £9 an hour in 2020.

On the second question—the relationship between the state, business and labour—right now we have a high employment society, but we have a problem of low pay topped up by the state combined with low productivity. We need to move to a situation in which people have a decent wage and businesses keep more of their earnings through there being lower tax, with those earnings being reinvested in the workforce. We will then have a workforce that receive higher pay and that are worth more to their employers, who invest more in their workforce. That is a much better economy to have, with people being better paid and more productive.

The third question—our tolerance of people being better off on welfare than in work—was, I am sure, a real sticking point for all of us on the doorsteps. We got a very clear message from the voters at the election that it is not right for people to be better off on welfare than in work. It is a huge source of resentment when people see they are paying taxes that support somebody in a lifestyle they cannot afford. A couple might stop at having one or two children when they would like to have more but they realise they cannot afford it.

Angela Crawley: Will the hon. Lady give way?

Helen Whately: I am sorry but we are short of time, so I will keep going.

It is right that those out of work or receiving benefits should face the same tough choices as those in work and living off their income. Three wards in my constituency are among the most deprived 20% in the country, and since becoming an MP I have prioritised spending time with my citizens advice bureau and local food bank. In the past I have worked as an outreach worker for the homeless, so I do really care about this subject—it is not just something I feel I should say.

It is critical to recognise the three principles of the Bill: that the best way out of poverty is work; that we have a better economy when we have people on higher pay with lower taxes and there is higher productivity as well as high employment; and people should be better off in work than on welfare. That is not just to do with incentives; it is about being one nation, with everyone having a shared stake in the nation’s prosperity.

9.28 pm

Jim Shannon (Strangford) (DUP): We in the Democratic Unionist party have been outspoken in our opposition to welfare reform and I rise to continue that. The reforms outlined today are too stringent to work, and we fear that the most vulnerable and the needy will suffer. Those who need the help will struggle and, whether the Government want to admit this or not, I see people in my advice centres who will be worse off. I see people who are on disability allowances for a very good reason—who need to pay for carers and who cater for the day-to-day needs of their family. This is a matter of their being ill and needing help.

I believe passionately that we have a responsibility to help those who are less well off. I support the international fund that helps developing countries, and I advocated and voted for its retention. How can I do that and then stand here tonight and not advocate on behalf of those in need in my constituency? I am aware of those who take advantage and play the system, but I am aware also of those who do not, and it is for those people that I stand here tonight and make these comments.

Tonight Sinn Féin Members, who do not attend this Chamber, will be sitting at home talking about austerity but they will not be here to vote against it. They will be sitting watching this on TV, not here on these green Benches to register their opposition. I understand why people at home may be upset. Their quality of life may well be affected. It is up to us in this place to ensure that it does not dip below a certain standard, although I fear the standard may well be too low at this moment in time. I believe in compassion and in the need to understand other people.

In Northern Ireland we have a legacy from the troubles of mental health issues, underlined by the latest report from the University of Ulster on behalf of the commission for victims and survivors. It states that 30% of the population have mental health issues as a result of the troubles; that 7% indicated they had been injured during them; and that a further 36% said a close relative or friend had either been injured or killed. Putting all those figures together, it implies that in the early years of this decade, about 500,000 people had been affected by the conflict in some way. Those figures are enormous and, under these welfare reforms, those people in Northern Ireland will be directly affected.

The bedroom tax has been an issue, and the supplementary payment fund will definitely hit hardest the people who can least afford it. One of my main concerns is the predicament that families and, especially, children will find themselves in. I shall read the words of the chief executive of Barnardo's, which need repeating in this Chamber:

“Beyond the well-publicised cuts to tax credits, which will leave many families on low wages struggling to buy basics, the government also plans to cap benefits. For the moment this will be £20,000 (£23,000 in Greater London), but a clause in the bill allows the government to change the amount in future too—without consulting parliament. This paves the way for the threshold to sink ever lower, consigning children from larger families to the breadline without scrutiny. The most worrying element is the decision to ditch the government's duty to end child poverty by 2020. Instead this bill would redefine ‘poverty’, scrapping income as the way we measure being poor and replacing it with worklessness. Given that two-thirds of our poorest children already live in ‘working’ families, this is a completely unacceptable way to measure hardship.”

That is a concern for me; it should be a concern for everybody in this Chamber; we wonder whether it is a concern for the Government.

I stand again with my colleagues and say I cannot support the Bill. I cannot support a Government who persist with this agenda, no matter what the consequences. We in the DUP will say “no” tonight. This Bill will affect the disabled; it will affect children; it will affect those in society whom we are bound to protect. The Government are targeting those who can least afford it. This is too much, too far and is totally unacceptable.

9.32 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): This is a wicked Bill. It punishes the sick, the disabled and the poor. Not content in the last Parliament with cutting £23.8 billion from 3.7 million disabled people as part of the Welfare Reform Act 2012, the Government are going for even more. Clause 13 cuts the amount of employment and support allowance that disabled people who are in the work-related activity group, and who have been assessed as not currently fit for work, can get. They will have their income cut from £102.15 a week to £73.10 a week.

The implication is that these measures will incentivise people with disabilities to find, stay and progress in work. There are currently 7 million working-age disabled people, 4 million of whom are working, but although 1.3 million are able to work and want to work they are currently unemployed. The Government say they want to halve that disability employment gap, but how will they do it? With currently only one disability employment adviser for every 600 disabled people, what additional support will be given to help disabled people to get an interview? How are the Government going to address the attitudes that often prevent people with disabilities from even getting a job interview? Given that 90% of disabled people used to work, what will the Government do to support newly disabled people leaving the labour market prematurely?

The chaos and inadequacy of the specialist employment service, Access to Work, which last year supported just 35,000 disabled people into and at work, just does not cut it. The Select Committee undertook an inquiry in this area of work last year and is still awaiting the Government's response to its report. When will that be published? How can the Government really be taken seriously? Why has the money from the Remploy factory closures, which was meant to be invested in Access to Work, not been used to provide vital support for disabled people?

The cuts in support to disabled people fail to recognise the additional costs disabled people face as a result of their disability. The Extra Costs Commission analysed the additional support and found that on average disabled people spend an extra £550 per month on things associated with their disability. It comes as no surprise that people with disabilities are twice as likely to be living in persistent poverty as non-disabled people, and 80% of disability-related poverty is caused by these extra costs. Last year, the number of disabled people living in poverty increased by 2%, which equates to more than 300,000 people. This has implications not just for disabled people themselves, but for their families. A third of all families living in poverty include one disabled family member. In addition to these cuts, we have seen a four-year freeze in other benefits that many disabled people receive, including housing benefit, local housing allowance, universal credit and JSA. How does that fit with the Tory pledge to protect disabled people's benefits?

The Bill removes the duty for the Government to meet targets to reduce child poverty, saying, in effect, that ending child poverty is no longer an important goal. The Bill replaces the use of “relative child poverty” with a confused definition of child poverty determinants. The worsening inequalities that are facing this generation are becoming intergenerational. With that in mind, and recognising the Government's legal obligation under

[Debbie Abrahams]

the Equality Act 2010, when will they produce a cumulative impact assessment? That has been piloted already and needs to happen.

9.36 pm

Mark Durkan (Foyle) (SDLP): As my hon. Friend the Member for South Down (Ms Ritchie) indicated, we will vote against this Bill. I also have to say that I cannot accept all the reasoning in the amendment, so we will not support the reasoned amendment either.

Many people in this debate have made a number of points about this Bill. It removes even the term “child poverty” from the Child Poverty Act 2010. The Government’s answer to eradicating child poverty seems to be to delete all statutory references to child poverty. That is their policy on ending child poverty. Of course, that has an impact not only on policies here—where there is accountability to this House—but on devolved policies. Did any consultation take place with the relevant devolved authorities, whose positions are changed by virtue of this Bill, if it passes into law?

More importantly, I am here because, like many Government Members, I want to see that work always pays, but unlike them I am conscious of the fact that I will have thousands of constituents for whom work will pay less as a result of this Bill. People who are on working tax credits will see their position worsen. We see that by the changes to the income threshold and to the taper, which will mean a difference of more than £100 a month to many people, straight off, just from those changes alone. Other people will be affected by the freeze on other benefits. They include people who are not in work, but it also affects people who are in work. It is as though the Government looked at all the speculation a number of weeks ago about what they would do and whether they would go for freezes, for cuts or for caps, or whether they would change the thresholds. The answer is that all of the above are in this Bill. The bottom line is billions of pounds of welfare cuts, which will affect not just the Budget in overall terms in the way the Government want, but family budgets in crucial and biting ways.

In addition, the Bill introduces the two-child policy. We know that Conservative Members will say, “Well, at least it is not quite Vulgarian and you don’t have to hide your first two children. Therefore it’s all right.” But the fact is that the Conservative party was not saying there should be a two-child limit when it came to the child tax allowances that it put through in legislation in the last Parliament. There, £2,000 of childcare payments a year can be paid for every single child; there are no limits on the number of children for that, and of course we know that 80% of the beneficiaries of those childcare payments will be in the top 40% of the income bracket. No, it is two children only here, and people have to think about their choice when they are not in that income bracket. That is why this Bill is fundamentally unjust.

Basically, this Bill proposes a poverty tax. In the previous Parliament, many Government Members valiantly rebelled when it came to Budget measures on things such as the “caravan” tax and the “pasty” tax. There is no sign of any of them rebelling on the poverty tax that will hit hard-working families in their constituencies.

There is no sign of any of them rebelling over the dishonest way in which this Bill treats disabled people. Yes, disability premiums might be protected, but not the wider benefits that people are on, so disabled people will see their benefits go down as a result of these measures. They will be told, “Oh no, but we protected your disability premium.” That will be a fat lot of comfort when their overall income goes down as a result of these measures. There is no point in pretending to them at that stage that the tyre is only flat at the bottom; and that the comfort is in the fact that their disability premium is protected. There has been no follow through on the promises that were made to carers. Any of the promises that are still being made to carers are not reflected in this Bill.

9.40 pm

Kate Green (Stretford and Urmston) (Lab): This evening, we have seen the Conservatives breaking their promises to protect the poorest, to reward hard work, to protect disability benefits, and to address relative poverty. Parents, disabled people and millions of children will bear the brunt of the Government’s policies. Working families will be worse off as a result of measures in this Bill and in the summer Budget. As my right hon. Friend the Member for Birkenhead (Frank Field) has said, they will be worse off by as much as £1,000 per year. As numerous Opposition Members have said, including my hon. Friends the Members for Llanelli (Nia Griffith) and for Swansea East (Carolyn Harris), the new increase in the minimum wage does not compensate sufficiently for the loss of tax credits. The Budget makes a mockery of the Tories’ claim to be the party of working people.

However, there are some measures in the Bill that the Labour party welcomes. We support the ambition for full employment and we welcome the provisions to report on that and the apprenticeships reporting obligation. We will insist on an ambitious full employment target, set at a rate of 80% of the working age population. We will require the Commission for Employment and Skills to report on the quality as well as the quantity of apprenticeships, which was acknowledged by a number of Members, including the hon. Members for Norwich North (Chloe Smith) and for Enfield, Southgate (Mr Burrowes).

Although we recognise the Government’s worthy ambition to halve the disability employment gap, the reporting mechanisms must also set out progress in ensuring that disabled people gain employment and have access to apprenticeships. We also support the reporting obligations in relation to troubled families, although we will seek to ensure that they, too, are strengthened.

I turn to the household benefit cap, which Labour has supported to ensure that people are better off in work. It was Labour that first called for a regional dimension to the benefit cap to recognise high-cost areas. But the cap must operate in a way that protects the most vulnerable, including carers, those looking after young children and victims of domestic violence. The decoupling of the level of the cap from earnings means that the Secretary of State will have an alarmingly wide discretion to set the level, with little scrutiny by Parliament.

As my right hon. Friend the Member for East Ham (Stephen Timms) has said, we will be tabling amendments to address those concerns. As Parliament has both a

right and a duty to scrutinise the policy, we will require the level of the cap to be reviewed every year, based on an annual report on its impact, especially on child poverty.

We also agree that those who can work have a responsibility to do so, but the changes in work requirements for parents whose youngest child is aged three or over must come with guarantees of childcare and protections for lone parents. Although we support the provisions in relation to loans for mortgage interest, we will want to examine them closely. We also want to examine the provisions on social housing rents for their impact on housing supply, including, as my hon. Friend the Member for Easington (Grahame M. Morris) said, on specialist housing provision. We will require the Government to produce a plan to ensure the supply of affordable homes and the maintenance of existing housing stock.

Those are measures we can accept and build on, but as my right hon. Friend the Member for East Ham said, other elements of the Bill present significant problems. Of course we accept the need to make savings, but we do not support a four-year freeze on benefits, which will cost 13 million families £260 a year on average, of which 7.4 million are working families losing £280 a year. Uprating should take place annually to take inflation into account.

Labour Members deplore the provisions to airbrush child poverty from the statute book and to repeal the provisions of the Child Poverty Act 2010 relating to poverty targets. The abolition of the child poverty targets is a disgraceful betrayal of millions of children by a Conservative party that previously said it was signed up both to the legislation and to the relative poverty goal, but perhaps we should not be surprised. Under Tory Governments between 1979 and 1997, child poverty doubled. Between 1999 and 2010, under Labour, the number fell by more than 1 million children. There was a further fall in the first year of the coalition Government, thanks to the continuation of measures put in place by Alistair Darling, but thereafter relative poverty has flatlined—there has been no progress whatsoever—while absolute poverty, disgracefully, has risen.

Although I can accept that there is an important set of measures relating to life chances to be looked at, it is simply wrong to overlook the importance of income poverty. Indeed, the Child Poverty Act encompasses both, with four complementary measures of income poverty and specific recognition of the need for strategies on parental employment, housing, health, education, advice, childcare and support for parenting. We will not stand by and allow the Government to turn their back on Britain's 2.5 million poor children, two thirds of whom—shamefully—live in working families, as my hon. Friend the Member for Warrington North (Helen Jones) pointed out.

I come to the changes to child tax credit and payments for children in universal credit. My right hon. Friend demonstrated myriad unfairnesses in the provisions, including the differential treatment of children in families in receipt of universal credit and tax credits, the effect on disabled children, and the complete failure of Conservative Members to realise that child tax credit is paid to families both in and out of work. We understand that people have choices to make and are responsible for the children they bring into the world, but it cannot be right that children are penalised for circumstances

over which they have no control. Furthermore, family circumstances change: few people set out to have children they cannot care for; few lone parents set out to bring up their children alone; unplanned pregnancies happen, as do multiple births or the birth of a disabled child; jobs are lost, people get sick, incomes fall, parents die or become unable to care for their children, and others step in to foster, to adopt or to offer kinship care. Child tax credit helps families in those circumstances. It is the duty of this House to ensure that children are protected, whatever their circumstances, and Labour will table amendments to ensure that that happens.

I turn to the provisions on disabled people and the work-related activity group, which were raised by the hon. Members for Stafford (Jeremy Lefroy), for Airdrie and Shotts (Neil Gray), for East Antrim (Sammy Wilson), for Enfield, Southgate, for Gloucester (Richard Graham), for Amber Valley (Nigel Mills) and for Glasgow East (Natalie McGarry), as well as my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) and many others. Let us be clear: those provisions apply to people who have undergone the work capability assessment and been found to be not fit for work—people with degenerative conditions such as cystic fibrosis, multiple sclerosis and Parkinson's disease, people with serious mental health problems and people who are suffering from cancer. They are not well enough to work, so, rightly, they are not required to look for work. They are signed off sick by their doctor, and employers do not even want them in the workplace. The idea that such seriously sick people should be “incentivised” to work is not just offensive but misconceived. The incentive will, if anything, be truly perverse, encouraging more people to be placed in the support group.

If the Government believe that something is wrong with the work capability assessment, they should sort out the assessment process. If they believe that we should offer more support to disabled people to get back to work, we can only agree. But slashing their benefit by £30 a week is not going to help those with serious, long-term health barriers to working. It will not make them well or get them jobs; it will just make them poorer.

In conclusion, this Budget and this Bill will increase poverty, hurt disabled people and seriously damage work incentives. That is why we are asking the House to support our reasoned amendment so that we have the chance to make this a Bill that protects the vulnerable, especially children, while ensuring that work always pays. I commend our amendment to the House.

9.50 pm

The Minister for Employment (Priti Patel): It is a pleasure to conclude this extensive debate on the Welfare Reform and Work Bill, and I thank all hon. Members who have contributed. Two weeks ago the Chancellor's Budget was a key moment in the Government's plan for a one nation Government. It was a Budget underpinned by the Government's approach to rewarding work and supporting aspiration. It was a Budget that supported working people through the introduction of the new national living wage, providing greater financial security to working families, which the Labour party has not supported, just as it failed to support our reform measures last time around.

[Priti Patel]

The Bill, alongside other measures, will ensure that the welfare system is fair to taxpayers while supporting the most vulnerable, and, as all hon. Members on the Government Benches have said, ensuring that work always pays more than a life on benefits. It will ensure that the economy is based on higher pay, lower taxes and lower welfare.

The Bill will continue to tackle the unsustainable and unfair system we inherited from Labour. When Labour was in government, welfare spending went up by 60% and the benefits system cost every household £3,000 a year. Under Labour, a life on benefits paid more than having a job. That is the system that this Conservative Government are now reforming.

After opposing every welfare reform in the previous Parliament, and voting against the benefit cap, Labour's acting leader appeared at some stage to acknowledge where her party failed in its approach when she said that it would no longer pursue blanket opposition but would instead respond to what the public were saying. The Opposition have since retreated and gone back to a belief in an unaffordable welfare state that is far removed from the original principles outlined by Beveridge.

That is in stark contrast to our reforms. Our policies and our approach have led to the creation of record numbers of jobs, and the number of children being brought up in workless families is now at a record low. From Birkenhead to Amber Valley, and from Islington South to Weaver Vale, we have seen the claimant count fall from the record highs under Labour, with reductions ranging from 36% to 62% since 2010. Those jobs are the result of policies that support working people, create financial security and bring fairness back into the system.

Let me address the points raised in the debate. My hon. Friends the Members for Enfield, Southgate (Mr Burrowes) and for Weaver Vale (Graham Evans) spoke about encouraging and rewarding work being a guiding principle of the Bill, and they were quite right. The Bill focuses on achieving full employment. My hon. Friends the Members for Erewash (Maggie Throup), for Cannock Chase (Amanda Milling) and for Horsham (Jeremy Quin), along with many others, spoke about the value of apprenticeships.

Colleagues also spoke about reforming employment and support allowance and how we will continue to halve the disability gap and transform people's lives by empowering them to make choices in the same way as those in work do, which failed to happen under the previous Labour Government.

We know that 61% of those in the work-related activity group want to work, but only 1% of people in that group actually leave the benefit each month. The system has failed them, with financial disincentives leaving them trapped on welfare. We will ensure that that changes. We will provide new financial support to get them into employment, increasing that to £100 million by 2020-21.

Many Members spoke about child poverty. I thank my hon. Friends the Members for Hertsmere (Oliver Dowden), for Norwich North (Chloe Smith), for Mid Dorset and North Poole (Michael Tomlinson) and for Cheltenham (Alex Chalk) for their thoughtful contributions.

It is right that we identify and tackle the root causes of poverty, rather than focusing on the symptoms. The Bill will amend the Child Poverty Act 2010 and focus on the root causes and, importantly, life chances, which will drive action and changes in the lives of children.

As colleagues on the Opposition Benches have failed to acknowledge, work is the best route out of poverty. Some 74% of poor workless families who have found work have escaped poverty. Of course income is important, but we know that tackling the symptoms and the causes is crucial. Rather than the arbitrary targets that everyone on the Opposition Benches seems to want to produce, we will continue to publish the households below average income statistics alongside the new statutory measures for a wider suite of life chances measures, including family breakdown, debt and addiction, as outlined earlier by the Secretary of State. Together, this will present fuller data on poverty and life chances, which can be used to hold the Government to account as we address the root causes of poverty, rather than the symptoms.

On the changes to tax credits, it is right that families on benefits should have to make the same financial decisions as families supporting themselves solely through work. I emphasise that child benefit will continue to provide additional support for the first child. There are no cash losers, contrary to what Opposition Members have been saying.

We have been bringing welfare spending under control to a sustainable level. That is at the heart of the Bill. It will correct the disproportionate, unfair and unaffordable rises in benefits compared with earnings by freezing working age benefits. The Bill will rightly protect taxpayers—the very taxpayers whom the Labour party chose to ignore during the general election campaign and towards whom Opposition Members have shown contempt—from the costs of subsidising rising social housing rents through housing benefit.

The Bill will restore fairness to the system and fairness to working families, as outlined by my hon. Friends the Members for South Suffolk (James Cartledge) and for Faversham and Mid Kent (Helen Whately). It is not fair for someone on benefits to be receiving—[*Interruption.*]

Mr Speaker: Order. There are far too many noisy conversations taking place in the Chamber. The hon. Member for Ealing North (Stephen Pound) should get a grip of himself.

Priti Patel: It is not fair that someone on benefits receives more than many people in work. The benefit cap reintroduces fairness. We are turning support for mortgage interest into a loan. The welfare system is not about supporting lifestyles and rents that working families cannot choose. This is why we are limiting support through child tax credits and universal credit. We are also, as the Bill clearly states, continuing to ensure that the welfare system will support the elderly, the vulnerable and the disabled by protecting pensioners and benefits relating to the additional costs of disability from the freeze on working age benefits. We are making the most vulnerable disabled people exempt from the household benefit cap, a point that seems to have been lost on the Opposition. While we are reforming the ESA WRAG so that the right incentives and the right support are in place for those who are capable of taking steps back to work, we will continue to protect the most vulnerable.

If nothing else, today's debate has shown that the Labour party has not changed. Labour Members continue to make the same mistakes as they did in the last Parliament, when they refused to support every aspect of welfare reforms that we proposed. Today we heard them make the same speeches as they made back in 2010, 2011 and 2012. They speak against reform.

Unlike the views of the Opposition, our proposals resonate with the British public. When three in four people—and the majority of Labour voters—think that Britain spends too much on welfare, the right approach must be one that enshrines the fundamental principle that it is better to earn a higher income from work than receive a higher income from welfare. This Bill will help people do just that. It will establish the principle of economic security, so that those who work hard and do the right thing are able to get on in life. It will ensure that the welfare system is fair to taxpayers and it will build an economy based on higher pay, lower taxes and lower welfare. I commend this Bill to the House.

Question put. That the amendment be made.

The House divided: Ayes 208, Noes 308.

Division No. 50]

[9.58 pm

AYES

Abrahams, Debbie	Cunningham, Mr Jim
Ali, Rushanara	Dakin, Nic
Allen, Mr Graham	Danczuk, Simon
Ashworth, Jonathan	David, Wayne
Austin, Ian	Davies, Geraint
Bailey, Mr Adrian	De Piero, Gloria
Barron, rh Kevin	Dodds, rh Mr Nigel
Beckett, rh Margaret	Donaldson, rh Mr Jeffrey M.
Benn, rh Hilary	Doughty, Stephen
Berger, Luciana	Dowd, Jim
Betts, Mr Clive	Dowd, Peter
Blackman-Woods, Dr Roberta	Dromey, Jack
Blenkinsop, Tom	Dugher, Michael
Blomfield, Paul	Eagle, Ms Angela
Bradshaw, rh Mr Ben	Eagle, Maria
Brake, rh Tom	Efford, Clive
Brennan, Kevin	Elliott, Julie
Brown, Lyn	Ellman, Mrs Louise
Brown, rh Mr Nicholas	Esterson, Bill
Bryant, Chris	Evans, Chris
Buck, Ms Karen	Farrelly, Paul
Burden, Richard	Farron, Tim
Burnham, rh Andy	Field, rh Frank
Butler, Dawn	Fitzpatrick, Jim
Byrne, rh Liam	Flelo, Robert
Cadbury, Ruth	Fletcher, Colleen
Campbell, rh Mr Alan	Flint, rh Caroline
Campbell, Mr Gregory	Flynn, Paul
Carmichael, rh Mr Alistair	Fovargue, Yvonne
Champion, Sarah	Foxcroft, Vicky
Chapman, Jenny	Gapes, Mike
Clegg, rh Mr Nick	Gardiner, Barry
Clwyd, rh Ann	Glass, Pat
Coaker, Vernon	Glindon, Mary
Cooper, Julie	Godsiff, Mr Roger
Cooper, rh Yvette	Goodman, Helen
Cox, Jo	Green, Kate
Coyle, Neil	Greenwood, Lilian
Crausby, Mr David	Griffith, Nia
Creagh, Mary	Gwynne, Andrew
Creasy, Stella	Haigh, Louise
Cruddas, Jon	Hanson, rh Mr David
Cryer, John	Harman, rh Ms Harriet
Cummins, Judith	Harpham, Harry

Harris, Carolyn	Perkins, Toby
Hayes, Helen	Phillips, Jess
Hayman, Sue	Phillipson, Bridget
Healey, rh John	Pound, Stephen
Hendrick, Mr Mark	Powell, Lucy
Hillier, Meg	Pugh, John
Hodge, rh Margaret	Qureshi, Yasmin
Hodgson, Mrs Sharon	Reed, Mr Jamie
Hoey, Kate	Reed, Mr Steve
Hollern, Kate	Reynolds, Emma
Howarth, rh Mr George	Reynolds, Jonathan
Hunt, Tristram	Rimmer, Marie
Huq, Dr Rupa	Robinson, Mr Geoffrey
Irranca-Davies, Huw	Rotheram, Steve
Jarvis, Dan	Shah, Naz
Johnson, rh Alan	Shannon, Jim
Johnson, Diana	Sharma, Mr Virendra
Jones, Gerald	Sheerman, Mr Barry
Jones, Helen	Sherriff, Paula
Kane, Mike	Shuker, Mr Gavin
Keeley, Barbara	Siddiq, Tulip
Kendall, Liz	Skinner, Mr Dennis
Khan, rh Sadiq	Slaughter, Andy
Kinahan, Danny	Smeeth, Ruth
Kinnock, Stephen	Smith, rh Mr Andrew
Lamb, rh Norman	Smith, Angela
Lammy, rh Mr David	Smith, Cat
Leslie, Chris	Smith, Jeff
Lewell-Buck, Mrs Emma	Smith, Nick
Lewis, Clive	Smith, Owen
Lewis, Mr Ivan	Smyth, Karin
Long Bailey, Rebecca	Starmar, Keir
Lucas, Ian C.	Stevens, Jo
Lynch, Holly	Streeting, Wes
Madders, Justin	Stringer, Graham
Mahmood, Mr Khalid	Stuart, Ms Gisela
Mahmood, Shabana	Tami, Mark
Mann, John	Thomas, Mr Gareth
Marris, Rob	Thomas-Symonds, Nick
Marsden, Mr Gordon	Thornberry, Emily
Maskell, Rachael	Timms, rh Stephen
McCabe, Steve	Trickett, Jon
McCarthy, Kerry	Turley, Anna
McDonagh, Siobhain	Turner, Karl
McDonald, Andy	Twigg, Derek
McFadden, rh Mr Pat	Twigg, Stephen
McGinn, Conor	Umunna, Mr Chuka
McGovern, Alison	Vaz, rh Keith
McInnes, Liz	Vaz, Valerie
McKinnell, Catherine	Watson, Mr Tom
Meale, Sir Alan	West, Catherine
Miliband, rh Edward	Whitehead, Dr Alan
Moon, Mrs Madeleine	Williams, Mr Mark
Morden, Jessica	Wilson, Sammy
Mulholland, Greg	Winterton, rh Ms Rosie
Murray, Ian	Woodcock, John
Onn, Melanie	Wright, Mr Iain
Onwurah, Chi	Zeichner, Daniel
Osamor, Kate	
Paisley, Ian	
Pearce, Teresa	
Pennycook, Matthew	

Tellers for the Ayes:
Heidi Alexander and
Phil Wilson

NOES

Adams, Nigel	Ansell, Caroline
Afriyie, Adam	Argar, Edward
Aldous, Peter	Atkins, Victoria
Allan, Lucy	Bacon, Mr Richard
Allen, Heidi	Baker, Mr Steve
Amess, Sir David	Baldwin, Harriett
Andrew, Stuart	Barclay, Stephen

Barwell, Gavin	Evans, Graham	Kennedy, Seema	Poulter, Dr Daniel
Bebb, Guto	Evans, Mr Nigel	Kirby, Simon	Pow, Rebecca
Bellingham, Mr Henry	Evennett, rh Mr David	Knight, rh Sir Greg	Prentis, Victoria
Beresford, Sir Paul	Fabricant, Michael	Knight, Julian	Prisk, Mr Mark
Berry, Jake	Fallon, rh Michael	Kwarteng, Kwasi	Pritchard, Mark
Berry, James	Fernandes, Suella	Lancaster, Mark	Pursglove, Tom
Bingham, Andrew	Field, rh Mark	Latham, Pauline	Quin, Jeremy
Blackman, Bob	Foster, Kevin	Leadsom, Andrea	Quince, Will
Blackwood, Nicola	Fox, rh Dr Liam	Lee, Dr Phillip	Raab, Mr Dominic
Blunt, Crispin	Francois, rh Mr Mark	Lefroy, Jeremy	Redwood, rh John
Boles, Nick	Frazer, Lucy	Leigh, Sir Edward	Rees-Mogg, Mr Jacob
Bone, Mr Peter	Freeman, George	Leslie, Charlotte	Robertson, Mr Laurence
Borwick, Victoria	Freer, Mike	Letwin, rh Mr Oliver	Robinson, Mary
Bottomley, Sir Peter	Fuller, Richard	Lewis, Brandon	Rosindell, Andrew
Bradley, Karen	Fysh, Marcus	Lewis, rh Dr Julian	Rudd, rh Amber
Brady, Mr Graham	Gale, Sir Roger	Liddell-Grainger, Mr Ian	Rutley, David
Brazier, Mr Julian	Garnier, rh Sir Edward	Lidington, rh Mr David	Sandbach, Antoinette
Bridgen, Andrew	Garnier, Mark	Lilley, rh Mr Peter	Scully, Paul
Brine, Steve	Gauke, Mr David	Lord, Jonathan	Selous, Andrew
Brokenshire, rh James	Ghani, Nusrat	Loughton, Tim	Sharma, Alok
Bruce, Fiona	Gibb, Mr Nick	Lumley, Karen	Shelbrooke, Alec
Buckland, Robert	Goldsmith, Zac	Mackinlay, Craig	Simpson, rh Mr Keith
Burns, Conor	Goodwill, Mr Robert	Mackintosh, David	Skidmore, Chris
Burns, rh Sir Simon	Gove, rh Michael	Main, Mrs Anne	Smith, Chloe
Burrowes, Mr David	Graham, Richard	Malthouse, Kit	Smith, Henry
Burt, rh Alistair	Grant, Mrs Helen	Mann, Scott	Smith, Julian
Cairns, Alun	Gray, Mr James	Mathias, Dr Tania	Smith, Royston
Cameron, rh Mr David	Green, Chris	May, rh Mrs Theresa	Soames, rh Sir Nicholas
Carmichael, Neil	Greening, rh Justine	Maynard, Paul	Solloway, Amanda
Carswell, Mr Douglas	Grieve, rh Mr Dominic	McCartney, Jason	Soubry, rh Anna
Cartlidge, James	Griffiths, Andrew	McCartney, Karl	Spelman, rh Mrs Caroline
Cash, Sir William	Gummer, Ben	McLoughlin, rh Mr Patrick	Spencer, Mark
Caulfield, Maria	Gyimah, Mr Sam	McPartland, Stephen	Stephenson, Andrew
Chalk, Alex	Halfon, rh Robert	Menzies, Mark	Stevenson, John
Chishti, Rehman	Hall, Luke	Mercer, Johnny	Stewart, Bob
Chope, Mr Christopher	Hammond, rh Mr Philip	Merriman, Huw	Stewart, Iain
Churchill, Jo	Hammond, Stephen	Metcalfe, Stephen	Stewart, Rory
Clark, rh Greg	Hancock, rh Matthew	Miller, rh Mrs Maria	Stuart, Graham
Clarke, rh Mr Kenneth	Hands, rh Greg	Milling, Amanda	Sturdy, Julian
Cleverly, James	Harper, rh Mr Mark	Mills, Nigel	Sunak, Rishi
Clifton-Brown, Geoffrey	Harrington, Richard	Milton, rh Anne	Swayne, rh Mr Desmond
Coffey, Dr Thérèse	Harris, Rebecca	Mitchell, rh Mr Andrew	Swire, rh Mr Hugo
Collins, Damian	Hart, Simon	Mordaunt, Penny	Syms, Mr Robert
Colvile, Oliver	Haselhurst, rh Sir Alan	Morgan, rh Nicky	Thomas, Derek
Costa, Alberto	Hayes, rh Mr John	Morris, Anne Marie	Throup, Maggie
Cox, Mr Geoffrey	Heaton-Harris, Chris	Morris, David	Timpson, Edward
Crabb, rh Stephen	Heaton-Jones, Peter	Morris, James	Tolhurst, Kelly
Crouch, Tracey	Henderson, Gordon	Morton, Wendy	Tomlinson, Justin
Davies, Byron	Herbert, rh Nick	Mowat, David	Tomlinson, Michael
Davies, David T. C.	Hinds, Damian	Mundell, rh David	Tredinnick, David
Davies, Glyn	Hoare, Simon	Murray, Mrs Sheryll	Trevelyan, Mrs Anne-Marie
Davies, Dr James	Hollobone, Mr Philip	Murrison, Dr Andrew	Truss, rh Elizabeth
Davies, Mims	Holloway, Mr Adam	Neill, Robert	Tugendhat, Tom
Davies, Philip	Hopkins, Kris	Newton, Sarah	Turner, Mr Andrew
Davis, rh Mr David	Howarth, Sir Gerald	Nokes, Caroline	Vaizey, Mr Edward
Dinenage, Caroline	Howell, John	Norman, Jesse	Vara, Mr Shailesh
Djanogly, Mr Jonathan	Howlett, Ben	Nuttall, Mr David	Vickers, Martin
Donelan, Michelle	Huddleston, Nigel	Offord, Dr Matthew	Villiers, rh Mrs Theresa
Dorries, Nadine	Hunt, rh Mr Jeremy	Opperman, Guy	Walker, Mr Charles
Double, Steve	Hurd, Mr Nick	Osborne, rh Mr George	Walker, Mr Robin
Dowden, Oliver	Jackson, Mr Stewart	Parish, Neil	Wallace, Mr Ben
Doyle-Price, Jackie	Javid, rh Sajid	Patel, rh Priti	Warburton, David
Drax, Richard	Jayawardena, Mr Ranil	Paterson, rh Mr Owen	Warman, Matt
Drummond, Mrs Flick	Jenkin, Mr Bernard	Pawsey, Mark	Watkinson, Dame Angela
Duncan, rh Sir Alan	Jenrick, Robert	Penning, rh Mike	Wharton, James
Duncan Smith, rh Mr Iain	Johnson, Boris	Penrose, John	Whately, Helen
Dunne, Mr Philip	Johnson, Gareth	Percy, Andrew	Wheeler, Heather
Ellis, Michael	Johnson, Joseph	Perry, Claire	White, Chris
Ellison, Jane	Jones, Andrew	Phillips, Stephen	Whittingdale, rh Mr John
Ellwood, Mr Tobias	Jones, rh Mr David	Philp, Chris	Wiggin, Bill
Elphicke, Charlie	Jones, Mr Marcus	Pickles, rh Sir Eric	Williams, Craig
Eustice, George	Kawczynski, Daniel	Pincher, Christopher	Williamson, rh Gavin

Wilson, Mr Rob
Wollaston, Dr Sarah
Wood, Mike
Wragg, William
Wright, rh Jeremy

Zahawi, Nadhim

Tellers for the Noes:
George Hollingbery and
Margot James

Question accordingly negated.

Question put forthwith (Standing Order No. 62(2)),
That the Bill be now read a Second time.

The House divided: Ayes 308, Noes 124.

Division No. 51]

[10.10 pm

AYES

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
Barwell, Gavin
Bebb, Guto
Bellingham, Mr Henry
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 Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, Alun
Cameron, rh Mr David
Carmichael, Neil
Carswell, Mr Douglas
Cartlidge, 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

Colville, Oliver
Costa, Alberto
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Byron
Davies, David T. C.
Davies, Glyn
Davies, Dr James
Davies, Mims
Davies, Philip
Davis, rh Mr David
Dinenage, Caroline
Djanogly, Mr Jonathan
Donelan, Michelle
Dorries, Nadine
Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
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
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Green, Chris

Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, rh Robert
Hall, Luke
Hammond, rh Mr Philip
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
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
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
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
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
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa

Maynard, Paul
McCartney, Jason
McCartney, Karl
McLoughlin, rh Mr Patrick
McPartland, Stephen
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
Opperman, Guy
Osborne, rh Mr George
Parish, Neil
Patel, rh Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, rh Mike
Penrose, John
Percy, Andrew
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
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
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swayne, rh Mr Desmond
 Swire, rh Mr Hugo
 Syms, Mr Robert
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Turner, 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
 Whittingdale, rh Mr John
 Wiggan, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Ayes:
 George Hollingbery and
 Margot James

NOES

Abbott, Ms Diane
 Abrahams, Debbie
 Ahmed-Sheikh, Ms Tasmina
 Anderson, Mr David
 Arkless, Richard
 Bardell, Hannah
 Black, Mhairi
 Blackford, Ian
 Blackman, Kirsty
 Boswell, Philip
 Brake, rh Tom
 Brock, Deidre
 Brown, Alan
 Burgon, Richard
 Butler, Dawn
 Cameron, Dr Lisa
 Campbell, Mr Gregory
 Carmichael, rh Mr Alistair
 Chapman, Douglas
 Cherry, Joanna
 Clegg, rh Mr Nick
 Clwyd, rh Ann
 Corbyn, Jeremy
 Cowan, Ronnie
 Crawley, Angela
 Davies, Geraint
 Day, Martyn
 Docherty, Martin John
 Dodds, rh Mr Nigel
 Donaldson, rh Mr Jeffrey M.
 Donaldson, Stuart
 Dowd, Peter
 Durkan, Mark
 Edwards, Jonathan
 Farron, Tim
 Fellows, Marion
 Ferrier, Margaret
 Flynn, Paul
 Gethins, Stephen
 Gibson, Patricia
 Glendon, Mary
 Godsiff, Mr Roger

Goodman, Helen
 Grady, Patrick
 Grant, Peter
 Gray, Neil
 Greenwood, Margaret
 Haigh, Louise
 Harris, Carolyn
 Hayman, Sue
 Hendry, Drew
 Hosie, Stewart
 Hussain, Imran
 Jones, Gerald
 Jones, Helen
 Kaufman, rh Sir Gerald
 Kerevan, George
 Kerr, Calum
 Khan, rh Sadiq
 Kinahan, Danny
 Lamb, rh Norman
 Lammy, rh Mr David
 Lavery, Ian
 Law, Chris
 Lewis, Clive
 Long Bailey, Rebecca
 Lucas, Caroline
 MacNeil, Mr Angus Brendan
 Marris, Rob
 Maskell, Rachael
 Mc Nally, John
 McCaig, Callum
 McDonald, Andy
 McDonald, Stewart
 McDonald, Stuart C.
 McDonnell, Dr Alasdair
 McDonnell, John
 McGarry, Natalie
 McInnes, Liz
 McLaughlin, Anne
 Meacher, rh Mr Michael
 Mearns, Ian
 Monaghan, Carol
 Monaghan, Dr Paul

Moon, Mrs Madeleine
 Morris, Grahame M.
 Mulholland, Greg
 Mullin, Roger
 Newlands, Gavin
 Nicolson, John
 O'Hara, Brendan
 Osamor, Kate
 Oswald, Kirsten
 Paisley, Ian
 Paterson, Steven
 Pearce, Teresa
 Pugh, John
 Rimmer, Marie
 Ritchie, Ms Margaret
 Robertson, Angus
 Salmond, rh Alex
 Saville Roberts, Liz
 Shannon, Jim
 Sheppard, Tommy
 Sherriff, Paula
 Siddiq, Tulip

Skinner, Mr Dennis
 Smith, Cat
 Stephens, Chris
 Stevens, Jo
 Stringer, Graham
 Thewliss, Alison
 Thomson, Michelle
 Weir, Mike
 Whiteford, Dr Eilidh
 Whitford, Dr Philippa
 Williams, Hywel
 Williams, Mr Mark
 Wilson, Corri
 Wilson, Sammy
 Winnick, Mr David
 Wishart, Pete
 Wright, Mr Iain
 Zeichner, Daniel

Tellers for the Noes:
 Owen Thompson and
 Kelvin Hopkins

Question accordingly agreed to.

Bill read a Second time.

Pete Wishart (Perth and North Perthshire) (SNP):
 On a point of order, Mr Speaker. As the neutral arbiter of this House, is there any way that you could help and advise me on how we can achieve this? Can we rearrange the furniture of this House so that the SNP becomes the official Opposition while the Labour party abstains on the Back Benches?

Mr Speaker: Notwithstanding the earnest expression on the face of the hon. Gentleman, his point of order was cheeky and tendentious, as he well knows.

WELFARE REFORM AND WORK BILL: PROGRAMME

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

That the following provisions shall apply to the Welfare Reform and Work Bill:

Committal

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

Proceedings in Public Bill Committee

(2) Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 15 October.

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

Consideration and Third Reading

(4) Proceedings on Consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

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

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

Other proceedings

(7) Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—(*Guy Opperman.*)

Question agreed to.

WELFARE REFORM AND WORK BILL: MONEY

Queen's recommendation signified.

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

That, for the purposes of any Act resulting from the Welfare Reform and Work Bill, it is expedient to authorise—

- (1) the payment out of money provided by Parliament of:
- (a) any expenditure incurred under or by virtue of the Act by the Secretary of State; and
 - (b) any increase attributable to the Act in the sums payable under any other Act out of money so provided; and
- (2) the payment of sums into the Consolidated Fund.—(*Guy Opperman.*)

Question agreed to.

Business without Debate**COMMITTEES**

Mr Speaker: With the leave of the House, we will take motions 4 to 9 together.

Ordered,

ADMINISTRATION

That Sir David Amess, Sir Paul Beresford, John Cryer, Martyn Day, Michael Fabricant, James Gray, Nigel Mills, Ms Gisela Stuart, Mark Tami, Keith Vaz and Mr Robin Walker be members of the Administration Committee.

BACKBENCH BUSINESS

That Bob Blackman, Mr Peter Bone, Mr Philip Hollobone, Gavin Newlands, Mr David Nuttall and Jess Phillips be members of the Backbench Business Committee.

ENVIRONMENTAL AUDIT

That Peter Aldous, Caroline Ansell, Jo Churchill, Zac Goldsmith, Margaret Greenwood, Luke Hall, Carolyn Harris, Peter Heaton-Jones, Mr Peter Lilley, Caroline Lucas, Holly Lynch, John Mc Nally, Rebecca Pow, Jeff Smith and Rory Stewart be members of the Environmental Audit Committee.

FINANCE

That Jake Berry, Mr Clive Betts, Mr Nicholas Brown, Geoffrey Clifton-Brown, Mark Garnier, Neil Gray, Sir Alan Haselhurst, Mr Lindsay Hoyle, Helen Jones, Kwasi Kwarteng and Karen Lumley be members of the Finance Committee.

PETITIONS

That Ian Blackford, Oliver Dowden, Steve Double, Paul Flynn, Ben Howlett, Mr Nick Hurd, David Mackintosh, Justin Madders, Kate Osamor and Paul Scully be members of the Petitions Committee.

STATUTORY INSTRUMENTS (JOINT)

That Mr Ian Liddell-Grainger be a member of the Joint Committee on Statutory Instruments.—(*Bill Wiggin, on behalf of the Committee of Selection.*)

PETITION**Installation of Bus Stop on Henry Cort Way in Gosport**

10.25 pm

Suella Fernandes (Fareham) (Con): I rise to present a petition on behalf of residents of Gosport who believe there should be a bus stop near the Bridgemary Road walk through to Vian Close on Henry Cort Way. This is an issue that affects many people in the Gosport constituency, and there has been another petition locally, which was signed by 94 individuals.

The petition states:

The Petition of residents of Gosport,

Declares that there should be another bus stop near the Bridgemary Road walk through to Vian Close and further declares that a local petition on this matter was signed by 94 individuals.

The Petitioners therefore request that the House of Commons urges the Government to install a new bus stop near the Bridgemary Road walk through to Vian Close in Gosport.

And your Petitioners, as in duty bound, will ever pray.

[P001534]

Mr Speaker: An atmosphere of calm expectation has descended upon the House. I call Mr Keith Vaz.

Royal City Status for Leicester

10.26 pm

Keith Vaz (Leicester East) (Lab): I am presenting a petition signed by 203 local residents. I want to thank Terry Herbert, Joga Singh Sandu, Councillor Piara Clair and Councillor Deepak Bajaj for raising awareness and promoting this initiative. I am delighted to see, among other Members here—such a crowded House!—my hon. Friend the Member for Leicester South (Jonathan Ashworth).

The petition states:

The petition of residents of Leicester East,

Declares that the city of Leicester is one of the oldest settlements in the United Kingdom which over two millennia has developed into an area of major cultural and economic significance within the country and further that following the discovery of the remains of Richard III in the city, and his subsequent re-interment on Thursday 26th March in Leicester Cathedral, Leicester has established a clear and irrefutable royal connection.

The petitioners therefore request that the House of Commons debates the possibility of Leicester being permitted to use the title “Royal”, and be attributed the title, “The Royal City of Leicester”.

And your petitioners, as in duty bound, will ever pray.

[P001535]

New Build Housing (Approved Inspectors)

Motion made, and Question proposed, That this House do now adjourn.—(*Guy Opperman.*)

10.28 pm

Mrs Maria Miller (Basingstoke) (Con): Thank you for allowing this important debate, Mr Speaker.

Buying a new home, particularly a brand new house, should be an exciting experience. It is the biggest purchase that most of us ever make and the ads we see in our local papers justify the premium paid for purchasing a new house: the promise of gleaming new shiny kitchens, immaculate gardens and hassle-free living. For many people, the promise is kept, but for some it is not. That is what the debate is about today.

I am not talking about cosmetic or aesthetic problems with the finish of a property, such as chipped paint or cracks in the plaster work, although we should not underestimate the problems that some new homeowners encounter in rectifying even these straightforward issues. I am talking about new homes that have very significant defects indeed. These might include a staircase that is falling away from the wall, a central heating boiler that has not been properly checked by an approved engineer, or a damp-proof course below ground level. The list goes on. I am talking about whether some new build homes are properly checked and assessed as safe to live in before they are sold and occupied.

A number of my constituents have brought these matters to my attention, and I am talking about dozens of homeowners, not just one or two, and not just in one housing development. What those people have suffered and had to live with is unacceptable. I will not talk about their personal cases tonight, for reasons of privacy, but they know who they are and I hope that they are listening to the debate. Constituents are facing dreadful defects in expensive new homes that clearly do not comply with building regulations. Resolving some of the problems could require significant building works or even demolition of the original house. I know from colleagues, and from websites, that this is not just a problem in my constituency. Similar issues are being experienced around the country, but few people feel confident to speak out.

Let us be clear: a detailed framework is in place that sets out the standards that need to be complied with, and I am sure that the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Stockton South (James Wharton), will have gone through it in detail. There is also a statutory regime of inspection to be carried out by approved inspectors, who have a statutory role to check for compliance with building standards.

Mark Garnier (Wyre Forest) (Con): My right hon. Friend has raised some scary stories. Is she aware of the existence of regulation M, which requires buildings to be compliant with the laws on disabled access? Is she also aware that the people who give advice to builders on how to comply with the regulation are the self-same people who sign off the building as being compliant? That is clearly nonsense.

Mrs Miller: My hon. Friend raises a question that I know he has probed in some detail. He is an expert on that matter, and he is right to mention the issue of

conflict of interest. He demonstrates the fact that the problem I have raised needs addressing. Something is clearly going wrong.

The builder or contractor of course carries ultimate responsibility for compliance with building regulations, and for the quality of the construction, but the building control inspector is there to safeguard the new homeowner and to ensure that technical and safety standards are met. It is clear that in some cases the inspection regime is falling short of what is required and that problems are not being dealt with during the building process, leaving the new homeowner to deal with the fallout, as I have described.

I welcome the Ankers report on strengthening the procedural competency of companies registered as approved inspectors, and the disciplinary processes relating to the regulation of the profession. I also welcome the suggestion that a duty of care should be established between approved inspectors and the homebuyer. That is long overdue. It would give the homebuyer more redress against inadequate statutory inspection.

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): I thank my right hon. Friend for giving way, and I draw the House's attention to my entry in the Register of Members' Financial Interests. I am the chair of the all-party parliamentary group on the built environment, and I wonder whether she is aware that we are going to conduct an inquiry. I would very much welcome her involvement in that campaign.

Mrs Miller: My hon. Friend and I have had conversations about that, and I shall welcome the opportunity of carrying out a more detailed analysis.

The inspection regime remains opaque. Inspectors are required to compile and keep extensive reports on all new homes as they are built, but those records are then kept secret from new homeowners. Why? If the inspection regime is really to work in favour of the housebuyer, we need transparency about the work of approved inspectors. We also need more accountability, and we need to know that they are scrupulously independent and that there are no conflicts of interest such as the one my hon. Friend the Member for Wyre Forest (Mark Garnier) mentioned.

Jim Shannon (Strangford) (DUP): In Northern Ireland, there are many examples of what the right hon. Lady has described. One way of addressing the problems—perhaps it is the same here on the mainland—is through the National House Building Council, which many builders and construction companies in my constituency have signed up to. That gives the housebuyer a level of confidence. It also ensures that the house they are buying is covered by insurance. Is there a possibility of using that mechanism here?

Mrs Miller: The hon. Gentleman is right, and there are 10-year guarantees for new houses. The trouble is that in the first two years after construction, any problems are required to be rectified by the person who built the house. In those circumstances, I believe that the approved inspector should support new homeowners more thoroughly.

Is there any reason why the detailed records I have talked about that the approved inspector keeps for each individual house could not be made available to purchasers?

I know they might be technical and perhaps a bit difficult to understand for the layperson, but most homebuyers will be interested in seeing them. Why are they secret? Would it not be better to demonstrate that the property concerned has been inspected? Why is there so much secrecy around these records? It would be extremely useful to make them more public.

I have had a constructive discussion with the Association of Consultant Approved Inspectors, and I know that it shares my aim of ensuring that high professional standards are maintained and that a robust process is in place for dealing with inspectors who fail to meet these high standards, but at the moment some still fall short. The completion certificate is part of the information pack that purchasers of a new home receive, so why not include the approved inspectors' records in there too? Could an amendment be made to the Building (Approved Inspectors etc.) Regulations 2010 to introduce this important new measure?

Knowing that the inspection records will be made available could also help with demonstrating the approved inspectors' independence and prove that there is no conflict of interest, as was referred to earlier. It strikes some of us as odd, even questionable, that some companies, such as NHBC and Premier Guarantee, not only provide home warranties, but are registered as approved inspectors and sign properties off. Is there not a potential conflict of interest there? How do we know that all approved inspectors are doing their jobs to the highest professional standards? Exactly how independent are they? In the 30 years that approved inspectors have been in existence, how many have been struck off for poor performance or over questions of independence? I think we will find that the answer is absolutely none.

Urgent action is needed. I do not believe that homebuilders are covering themselves in glory when it comes to dealing with customers' problems on a great many levels. The industry needs to tackle this and tackle it quickly, particularly if we are to build far more houses in this country, but the Government can make a contribution by ensuring that approved inspectors are more effective in what they do. That is in the Government's gift and will make a huge difference. The great majority of approved inspectors do a highly professional job, but there is clearly room for improvement. We need greater transparency and accountability to ensure that all buyers have the confidence and reassurance they need, and I hope the Minister will agree to look at this again and use the housing Bill before us in the autumn specifically to address this issue and thereby help ensure that the new houses that I know the Government want to see built up and down the country are fit for purpose and safe for the people who purchase them.

10.37 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (James Wharton): I congratulate my right hon. Friend the Member for Basingstoke (Mrs Miller) on securing this debate. It is an important issue, as evidenced by the number of colleagues who have commented and attended from the Government Benches. It is a shame to note that there are no colleagues on the Labour or SNP Benches, although I congratulate the hon. Member for Strangford (Jim Shannon) on his diligent interest in these debates, which I know are important to his constituents.

At its heart, this is a debate about the quality of new build housing and the role of the approved inspector in the system that the Government oversee to deliver the sort of housing that our constituents rightly expect. I recognise that things do not always go right when someone buys a new home. It can be time consuming, stressful and expensive to get things put right when things go wrong in a purchase that is often extremely important to the individuals and families concerned. It can be very stressful and difficult when serious problems arise.

Homeowners can legitimately expect their home to be built to high-quality standards. The builder or developer has primary responsibility for complying with the building regulations, which are the primary mechanisms through which we regulate the quality of building and ensure that homes are safe and meet the standards people expect. They protect the health and safety, energy efficiency and water efficiency of a new house, but quality issues beyond building regulations requirements are a matter for the builder and purchaser to resolve. My right hon. Friend concentrated her comments on the system of inspection, so I want first to explain how the system of approved inspectors works, talk a bit about the regulation of the sector and then answer some of her specific questions.

The approved inspector system is run by the Construction Industry Council Approved Inspector Register, which has been designated by the Secretary of State to carry out his executive and administrative functions in respect of the approval and re-approval of approved inspectors. CICAIR requires approved inspector applicants to provide information about their skills, knowledge and experience, and plans for their business, including the systems and process that they intend to introduce. After the relevant information has been provided and checked for completeness, applicants attend an interview and give a presentation to the approval panel. If everything is satisfactory, CICAIR will allow them to act as approved inspectors. Approved inspectors are audited by CICAIR at its premises at least once every five years, but more often if complaints justify that, or if it appears to be necessary to ensure that they are meeting the obligations and standards that we rightly expect of them. Approval status lasts for five years. On re-approval, they are required to submit another application, and CICAIR will consider previous performance before granting re-approval. It is not necessarily an automatic process.

Mrs Miller: Does the Minister know whether any spot checks on the quality of the approved inspectors' work are carried out by an independent source?

James Wharton: As it is the duty of CICAIR to run the process, checks are most commonly carried out when complaints have been made. Ongoing checks are not necessarily undertaken, but when complaints are made, a process is undertaken to look at the quality of the work that inspectors are doing.

This is not the first occasion on which concern has been expressed about the working of the regime. In 2012, the Construction Industry Council commissioned a review to deal with issues of governance and concerns about processes in the industry. The Ankers report covers the findings of that review, and makes 15 recommendations for possible improvements. They include reviewing the

[James Wharton]

criteria for approving inspectors so that more consideration is given to the way in which applicants run their businesses, developing an annual return to monitor an approved inspector's performance over the previous 12 months, and setting new targets for dealing with complaints.

I am pleased to say that all the report's recommendations were accepted, and that CICAIR has already implemented some and is making good progress with others. For example, complaints are now being dealt with more quickly, and a programme of regular audits of approved inspectors is in place. My officials have regular discussions with CICAIR about the way in which it discharges its functions, including its progress in implementing the recommendations of the Ankers report. The systems governing approved inspectors are improving continually as a result of implementation of the Ankers recommendations, and the feedback received by CICAIR about its handling of the processes that it undertakes. Of course further improvements are always possible, and I recognise that my right hon. Friend has raised legitimate concerns on behalf of her constituents. I will take away those concerns tonight, and will consider, and discuss with my officials, whether further action is appropriate and necessary.

Approved inspectors have a duty to take such steps as are reasonable to enable them to be satisfied, within the limits of professional skill and care, that the relevant requirements of the building regulations have been complied with. They fulfil that duty by checking plans, conducting site inspections, checking the validity of energy and water efficiency calculations, and looking at other relevant documents. They can also question the evidence provided in certificates and other documents, and do not have to accept them as evidence of compliance. When necessary, approved inspectors may carry out their own tests and take samples to check compliance, and can go further. They have a range of powers and abilities to satisfy themselves that things are being done properly, although I suspect from what my right hon. Friend has said that her concern lies not with diligent inspectors, but with a small number who are not diligent.

Approved inspectors are required, as one of the conditions of their approval, to abide by the building control performance standards. Those standards help to ensure that building control standards are not driven down, which would put the health and safety of building users at risk. The building control performance advisory group, which is a sub-committee of the Building Regulations Advisory Committee, keeps the standards under continual review. Following a review in 2013, revised standards were published last year, which take account of the current expectations of the building control sector as well as those of customers. In particular, standard 6 covers site inspections. It requires records of each inspection to be maintained, and details of non-compliant work to be communicated promptly and clearly to the responsible person.

My right hon. Friend asked about the records and how they are dealt with in the current system. I should say that they are not necessarily detailed records; we do not prescribe a detailed format that they must take. Instead, they are records that the inspector keeps for their own use and often the content of them would not be of great use to individuals looking in from the outside to understand the processes undertaken.

However, approved inspectors are not clerks of work, nor are they responsible for quality issues beyond what is required by building regulations. They provide advice and guidance on how to bring work up to compliance standards. In most cases this is sufficient to ensure compliance with the building regulations. If unsuccessful, the approved inspector can cancel the initial notice and the work then reverts back to the local authority for enforcement action.

Homeowners who have been let down by the system and seek redress have a number of avenues to follow. First, they should complain directly to the builder or developer. In many cases this solves the problems, but of course not in all. If a warranty is in place, the homeowner can contact the warranty provider. Most warranties last for 10 years from completion of the building work.

In the first two years from completion of the building work, the builder is responsible for putting right defects caused by breaches of the technical requirements covered by the warranty. Where a defect is found and the builder refuses to carry out remedial work, a free resolution service is offered by the warranty provider.

The warranty provider will try to get the builder to carry out any necessary work, or in some cases arrange for the work to be carried out themselves. In years three to 10 from completion of the building work, the warranty provides insurance cover against the cost of repairing defined sorts of defects covered by the scheme. Warranties are not compulsory for new homes but the Department is aware that most new homes are covered by a warranty such as the NHBC Buildmark.

Mark Garnier: The Minister is describing the system very well, but he is talking about defects in the quality of the building. The system has a number of faults, however, in respect of regulation M and compliance with disability access. People have no redress to the local authority or the builder if they are non-compliant, because there does not seem to be a system that can prove that there is non-compliance, apart from the one the Minister described, where the inspector is the person who gave the advice in the first place and who will therefore, because of that conflict of interest, be unlikely to rule against themselves. Can he unravel that Gordian knot?

James Wharton: At its heart, that is perhaps a debate about the role of the approved inspectors. They are there to give advice, and that advice usually results in compliance. Their role throughout the building process is to advise and ensure standards are met. While I recognise the concerns my hon. Friend raises and I am happy to have further discussions with him about any specific cases, the role of the inspector is to ensure that throughout the process the building is compliant, not just to assess and approve—or not—at the end of the process.

Oliver Colvile: The all-party group on excellence in the built environment is going to conduct an inquiry into this. Once we have done so and written our report, will the Minister meet us to discuss our findings?

James Wharton: My hon. Friend pre-empts some of my later comments recognising the good work done by the all-party group of which he is a member. I will be very happy to meet him and his colleagues on that

group to discuss their report and findings, and to see if there are lessons to learn. There is an ongoing process of review; we are always looking at what we can do better and where we can make improvements, and I have no doubt that the work that group undertakes will be very helpful and informative.

Builders are required to be registered with the warranty provider to be able to purchase their warranty products; complaints are often about products. A homeowner may also be protected by the consumer code for homebuilders, an industry-led scheme that aims to give protection and rights to purchasers of new homes.

The code applies to all homebuyers who reserve to buy a new, or newly converted, home on or after 1 April 2010 built by a homebuilder registered with one of the supporting warranty bodies such as NHBC. Between 2010 and 2013 57 cases were referred to the code's independent dispute resolution scheme, of which 21 succeeded in part and two succeeded in full. In the last resort the homeowner may make a civil claim against a builder. Redress against the approved inspector is an issue that then becomes relevant to tonight's debate. If an approved inspector is negligent or does not carry out such steps that are reasonable to enable them to be satisfied that the relevant requirements of the building regulations have been met, such as failing to visit the site often enough, a complaint can be made to CICAIR. If a complaint is upheld, CICAIR can take disciplinary action against the approved inspector and, as a last resort, remove their approval.

Mrs Miller: My hon. Friend refers to the fact that it is important that approved inspectors visit sites regularly. If their records are not made available, however, future home purchasers will not know that they have not visited regularly. Surely he will join me in acknowledging that transparency in the process will help shed more light on poor practice.

James Wharton: I acknowledge my right hon. Friend's determination to pursue the point of the records, but the format they take will be of less use than she might hope. When a complaint is made to CICAIR, those records will be disclosed as part of the complaints process. A more thorough process then takes place once a complaint has been registered, but we do not prescribe the format that records must take, because it would be difficult to do so given the complexity of the different environments that inspectors inspect, so that may not provide the answers she is looking for. Acknowledging her point, I would, however, be happy to look again at the issue, to discuss it with my officials, to write to her more formally and, if appropriate, if we do not reach a conclusion with which she is satisfied, to meet her to discuss the implications of what she is saying, the reasons why the position is at it is today and whether we can sensibly look to change it. I am always happy to take those representations and to have those discussions with Members who have significant and important points

to raise on behalf of their constituents. I recognise the veracity with which she makes that particular one and the concern that she has.

Homeowners may also seek legal redress against approved inspectors for negligence. All approved inspectors are required to have insurance cover, so there is money available to cover claims if they are found liable in the civil courts. I recognise, however, that it can be a difficult process for homeowners, because when something has gone wrong and in a difficult time after a significant purchase, they often do not have their expectations met. Taking civil legal action for negligence may not necessarily be a route they want to go down.

The Department continues to keep the approved inspector system and the building control system more generally under review. We have heard that it is necessary to do so. Clearly, constituents' concerns have been brought to Members, and they have quite rightly reflected those during this evening's debate. I hear the comments that Members have made, and I recognise from the number of written questions that Members present have tabled that there is concern and it should rightly be taken very seriously indeed. I do not necessarily accept that the current system is as flawed as some might like to portray it. There are misunderstandings in some quarters about the roles of the current system and of inspectors, but it is clear from this evening's debate that that is not the case in the House, and that Members are well informed about the concerns that constituents have brought to them and are effectively advocating on their behalf to find an appropriate resolution.

As the Government embark upon a programme of building much-needed new houses, I recognise the importance of the role played by the Department, the Government and me as a Minister—having encountered my own challenges on behalf of constituents—in ensuring that the houses are of the quality that people expect and that buying them is as straightforward and stress-free as we all hope it ought to be.

Members have made clear points this evening, and I have made a number of offers to look into matters and to meet right hon. and hon. Friends to discuss them further. Those are offers that I know my officials will have made diligent note of, and which I look forward to being held to in future. I look forward also to being able, I hope, to find a suitable resolution to some of the concerns that have been raised. I cannot promise to meet all the demands that Members have put before the House, but I can promise to make my very best efforts to improve the system and always to endeavour to find improvements to provide a better experience to all new homebuyers, because it is such an important stage in anybody's life. It is important that our constituents are able to have confidence in the system—an importance reflected by the comments this evening.

Question put and agreed to.

10.54 pm

House adjourned.

Written Statements

Monday 20 July 2015

BUSINESS, INNOVATION AND SKILLS

Audit and Auditor Regulation

The Minister for Small Business, Industry and Enterprise (Anna Soubry): My noble Friend the Parliamentary Under-Secretary of State for Business, Innovation and Skills and Minister for Intellectual Property (Baroness Neville-Rolfe) has made the following statement.

The Government will require all public interest entities i.e. listed companies, banks, building societies and relevant insurers to put their audit out to tender at least every 10 years and change their auditor at least every 20 years. The Government also intend that public interest entities that retendered audit engagements should benefit from transitional recognition of that retender where possible.

The Government intend that the Financial Reporting Council (the FRC) should be the UK competent authority for the regulation of auditors, but that legislation will require it to delegate regulator tasks so far as is possible to recognised supervisory bodies that meet criteria set out in the legislation. Overall this would mean the FRC would only have to conduct audit inspections, investigations and disciplinary cases in relation to public interest entities, and would oversee the work of the recognised supervisory bodies for other audits.

It would still be open to a recognised supervisory body to ask the FRC to agree to undertake work that would otherwise have been delegated to the recognised supervisory bodies. As now the FRC would also have the ability to take over any particular inspection or investigation if it deemed it to be in the public interest.

To minimise the compliance cost for business the FRC and the recognised supervisory bodies will be obliged to co-operate with each other, and the legislation will provide they should all be able to rely on each other's work.

The Government do not intend to make statutory provision for the regulation of accountants. This would be a matter for the professional bodies.

The Government will publish a more detailed consultation in the coming months building on their further consideration of the responses to the discussion document that my Department published last December.

The Government also welcome the agreement of the Financial Conduct Authority and Prudential Regulation Authority to update the existing rules on Audit Committees.

[HCWS147]

Further Education

The Minister for Skills (Nick Boles): The Government's productivity plan: "Fixing the foundations" sets out the Government's ambition for a professional and technical education system that provides individuals with clear, high-quality routes to employment, and that supports the Government's overall fiscal and economic objectives.

These objectives can only be delivered by strong institutions, which have the high status and specialism required to deliver credible routes to employment and progression

in the labour market. Providers also need to be more efficient to ensure institutional stability, and to make best use of scarce public resources.

As joint Minister for Skills for BIS and the Department for Education, I am today publishing a policy statement setting out how we will facilitate a restructuring of the post-16 education and training sector, through a series of area-based reviews of provision.

The reviews, which will focus on FE and sixth-form colleges, will be led by steering groups consisting of chairs of governors, LEPs and local authorities, FE and sixth-form college commissioners and regional schools commissioners. Under their oversight, the reviews will undertake analysis, consider options and propose solutions. Colleges remain independent institutions, and I expect governing bodies to use the process to make informed decisions on structures to support the best outcomes for learners and employers, and long-term stability.

We will actively encourage local authorities and LEPs to drive these pieces of work in partnership with the commissioners. Where combined authorities with devolution arrangements are in place we would expect them to take lead.

This approach will enable a transition towards fewer, larger, more resilient and efficient providers, and more effective collaboration across institution types. A critical aspect will be to create greater specialisation, with the establishment of institutions that are genuine centres of expertise, able to support sustained progression in professional and technical disciplines, alongside excellence in other fundamental areas—such as English and maths. This will ensure that we have the right capacity to provide good education and training for our young people across England, and will include the creation of a new network of prestigious institutes of technology, and national colleges to deliver high standard provision at levels 3, 4 and 5.

We have already piloted the area based approach in Norfolk and Suffolk and in Nottingham. I am announcing today that the first full area-based review will take place in Birmingham. The Birmingham review will have an initial focus on FE colleges in Birmingham city and Solihull, but will have scope to consider a broader geography and range of provision where relevant. We will take forward the review in partnership with individual institutions, the local authorities and the LEP.

I welcome views on this policy statement, and will issue fuller guidance on the process for reviews in the coming weeks.

The report is available online at www.gov.uk.

Attachments can be viewed online at: <http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2015-07-20/HCWS152/>

[HCWS152]

CABINET OFFICE

Freedom of Information

The Minister for the Cabinet Office and Paymaster General (Matthew Hancock): We are committed to being the most transparent Government in the world.

To deliver that goal we are opening up Government to citizens by making it easier to access information and increase the volume available, with a record 20,000 datasets now on www.data.gov.uk, while protecting a private space for frank advice. We are strengthening accountability and making public services work better for people. The World Wide Web Foundation's open data barometer and Open Knowledge's global open data index ranked the UK as the world's leading country on open Government.

We are proud of these achievements and are committed to going further. Our next open Government national action plan will develop an offer on transparency that further strengthens this Government's commitment to open Government.

Our aim is to be as open as possible on the substance, consistent with ensuring that a private space is protected for frank advice. To that end as a Government we must maintain the best environment for policy makers to think freely and offer frank advice to decision-makers. The most effective system is when policy makers can freely give advice, while citizens can shine a light into Government.

We fully support the Freedom of Information Act but after more than a decade in operation it is time that the process is reviewed, to make sure it is working effectively. The Government have therefore today established an independent, cross-party Commission on Freedom of Information. The commission's terms of reference are as follows:

"The Commission will review the Freedom of Information Act 2000 ("the Act") to consider whether there is an appropriate public interest balance between transparency, accountability and the need for sensitive information to have robust protection, and whether the operation of the Act adequately recognises the need for a "safe space" for policy development and implementation and frank advice. The Commission may also consider the balance between the need to maintain public access to information, and the burden of the Act on public authorities, and whether change is needed to moderate that while maintaining public access to information."

The commission will be chaired by Lord Burns, and will comprise the right hon. Jack Straw, Lord Howard of Lympne, Lord Carlile of Berriew and Dame Patricia Hodgson.

The commission will report to the Minister for the Cabinet Office and will publish its findings by the end of November.

The Prime Minister has also confirmed that policy responsibility for freedom of information policy will transfer from the Ministry of Justice to the Cabinet Office. This change will be effective from 17 July 2015.

[HCWS153]

TREASURY

Infrastructure (Financial Assistance) Act 2012: Annual Report

The Economic Secretary to the Treasury (Harriett Baldwin): The annual report to Parliament under the Infrastructure (Financial Assistance) Act 2012 for the period 1 April 2014 to 31 March 2015 has today been laid before Parliament.

The report is prepared in line with the requirements set out in the Infrastructure (Financial Assistance) Act 2012 that the Government report annually to Parliament on the financial assistance given under the Act.

Copies are available in the Vote Office and the Printed Paper Office.

[HCWS154]

ECOFIN

The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): A meeting of the Economic and Financial Affairs Council was held in Brussels on 14 July 2015. Ministers discussed the following items:

Current Legislative Proposals

The presidency informed delegations about the state of play of current legislative proposals in the field of financial services.

Presentation of the work programme of the Luxembourg presidency

The Luxembourg presidency presented its six-month work programme in the ECOFIN area.

Five Presidents' Report: Completing Europe's Economic and Monetary Union

The Commission presented the Five Presidents' report on the plan for completing Europe's Economic and Monetary Union. There was an exchange of views on short term measures.

[HCWS155]

Counter-Terrorism Asset Freezing

The Economic Secretary to the Treasury (Harriett Baldwin): Under the Terrorist Asset-Freezing etc. Act 2010 ("TAF 2010"), the Treasury is required to report to Parliament, quarterly, on its operation of the UK's asset-freezing regime mandated by UN Security Council Resolution 1373.

This is the seventeenth report under the Act and it covers the period from 1 April 2015 to 30 June 2015. This report also covers the UK implementation of the UN al-Qaeda asset-freezing regime and the operation of the EU asset-freezing regime in the UK under EU Regulation (EC) 2580/2001 which implements UNSCR 1373 against external terrorist threats to the EU. Under the UN al-Qaeda asset-freezing regime, the UN has responsibility for designations and the Treasury has responsibility for licensing and compliance with the regime in the UK under the Al-Qaida (Asset-Freezing) Regulations 2011. Under EU Regulation 2580/2001, the EU has responsibility for designations and the Treasury has responsibility for licensing and compliance with the regime in the UK under part 1 of TAF 2010.

Annexes A and B to this statement provide a breakdown, by name, of all those designated by the UK and the EU in pursuance of UN Security Council Resolution 1373. The two individuals subject to designations, which have been notified on a restricted and confidential basis, under Sections 3 and 10 of TAF 2010 are denoted by A and B.

The following table sets out the key asset-freezing activity in the UK during the quarter ending 30 June 2015:

	<i>TAFAs 2010</i>	<i>EU Reg (EC) 2580/2001</i>	<i>Al-Qaeda regime UNSCR1989</i>
Assets frozen (as at 30/06/2015)	£39,000	£11,000 ¹	£53,000 ²
Number of accounts frozen in UK (at 30/06/15)	49	10	21
New accounts frozen (during Q2 2015)	11	0	0
Accounts unfrozen (during Q2 2015)	3	0	4
Total number of designations (at 30/06/15)	30	33	304
(i) New designations (during Q2 2015, including confidential designations)	0	0	3
(ii) Number of designations that were confidential (during Q2 2015)	0	n/a	n/a
(iii) Delistings (during Q2 2015)	1	0	7
(iv) Individuals in custody in UK (at 30/06/2015)	3	0	0
(v) Individuals in UK, not in custody (at 30/06/2015)	1	0	3
(vi) Individuals overseas (at 30/06/2015)	19	10	230
(vii) Groups	7	23 (1 in UK)	71
Individuals by nationality	9	n/a	n/a
(i) UK Nationals ³	14		
(ii) Non UK Nationals			
Renewal of designation (during Q2 2015)	2	n/a	n/a
General Licences			(i) 0
(i) Issued in Q2			(ii) 0
(ii) Amended			(iii) 0
(iii) Revoked			
Specific Licences			
(i) Issued in Q2	6	0	1
(ii) Amended	0	0	0
(iii) Expired	1	0	0
(iv) Revoked/Redundant	1	0	0
(v) Refused	1	0	0

Legal Proceedings

The appeal brought by Gulam MASTAFA against a number of Government Departments including the Treasury, remains stayed.

The appeal brought by Zana RAHIM continues to progress towards completion.

Proceedings were filed on 29 May 2014 at the High Court appealing against the Treasury's decision to renew

MF's designation under TAFAs 2010. The final hearing took place on 29 April 2015, where MF's appeal was dismissed.

Moazzem BEGG, who was previously designated under TAFAs 2010, lodged an appeal on 3 November 2014, challenging the Treasury's decision to revoke rather than quash his designation. These proceedings were ongoing during the reporting period.

Two individuals designated under TAFAs 2010 lodged appeals against their designations on 27 May 2015.

There were no criminal proceedings in respect of breaches of asset freezes made under TAFAs 2010.

Annex A—Designated persons under TAFAs 2010 by name⁴

Individuals

- Hamed ABDOLLAHI
- Bilal Talal ABDULLAH
- Imad Khalil AL-ALAMI
- Abdelkarim Hussein AL-NASSER
- Ibrahim Salih AL-YACOUB
- Ruhul AMIN
- Manssor ARBABSAR
- Usama HAMDAN
- Nur Idris HASSAN NUR
- Nabeel HUSSAIN
- Hasan IZZ-AL-DIN
- Mohammed KHALED
- Parviz KHAN
- Reyaad KHAN
- Musa Abu MARZOUK
- Khalid MISHAAL
- Khalid Shaikh MOHAMMED
- Aseel MUTHANA
- Nasser MUTHANA
- Abdul Reza SHAHLAI
- Ali Gholam SHAKURI
- Qasem SOLEIMANI
- A (restricted designation)

Entities

- Basque Fatherland and Liberty (ETA)
- Ejército de Liberación Nacional (ELN)
- Fuerzas Armadas Revolucionarias de Colombia (FARC)
- Hizballah Military Wing, including external security organisation
- Popular Front for the Liberation of Palestine—General Command (PFLP-GC)
- Popular Front for the Liberation of Palestine (PFLP)
- Sendero Luminoso (SL)

Annex B: Persons designated by the EU under Council Regulation (EC)2580/2001[5]

Persons

- Hamed ABDOLLAHI*
- Abdelkarim Hussein AL-NASSER*
- Ibrahim Salih AL YACOUB*
- Manssor ARBABSAR*
- Mohammed BOUYERI
- Hasan IZZ-AL-DIN*
- Khalid Shaikh MOHAMMED*
- Abdul Reza SHAHLAI*
- Ali Gholam SHAKURI*
- Qasem SOLEIMANI*

Groups and Entities

1. Abu Nidal Organisation (ANO)
2. Al-Aqsa E.V.
3. Al-Aqsa Martyrs' Brigade
4. Babbar Khalsa
5. Communist Party of the Philippines, including New People's Army (NPA), Philippines
6. Devrimci Halk Kurtulu Partisi-Cephesi—DHKP/C (Revolutionary People's Liberation Army/Front/Party)
7. Ejército de Liberación Nacional (National Liberation Army)*
8. Fuerzas Armadas Revolucionarias de Colombia (FARC)*
9. Gama'a al-Islamiyya (a.k.a. Al-Gama'a al-Islamiyya) (Islamic Group—IG)
10. Hamas, including Hamas-Izz al-Din al-Qassem
11. Hizballah Military Wing, including external security organisation
12. Hizbul Mujahideen (HM)
13. Hofstadgroep
14. International Sikh Youth Federation (ISYF)
15. Islami Büyük Dogu Akincilar Cephesi (IBDA-C) (Great Islamic Eastern Warriors Front)
16. Khalistan Zindabad Force (KZF)
17. Kurdistan Workers Party (PKK) (a.k.a. KONGRA-GEL)
18. Liberation Tigers Of Tamil Eelam (LTTE)
19. Palestinian Islamic Jihad (PIJ)
20. Popular Front for the Liberation of Palestine—General Command (PFLP-GC)*
21. Popular Front for the Liberation of Palestine (PFLP)*
22. Sendero Luminoso (SL) (Shining Path)*
23. Teyrbazen Azadiya Kurdistan (TAK)

¹ This does not duplicate funds frozen under TAFAs.

² This figure reflects the most up-to-date account balances available and includes approximately \$64,000 of funds frozen in the UK. This has been converted using exchange rates as of 30/06/2015. Additionally the figures reflect an updating of balances of accounts for certain individuals during the quarter, depleted through licensed activity.

³ Based on information held by the Treasury, some of these individuals hold dual nationality.

⁴ For full listing details please refer to <https://www.gov.uk/government/publications/current-list-of-designated-persons-terrorism-and-terrorist-financing>

⁵ For full listing details please refer to www.gov.uk

* EU listing rests on UK designation under TAFAs

[HCWS156]

DEFENCE

UK Embedded Forces

The Secretary of State for Defence (Michael Fallon): UK Armed Forces regularly have embeds in the forces of our close partners. Embedded UK personnel operate as if they were the host nation's personnel, under that nation's chain of command, but remain subject to UK domestic, international and host nation law. Our partners likewise have personnel operating under UK command.

Embeds allow the UK military personnel to gain direct experience of key capabilities and equipment; make a positive contribution to our defence relationship

with our closest allies; and can directly contribute to enhancing the UK's military capability. Embeds aboard the US carriers have ranged from aircraft handlers to pilots; they have been crucial to developing our own Queen Elizabeth class carriers, and the handling of F35B aircraft.

UK personnel have embedded with other nations' air forces since the 1950s. In recent years, UK personnel embedded with US air forces have participated in operations in Afghanistan, Libya and Iraq, and with the French and Dutch in Mali. The UK currently has over 250 exchange personnel in the armed forces of allies including the US, Australia, Canada, the Netherlands, Italy, France and Germany.

Ministerial approval is required for UK embeds deployed with allied forces on operations. Since the international coalition commenced military operations against ISIL last year, up to 80 UK personnel have been embedded with US, Canadian and French forces. They have undertaken a range of roles including planning, training and flying and supporting combat and surveillance missions. A small number of embedded UK pilots have carried out airstrikes in Syria against ISIL targets: none are currently involved in airstrikes.

The convention that before troops are committed to military operations the House of Commons should have an opportunity to debate the matter, except in the event of an emergency, applies to the deployment of UK forces. UK personnel embedded within other nations' armed forces operate as members of that military.

[HCWS149]

ENERGY AND CLIMATE CHANGE

Implementing Geological Disposal: Annual Report

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): I am pleased to announce today the publication of the fifth annual report of the Government's Implementing Geological Disposal programme. The programme is focused on implementing the geological disposal of higher activity radioactive waste.

The UK Government remain firmly committed to geological disposal as the right policy for the long-term safe and secure management of higher-activity radioactive waste, and continue to favour a voluntarist approach based on working with communities that are willing to participate in the siting process.

The publication of the Implementing Geological Disposal White Paper in July 2014 set out the policy framework for the future implementation of geological disposal in the UK. Government have been progressing the 'Initial Actions' set out in the White Paper, and formal discussions between interested communities and the developer will not begin until the 'Initial Actions' have been completed.

The fifth annual report can be found at: <http://www.gov.uk/decc>. I have also written to the Chairs of the Energy and Climate Change Select Committee and the House of Lords Science and Technology Committee, and I have made available copies in the Libraries of the House.

[HCWS148]

HEALTH

Cap on Care Costs

The Minister for Community and Social Care (Alistair Burt): My noble Friend Lord Prior of Brampton has made the following written ministerial statement.

In 2010 the previous Government asked Sir Andrew Dilnot to lead the Commission on Funding of Care and Support to make recommendations on how to achieve an affordable and sustainable funding system for care and support for all adults in England. The commission recommended the creation of a cap system to protect people from the risk of very high care costs. This recommendation was accepted and plans put in place to implement from April 2016.

This Government still accept that recommendation and remain firmly committed to delivering this historic change. However, the proposals to cap care costs and create a supporting private insurance market were expected to add £6 billion to public sector spending over the next five years. A time of consolidation is not the right moment to be implementing expensive new commitments such as this, especially when there are no indications the private insurance market will develop as expected. Therefore in light of genuine concerns raised by stakeholders, we have taken the difficult decision to delay the introduction of the cap on care costs system until April 2020.

This is not a decision that has been taken lightly. A letter from the Local Government Association, dated 1 July, was clear that we need to think carefully about all the options, including postponing new initiatives. I am attaching a copy of this letter and a response from the Minister of State for care services. This is therefore what we will do and further announcements will follow in due course. Furthermore, we will continue with other efforts to support social care, in particular through the better care fund, which will drive the integration of social care and the NHS going forward.

We have an ageing population, which is something to be celebrated, but it inevitably means there are more people who will need care and support and we must ensure that the system can respond. This is an issue that had been ignored by successive Governments for far too long and I remain proud that we are taking on this thorny issue and setting out clear plans to address it.

Vital steps have already been taken to improve the care and support landscape. The first phase of the care and support reforms enshrined in the Care Act came into force in April this year, introducing the biggest reforms to care and support in over 65 years. For the first time ever, we have a single, modern legal framework for care and support that places the person and their health and wellbeing at its heart. There are now national eligibility criteria for care and support across England. Carers now have the right to support to meet their needs. And deferred payment agreements are available across England ensuring that people should not be forced to sell their home in order to pay for their care in their lifetime.

The introduction of the cap on care costs system will be the biggest reform to how care is paid for since 1948 and we must ensure that the new system works from day one. Local authorities and partners have consistently warned us of the risks of implementing this too quickly. We will therefore not be complacent, but work hard to use this additional time to ensure that everyone is ready to introduce the new system and that people can understand what it will mean for them. This includes taking the time to take stock on some of the other elements of the care and support reforms that are intended to support the cap system.

I am able to confirm that we will delay the full introduction of the duty under section 18(3) of the Care Act on local authorities to meet the eligible needs of self-funders in care homes to April 2020 to allow more time to be taken to consider the potential impact on the market and the interaction with the cap on care costs system. I can also confirm that the proposed appeals system for care and support will now be considered as part of the wider spending review. Further announcements will follow in due course.

We will also look at what more we can do to support people with the costs of care. The new pension flexibilities introduced in April create a real opportunity for us to continue to work with the financial sector to look at what other products may be created to help people meet the costs of care, creating even more choice and enabling people to better plan and prepare for later life. To this end I will be holding an urgent meeting with representatives from the insurance industry along with HM Treasury and other Government Ministers to work through what this announcement means for them and how Government can help them to bring forward new products. These discussions will continue over the summer.

Attachments can be viewed online at: <http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2015-07-20/HCWS145/>.

[HCWS145]

Infected Blood

The Parliamentary Under-Secretary of State for Health (Jane Ellison): My noble Friend Lord Prior of Brampton has made the following written ministerial statement.

Before 1991, thousands of patients contracted HIV, hepatitis C, or both viruses, from treatment with NHS-supplied blood or blood products. This is aptly described by many as one of the great tragedies of modern health care and on the 25 March 2015 the Prime Minister apologised on behalf of the Government to all those that were infected. I would like to start by repeating this sentiment and state, on behalf of this Government, how sorry we are for what happened and for the distress caused to those affected and their families.

In March, Lord Penrose published the report of his public inquiry into infections acquired in Scotland. As infection occurred before devolution, this is of relevance for the Westminster Government. Lord Penrose scrutinised events over a period of nearly 18 years between 1974-91. The report, together with over 5,000 documents from the period 1970-85 which have already been published by Government, provides a comprehensive picture of events and decisions made. We have also committed to releasing all additional documents from 1986-95 late this summer.

Lord Penrose made one recommendation: to take all reasonable steps to offer a hepatitis C test to everyone (in Scotland) who had a blood transfusion before September 1991 and who has not been tested for hepatitis C. In England, guidance to GPs has been issued over the years by the Department of Health, the NHS, and other health organisations which recommend that a hepatitis C test should be offered to patients who received a blood transfusion in the UK before 1991 or were treated with blood products before 1986. This can currently be found on the NHS Choices website. In light of Lord Penrose's recommendation, the Department will be acting to ensure that GPs are reminded of this duty.

The terms of reference of the Penrose inquiry did not include financial support for those affected. However for some time we have been listening to the many concerns about the existing arrangements and have been considering how we might improve that support. Concerns have been raised by individuals that have been affected, MPs, and the all party parliamentary group (APPG) on haemophilia and contaminated blood, and include: the complex nature of the organisations, and the criteria for, and charitable nature of, some payments. I would therefore like to briefly acknowledge the work of all the MPs who have raised the profile of this tragedy. Most significantly, however, I would like to recognise the work of affected individuals, and their representatives, who have tirelessly campaigned for many years.

On 25 March the Prime Minister also announced that £25 million would be allocated to ease transition to a reformed system of support for affected individuals. While no decisions

have yet been made on how this money will be spent, I must emphasise that the money will not be used for administrative costs, but will be used appropriately to support any transitional arrangements once we have consulted on how a new scheme might be structured.

Transition to a reformed scheme remains a priority for this Government. Decisions on the overall DOH budget from 2016-17 onwards will be determined as part of the forthcoming spending review.

While I understand that beneficiaries to the current schemes may be frustrated by this wait, this is an extremely complex and sensitive area and any reform plans must be carefully considered before a consultation can be launched.

[HCWS146]

HOME DEPARTMENT

National Crime Agency Remuneration Review Body

The Secretary of State for the Home Department (Mrs Theresa May): The second report of the National Crime Agency (NCA) Remuneration Review Body was published today. In line with my letter setting the body's remit, it has made recommendations on pay and allowances for NCA officers designated with operational powers. I wish to express my thanks to the chairman and members of the review body for their careful consideration of the evidence.

Following an independent review of the evidence supplied by the NCA, the Home Office, Her Majesty's

Treasury and the relevant trade unions, the NCA Remuneration Review Body has recommended various pay increases with an average annual award increase of approximately 1%. This is in line with the Government's policy that public sector annual awards should average up to 1% for 2015-16. I accept these recommendations in full.

Copies of the NCA Remuneration Review Body's second report are available in the Vote Office and on www.gov.uk.

[HCWS151]

Visa Requirements for Tier 1

The Minister for Immigration (James Brokenshire): I am announcing today that from 1 September 2015, individuals who are applying for entry clearance as an entrepreneur or an investor under the tier 1 category will be required to provide a criminal record certificate from any country in which they have lived for 12 months or more in the previous 10 years.

Under the previous Government we changed the immigration rules to introduce a requirement to provide an overseas criminal record certificate where that is required. We will introduce this requirement in a controlled way and learn the lessons from implementation as we roll out the requirement to other categories of migrant.

[HCWS150]

ORAL ANSWERS

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