

Tuesday
17 November 2015

Volume 602
No. 70



**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**
(HANSARD)

Tuesday 17 November 2015

House of Commons

Tuesday 17 November 2015

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

HEALTH

The Secretary of State was asked—

Learning Disabilities and Autism

1. **Jack Lopresti** (Filton and Bradley Stoke) (Con): What steps his Department is taking to improve care and support for people with learning disabilities and autism. [902107]

The Minister for Community and Social Care (Alistair Burt): We are determined to ensure that people with learning disabilities live independent lives, with better care and improved outcomes. Taken together, the Government's recent response to the "No Voice Unheard, No Right Ignored" consultation and the newly published "Transforming care" consultation set out the steps we will take to protect rights, strengthen choice, meet physical and mental health needs and end institutional care by default.

Jack Lopresti: I thank my right hon. Friend for his answer. South Gloucestershire and Stroud college, based in my constituency, is making an application to open a free school for autistic children. How does he feel that such schools can improve the support and education for children with autism?

Alistair Burt: I thank my hon. Friend for the question. Autism is certainly a growing area of identified special educational need across the country that requires an increasing range of provision to meet the diverse needs of the population. Although it would be inappropriate for me to comment on a particular free school application, where it is needed, a special free school can add to the local continuum of provision, by providing specialist places and specialist expertise that can be shared more widely.

Bill Esterson (Sefton Central) (Lab): The all-party group on foetal alcohol spectrum disorders took evidence last week about the link between alcohol consumed by mothers during pregnancy and the growing incidence of learning disability and autism. In Canada, this has been widely known for many years, and the Canadian Government at national and federal levels have invested heavily in raising awareness. When can we expect the same in this country?

Alistair Burt: The syndrome to which the hon. Gentleman rightly draws attention is well known here as well. I understand from the public health Minister, my hon. Friend the Member for Battersea (Jane Ellison), that a consultation in relation to this will be announced shortly, and of course there will be new guidelines in response. The all-party group is right to draw attention to this, and anything that can protect women during pregnancy and, of course, their children is of benefit to all.

Mr Nigel Evans (Ribble Valley) (Con): In one family in my constituency, three of the four youngsters have autism. Will the Minister look at the work of local authorities? In this specific case, Lancashire is clearly not working closely enough with the mother, who has one idea about how she wants her youngsters to be educated. The local authority, for cost reasons alone, is simply not working with the parents. It would prefer to see her prosecuted, rather than working with her.

Alistair Burt: I fairly regularly meet families and others who have had young people and older people in the system and where there is a difference of opinion about what might be done. Some of the stories are very distressing. Families will sometimes feel that people have not listened to them. There can be quite difficult clashes of opinion on occasion. Of course, any case that my hon. Friend wants to bring me I would be happy to see, but this is a perpetual issue. The important thing is always to listen to those who are closest to a problem. That is likely to be the best way forward. Even if there is a difference of opinion, if people feel that they have been listened to, there is a proper opportunity to explore what can be done.

Jim Shannon (Strangford) (DUP): The autism numbers in Northern Ireland are growing. I understand that it is a devolved matter, but it is clear to me that three Departments have a responsibility: Health, No. 1; Education, No. 2; and Employment, No. 3. We need to ensure that the health of autistic children is looked after and that they have an education that prepares them for employment. Does the Minister have a strategy that takes all three Departments on board, and if so, is it shared among all the regions of the United Kingdom of Great Britain and Northern Ireland?

Alistair Burt: Yes. I could not have put it better myself. We have an autism programme board, on which sit representatives of the families of those with autism, which provides an opportunity to look overall at the Government strategy. The hon. Gentleman is right to say that it contains many different elements. For example, in relation to work, we have set out a challenge to halve the disability employment gap, because more people with disabilities want to take the chance of working. That must be done in the right way; we are working closely with the Department for Work and Pensions in relation to that, but things such as the autism programme board give a chance for families to be involved right across the areas where they might expect help and assistance.

Full Hospital Services

2. **Michael Tomlinson** (Mid Dorset and North Poole) (Con): What steps he plans to take to ensure that full services in hospitals are available seven days a week by 2020. [902109]

The Secretary of State for Health (Mr Jeremy Hunt):

By 2020, all patients admitted to hospital in an emergency will have access to the same level of consultant assessment and diagnostic tests, whichever day of the week they are admitted.

Michael Tomlinson: With mortality rates at weekends suggesting that there is an increased risk of dying, does the Secretary of State recognise the importance for Dorset of getting right the proposal for a new emergency hospital in the Poole and Bournemouth area and ensuring that there are specialist consultants 24/7?

Mr Hunt: I thank my hon. Friend for raising that issue, which is incredibly important for his constituents and for Dorset as a whole. I know that the Under-Secretary of State for Health, my hon. Friend the Member for Ipswich (Ben Gummer), who has responsibility for hospitals, will be going there very soon. The clinical standard says that anyone admitted to hospital in an emergency should be assessed by a consultant within 14 hours. Across every day of the week and all specialties, that happens in only one in eight of our hospitals. That is why it is so important to get this right.

Rachael Maskell (York Central) (Lab/Co-op): Bootham Park mental health hospital and York's place of safety shut with four working days' notice, so York no longer has a seven-day service, nor even a one-day service in our hospital. That would have been totally avoidable if one NHS body had overarching responsibility for patient safety. Will the Secretary of State agree to meet me and to have an independent inquiry so that mental health patients are not put at serious risk again and we can have a full seven-day service before 2020?

Mr Hunt: Obviously, I am very concerned to hear what the hon. Lady says. I know that my right hon. Friend the Minister of State has been looking at this issue and is very willing to talk to her about it. Alternative provision has been made, but she is right to make sure that her constituents have access to urgent and emergency care seven days a week.

Dr Andrew Murrison (South West Wiltshire) (Con): Does my right hon. Friend agree that full hospital services does not mean full services in every hospital, and that if we are to achieve our ambition of driving down excess weekend deaths, we will have to look again at concentrating services in regional and sub-regional centres, and, in addition, make sure that we network properly among smaller hospitals, where they exist?

Mr Hunt: My hon. Friend speaks very wisely on this issue. Yes, this is not about making sure that every hospital is providing every service seven days a week. It is about making sure that in an urgent or emergency situation, people can access the care they need and that, for example, high dependency patients are reviewed twice a day, even at the weekends, by consultants. That happens across all specialties in one in 20 of our hospitals, which is why it is so important to get this right.

Ms Margaret Ritchie (South Down) (SDLP): What assessment has the Department made of the impact of reduced accident and emergency hours, and what effect will that have on the implementation of a seven-day work plan?

Mr Hunt: I am not quite sure I understand what the hon. Lady is referring to. We are not reducing A and E hours; we are investing. We have nearly 2,000 more consultants in our A and E departments than five years ago and we need to support strong A and E departments as much as possible.

Andrea Jenkyns (Morley and Outwood) (Con): Over the weekend we learned of the close links between the leadership of the British Medical Association and the Labour party. It seems that the BMA is more interested in pushing its own political agenda than in securing the best deal for its members. Can my right hon. Friend assure me that he will hold his nerve and deliver the seven-day NHS that will make the NHS safer for our patients?

Mr Hunt: I can absolutely give my hon. Friend that assurance. This is essential for the constituents of all hon. Members, whichever side of the House they sit on, and this Government will always stand on the side of patients. The weekend mortality rates are not acceptable. That is why we are doing something about them.

Daniel Zeichner (Cambridge) (Lab): Given the acute pressures on the national health service, we are a long way from the vision that the Secretary of State wants to achieve. I met the Indian Workers Association this morning. Thousands and thousands of care workers of Indian origin are trained nurses and could be in our NHS, but the bar for the language test has been set so high that they are excluded. Will the Secretary of State look again at the test?

Mr Hunt: I commend the extraordinary contribution made by NHS front-line workers of Indian origin. I have met the Indian doctors association, the British Association of Physicians of Indian Origin, and have had many discussions on that front. It is very important, however, that people speak good English if they are providing care in the NHS. There are real issues for clinical safety when the standard of English is not high enough. We have a lot of fantastic support from immigrants who do a great job on the NHS frontline, but good English is an absolute pre-requisite.

Diagnostic Testing (Primary Care)

3. **Maggie Throup** (Erewash) (Con): What steps the Government are taking to improve diagnostic testing in primary care. [902110]

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): The Government are determined to improve and invest in diagnostic testing in primary care. Diagnostics and breakthroughs in innovative diagnostics are key to a 21st-century NHS. That is why we have set up the medical technology strategy group, which I chair, to look at accelerating diagnostics into the system; the cancer strategy taskforce; the Prime Minister's GP access fund; the new models of care programme; and the accelerated access review, which is looking to accelerate those diagnostics with particular value to patients and the system. We have also introduced the new guidelines for the National Institute for Health and Care Excellence, and, through

the genomics programme, we are investing in 21st-century molecular diagnostics, which will come to shape the future.

Maggie Throup: C-reactive protein point-of-care testing could reduce the number of prescriptions for antibiotics, contribute to the UK's anti-microbial resistance strategy, and save the NHS millions of pounds each year. Ahead of my Adjournment debate on this issue next Monday, will the Minister agree to look at this type of testing as a way of saving the NHS money and providing appropriate patient treatments?

George Freeman: My hon. Friend makes an excellent point. We are completely committed to tackling anti-microbial resistance, and reducing the volume of antibiotics prescribing is vital to that. We are a world leader in this field in tackling AMR. We have an expert group looking at how to improve diagnostic services in relation to AMR, and it has already identified what diagnostics are currently in use and what new technologies are on the horizon, including C-reactive protein point-of-care testing. The group is currently formulating conclusions. The public health Minister, my hon. Friend the Member for Battersea (Jane Ellison), is looking forward to responding to my hon. Friend's debate on Monday to set out more of the detail.

Mr John Baron (Basildon and Billericay) (Con): The Government have done a very good job in getting one-year cancer survival rates into the DNA of the NHS as a means of encouraging clinical commissioning groups to promote earlier diagnosis—cancer's magic key. Does the Minister agree that we all need to ensure that we keep the CCGs' feet close to the fire as regards these one-year figures so that we do not just improve diagnostic testing in primary care, but improve screening rates, GP referral rates and awareness campaigns as a means of ensuring that we save the thousands of lives that are needlessly lost through late diagnosis?

George Freeman: My hon. Friend is absolutely right. I pay tribute to his work on this through the independent cancer taskforce. The aim is to save 30,000 more lives a year by 2020. We are working with Harpal Kumar and Cancer Research UK on implementing its recommendations. NICE has set out new guidelines on clear ambitions and standards on how quickly patients should be referred for diagnostics. There is good news in that in 2014-15, compared with 2009-10, over 4.3 million more imaging and endoscopy tests were commonly used to diagnose cancers, but I agree that we have much more still to do.

Suicide Rates

4. **Simon Danczuk** (Rochdale) (Lab): What steps he is taking to reduce suicide rates. [902111]

The Minister for Community and Social Care (Alistair Burt): Every person lost to suicide is a tragedy. We continue to deliver the national suicide prevention strategy to reduce suicide rates by working across Government and with the NHS, community, voluntary and charitable sectors. But above all, we must challenge the inevitability of suicide, and I want us to be more ambitious about suicide prevention.

Simon Danczuk: In Rochdale, suicides have gone up by 25% since 2010. The rate is 11.8% against an average of 8.9% in England. We have a much higher rate of male suicide. If the Government continue to get their approach to this wrong, there will be more and more needless deaths. Are they going to fund mental health services properly?

Alistair Burt: Looking at mental health services is just part of what we intend to do, and more money is going into mental health. The hon. Gentleman is absolutely right about male suicide. Men are three times more likely to commit suicide than women. It is also a particular cause for concern among young men. Overall, our national suicide rates remain relatively low in comparison with others, but they have been rising, and I am worried. I am interested in the theory of zero suicide, with more work to try to ensure that suicide is not seen as inevitable and more work in detail with particularly affected communities. The work that we are doing with people at a younger age, using child and adolescent mental health services more effectively to deal with depression and similar issues before suicide becomes a greater risk, will also be important. I am really interested in this area, and I think we are going to have a debate on it later this week.

Mr David Nuttall (Bury North) (Con): As my right hon. Friend says, we will indeed be having a debate on this matter later this week, on Thursday in Westminster Hall. It will be the first time that we have been able to mark international men's day and consider the whole issue of male suicide in more detail, and it will give us the opportunity to look at why the proportion of male deaths to female deaths has increased steadily since 1981.

Alistair Burt: I am grateful to my hon. Friend for raising the subject and for mentioning the forthcoming debate. The subject deserves to be looked at extremely carefully. As I have said, there should be neither complacency nor a sense of inevitability about suicide, and I am very interested in what more can be done. I have met one or two of the families who have experienced these tragedies and I am deeply impressed with their commitment to doing something for those age groups particularly affected. This afternoon I will meet a gentleman who is well known for having been involved in a suicide prevention incident. We are doing work to reduce stigma and to find places for people to talk about their concerns, and the more people are prepared to talk about things that might cause suicide, the better. This is an issue that we can give a higher profile to and do more work on, because every time there is a suicide it leaves a trail of damage for families and friends that is truly distressing to behold.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Last week, yet another report—this one from the King's Fund—warned of a mental health system that is under huge pressure. On this Government's watch, just 14% of patients feel that they have received appropriate care in a crisis. The number of mental health nurses has dropped, and increasing numbers of people are having to travel hundreds of miles for a bed. What action will the Minister take to turn his rhetoric into reality?

Alistair Burt: This is a cross-party matter and it is very important. We believe we have made strides during both the previous and this Government. We are investing more money in mental health services—it was increased to £11.7 billion last year—and this was the first Government to introduce standards for access and waiting times with regard to mental health, to try to put it on a par with other conditions. That was not how it was done before. We will now try to ensure that the money that goes in nationally is used to provide assistance locally, and that the money that is put in for local use is used locally.

There are areas to celebrate. We are world leaders with the improving access to psychological therapies service, which has treated 3 million people since 2009. We want to build on that. We know that the service has lagged behind others in the past, which is why we are determined to do much more about it. I think it is the view of the whole House that we should do more about it, and we will.

Luciana Berger: I listened very carefully to the Minister's response, but I reinforce the point that the suicide rate in this country is going up, not down. It is a national scandal that we need to address.

The Minister mentioned prevention. The Government have confirmed that they will make an in-year £200 million cut to local public health grants. That is a political decision. It is not going to save money and, apart from the devastating human price, it is going to cost our NHS and our local authorities more as they deal with both physical and mental ill health that could have been prevented. How can the Minister justify that?

Alistair Burt: First, £1.25 billion is going into creating new services for children and young people's mental health services during the course of this Parliament. The hon. Lady's party did not make that commitment before the general election. More work is being done in schools to provide a better base for mental health. We have, for the first time, appointed in the Department for Education a Minister with responsibility for mental health in schools.

The pressures on public health budgets are the same as those on every other budget. Those pressures on the national health service were met by my colleagues during the general election, with a commitment to provide an extra £8 billion—the figure is now £10 billion—by the end of this Parliament. That commitment was not made by the hon. Lady or her party. She asks for more money to be spent, but we have committed to do that and we are finding it. It is very important that we take the position that we have to do as much as we can with what we have got. Mental health services are moving forward and we should take the opportunity to say that and welcome what has been done. We have provided the resources in a way that I am afraid the hon. Lady's party did not.

Car Parking Costs

5. **Jo Cox** (Batley and Spen) (Lab): If he will take steps to assist hospital trusts to mitigate the cost of car parking on NHS sites for out-patients and visitors.
[902112]

The Parliamentary Under-Secretary of State for Health (Ben Gummer): It is for NHS organisations locally to set the cost of car parking, but they should be informed by the principles and guidance set by the Department of Health.

Jo Cox: My local trust of Mid Yorks has just increased parking charges at Dewsbury and district hospital and has introduced charges for drivers with disabilities. The trust is clear that that is due to the financial settlement from Government. Does the Minister think it is acceptable that people who are ill or in need of medical attention, and their loved ones, are being penalised in this way?

Ben Gummer: The financial settlement from the Government is more generous than the one promised by the hon. Lady's party at the last election. We are committing £10 billion over the next few years. I would ask her trust to look at the savings suggested by Lord Carter, who has identified considerable savings that can be made within hospitals. If it feels that it needs to increase car parking charges, it should refer to the Department of Health guidance, which makes it clear that there should be concessions for blue badge holders.

Ben Howlett (Bath) (Con): Hospital car parking charges are clearly too high in the UK. I am sure that my hon. Friend agrees that the Minister without Portfolio, my right hon. Friend the Member for Harlow (Robert Halfon), led an amazing campaign during the previous Parliament to reduce the charges. Will my hon. Friend confirm that he is pursuing his commitment to reduce hospital car parking charges and explain how that will help patients and visitors to the Royal United hospital in my constituency?

Ben Gummer: The principles that the Department publishes are clear that charges, if they are set, should be proportionate and fair and should be set at a level that assures people of a car parking space. One of the problems of free car parking is that it often means there are no spaces for carers and for the sick when they turn up. Clearly, hospitals should exercise judgment in making sure that carers and people making frequent visits get a heavily discounted rate so that such charges do not become an impediment to free access to healthcare.

Paula Sherriff (Dewsbury) (Lab): Mid Yorkshire Hospitals NHS Trust has recent imposed charges for blue badge holders. Many constituents have told me that, as a result, they will struggle to attend their appointments. The trust admitted to me that it had not considered the impact on the DNA—did not attend—rate. Does the Minister agree that not only does this place an extra financial burden on the vulnerable, but could lead to their being denied access to the healthcare that they desperately need?

Ben Gummer: The hon. Lady raises the surprising point that the hospitals did not consider the impact on their operations, which they should have done. The principles make it quite clear that disabled drivers should get concessionary rates, although charges sometimes need to be applied so that there are spaces for disabled drivers. The hospitals should have thought that through, and should look for savings elsewhere in their operations before they look at car parking charges.

Clinical Outcomes

6. Helen Whately (Faversham and Mid Kent) (Con): What steps his Department is taking to improve clinical outcomes for people treated by the NHS. [902113]

The Parliamentary Under-Secretary of State for Health (Ben Gummer): On a number of fronts, the Department is looking at how it can improve clinical outcomes. Indeed, that is the entire focus of the Department. With reference to hospitals, we can improve clinical outcomes across the service through introducing a seven-day NHS, by increasing transparency and by looking at the cover provided by consultants and doctors.

Helen Whately: I welcome the Government's commitments to improving outcomes for patients admitted at weekends, but seven-day services are needed not just in hospitals but in primary care, community care, social care and mental health services. What steps are the Government taking to make sure that seven-day services are available in all settings where patients need care urgently?

Ben Gummer: My hon. Friend makes her point extremely well. A seven-day NHS will operate only if it works across all areas of care. That is why the local integration of care and health services is part of our wider vision for the NHS. I urge her to look, when it is published, at Professor Sir Bruce Keogh's report on urgent and emergency care, which envisages precisely the sort of joined-up care that will ensure people receive the correct attention at the correct level and do not therefore go to hospital when they can be dealt with in primary care settings.

Nick Thomas-Symonds (Torfaen) (Lab): On the Friday before last, a Minister stood at the Dispatch Box and talked out my private Member's Bill, the Off-patent Drugs Bill, which would have provided a mechanism for improved clinical outcomes by making repurposed drugs more consistently available across the country. The Minister for Community and Social Care said that the Government would consider an alternative pathway. What is that pathway and when will it be implemented?

Ben Gummer: As I am sure the hon. Gentleman knows, my hon. Friend the Under-Secretary of State for Life Sciences is fully committed to the ambition expressed in the hon. Gentleman's Bill. My hon. Friend feels that the mechanisms do not work, but has set up a working party to ensure that that ambition can be taken forward. I know that he would welcome full engagement with the hon. Gentleman to make sure that that happens.

David Tredinnick (Bosworth) (Con): If we are to improve patients' clinical outcomes, surely we need to look more at patient experiences. According to *The BMJ*, only 11% of the 3,000 treatments looked at in clinical trials proved to be beneficial, with 50% being of unknown effectiveness. Now that the Society of Homeopaths is regulated by the Professional Standards Authority, should we not spend more than a paltry £100,000 a year on homeopathic medicine in the health service?

Ben Gummer: The Department's position, despite repeated questioning from my hon. Friend, is consistent on this matter and remains the same.

Mr Speaker: As I have often had cause to observe, repetition is not a novel phenomenon in the House of Commons.

Mr Philip Hollobone (Kettering) (Con): In Northamptonshire, 80% of end-of-life patients die in hospital, whereas 80% of end-of-life patients want to die at home, assisted by the hospice movement. I have discovered that GPs are ticking the end-of-life box on the quality outcomes framework form, but that that information is not being passed automatically to local hospices. What can the Department do about that?

Ben Gummer: My hon. Friend raises a terribly important matter. Clinical outcomes can be assessed in a complete sense only if they include end-of-life care for those for whom there is no clinical outcome in the commonly received understanding of the term. If that is what is happening in his clinical commissioning group area, it is unacceptable. I point him to the work that the Government are doing on a paperless NHS to ensure that the kind of bureaucratic muddle he has identified no longer occurs.

Genomics England

7. Jo Churchill (Bury St Edmunds) (Con): What progress has been made by Genomics England in making the UK the world leader in genomic medicine. [902114]

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): The Genomics England project, which was launched by my right hon. Friend the Prime Minister, has electrified the global life and health science community. We are the first nation on earth to commit to sequencing 100,000 entire genomes of NHS patients, which will be combined with patient records to unlock NHS and UK leadership in the fast-emerging field of genomic medicine, focusing initially on rare diseases and cancer. I am delighted to report that we have the genomes of 5,000 patients fully sequenced and that 11 genomic medicine centres have been set up. We have identified first diagnostics and treatments for some rare diseases; 2,500 researchers are involved in the project; the cost of sequencing a genome has fallen from £5,000 to £1,000; and, importantly, NHS England is setting the international standard on ethics and patient consent in genomic medicine.

Jo Churchill: Does the Minister agree that the world-leading Genomics England will deliver a personalised and patient-centred revolution in modern healthcare by combining the talent of global companies such as AstraZeneca with that of UK-based companies such as Congenica in my region, to the benefit of patients with cancer and other rare diseases, the vitality of our NHS and, through jobs and innovation, the strength of our economy?

George Freeman: My hon. Friend makes a great point. I pay tribute to Congenica, a small company in Cambridge that is doing extraordinary work. I recently went to open Illumina's global research and development headquarters, which is a £160-million commitment. As well as the significant investment in technology and research in the UK, NHS England is leading genomic

medicine across the UK, not just in the Oxford-Cambridge-London triangle, but through 11 genomic medicine centres across the country, which are bringing genomic diagnostics to the benefit of us all.

John Pugh (Southport) (LD): The Minister will know of the case of one-year-old Layla Richards, who was saved from leukaemia by genome editing at Great Ormond Street hospital. What specific help does he give for such hands-on pioneering work?

George Freeman: The hon. Gentleman makes an excellent point. Genome editing is the latest in a suite of technologies that is rapidly emerging in genomics. Through the Genomics England programme, we are actively supporting those tools and intermediate technologies, and through the accelerated access review that I have launched, we are looking to harness those breakthroughs to support new treatments and new flexibilities for the National Institute for Health and Care Excellence and NHS England on targeted treatments.

Junior Doctors (New Contract)

8. **Oliver Colville** (Plymouth, Sutton and Devonport) (Con): What progress he has made on implementing a new contract for junior doctors; and if he will make a statement. [902115]

9. **Caroline Lucas** (Brighton, Pavilion) (Green): What plans he has to introduce a new contract for junior doctors. [902117]

The Secretary of State for Health (Mr Jeremy Hunt): Junior doctors are the backbone of the NHS. It is highly regrettable that their union has let them down by refusing to negotiate a new contract that will be fairer for doctors and safer for patients, and deliver the truly seven-day services we all want.

Oliver Colville: I thank my right hon. Friend for that answer, but has he had an opportunity to speak to medical schools about the new contract for junior doctors, especially the Peninsula medical school in my Plymouth, Sutton and Devonport constituency?

Mr Hunt: NHS Employers has regular discussions with the Medical Schools Council, which represents the Peninsula medical school. Although the training of doctors is not the specific contractual dispute that is in the headlines, it is something on which we could make significant improvements. We want to use this opportunity to work with medical schools and the royal colleges to see whether we can bring back some of the continuity of training that used to be such an important feature of junior doctors' training.

Caroline Lucas: The person who has let down junior doctors is none other than the Secretary of State. Does he recognise how insulting it is to those doctors to imply that they are not already working seven days? Crucially, will he listen to the professionals—junior doctors and their senior counterparts who support them—and drop his threat to impose the contract so that meaningful talks can take place?

Mr Hunt: What exactly would the hon. Lady say to her constituents who are not receiving the standard of care that they need seven days a week, and will she stand side-by-side with them, or with a union that has misrepresented the Government's position? We have been clear that there are no preconditions to any talks, except that if we fail to make progress on the crucial issue of seven-day reform, we of course reserve the right to implement a manifesto commitment. That must be the way forward, and I urge the British Medical Association to come and negotiate rather than grandstand, so that we get the right answer for everyone.

Dr Sarah Wollaston (Totnes) (Con): I am deeply concerned about the impact on patient care caused by the proposed three days of industrial action, including two days of a full walk-out. Will the Secretary of State say what advance preparations are taking place to ensure patient safety? Will he reassure the House that there are no preconditions that will act as barriers and to which the BMA has to agree before negotiations can take place?

Mr Hunt: I absolutely give my hon. Friend that reassurance. There are no preconditions, and this morning I wrote again to the BMA to reiterate that point. Of course, if we fail to make progress we have to implement our manifesto commitments, but we are willing to talk about absolutely everything. I agree strongly with my hon. Friend that it will be difficult to avoid harm to patients during those three days of industrial action. Delaying a cancer clinic might mean that someone gets a later diagnosis than they should get, and a hip operation might be delayed when someone is in a great deal of pain. It will be hard to avoid such things impacting on patients, and I urge the BMA to listen to the royal colleges—and many others—and call off the strike.

Dr Philippa Whitford (Central Ayrshire) (SNP): It is 40 years since the last junior doctor strike—before I even started medical school. Given the ballot tomorrow, does the Secretary of State regret the antagonistic approach that he took before the summer towards senior and junior doctors? Should he instead have worked with them and not threatened to impose a contract so as to reach a stronger emergency seven-day service?

Mr Hunt: I do not know what the hon. Lady thinks is antagonistic about holding reasonable discussions with doctors for three years to try to solve the problem of seven-day care. Those discussions ended with the BMA, after two and a half years, walking away from negotiations last October. We made a manifesto commitment to have a seven-day NHS and to do the right thing for patients, and we simply asked the BMA to sit round the table and talk to us about it. I am confident that we can find a solution.

Dr Whitford: Claiming in July that senior doctors do not work outside 9 to 5 was perhaps felt to be antagonistic. Contrary to the figures quoted by the hon. Member for Dudley North (Ian Austin) last Monday, A&E figures for NHS England are 5% below those in Scotland. With such disappointing figures before we even get into winter or face a work-to-rule, and in the presence of eye-watering deficits, how does the Secretary of State plan to support hospital trusts through the winter?

Mr Hunt: I urge the hon. Lady to correct for the record her wholly untrue statement that I ever said that doctors do not work outside 9 to 5. That is exactly the kind of inflammatory comment that makes the current situation a whole lot worse than it needs to be. I have always recognised the work that doctors do at weekends, but I also recognise that we have three times less medical cover at weekends, which means that mortality rates are higher than they should be. On A&E performance, we are taking extensive measures to ensure that the NHS is prepared for winter. It will be a tough winter, but unnecessary and wholly avoidable industrial action by the BMA will make it worse.

17. [902129] **Sir Simon Burns** (Chelmsford) (Con): Does my right hon. Friend agree that the failed attempt by the BMA to get an injunction against the General Medical Council to stop it issuing guidance on how doctors should behave responsibly towards patients if there were to be a strike undermines the BMA's claim that it is putting patient safety first? Will he assure the House that the BMA will have no veto on a seven-day NHS? That was a Conservative party manifesto commitment and it is what the vast majority of people in this country want.

Mr Hunt: My right hon. Friend championed the cause of patients when he was a Health Minister, and we must continue to do the right thing for patients, which is also the right thing for doctors. It is wholly inexplicable that the BMA should try to gag the GMC and stop it issuing guidance to doctors about their professional responsibilities. Whatever the disagreements over the contract, the most important thing is to keep patients safe.

Justin Madders (Ellesmere Port and Neston) (Lab): I am sure that both sides of the House genuinely appreciate the excellent work done by all staff in our NHS, which at a time of unprecedented strain relies more than ever on the goodwill of its employees to keep going. We have to support and value our staff, not criticise them and provoke them when there is disagreement. Calling junior doctors militant is not the way to end a dispute, and we have heard more of the same rhetoric this morning. Industrial action is always a last resort when negotiations have failed. Does the Secretary of State accept any responsibility for that failure?

Mr Hunt: I accept total responsibility for doing the right thing to save patients' lives. I have to say that I think that any holder of this office would be doing wholly the wrong thing if they were to try to brush under the carpet six academic studies that we have had in the last five years that say we have higher mortality rates at weekends than we should expect. This Government are on the side of patients and we will do something about that.

Genetic Problems (Children)

10. **Philip Davies** (Shipley) (Con): If he will take steps to reduce the number of children born with genetic problems due to marriages between first cousins.
[902119]

The Parliamentary Under-Secretary of State for Health (Jane Ellison): I am aware that there is an increased risk of recessive genetic conditions in births that occur as a result of first cousin marriages. It is a complex issue, and other factors are also significant, but experienced health professionals use some well-established tools and materials. Specialist clinicians in my hon. Friend's area are looking at this important issue.

Philip Davies: I am grateful to my hon. Friend for that reply, but given the severe medical conditions that are caused by first cousin marriages, is it not time that the Government considered the only proper solution—outlawing first cousin marriages in this country?

Jane Ellison: Such a change in the law would not be for the Department of Health. Let me respond to my hon. Friend's specific point about the particular localised challenges. He might be interested to know that in May 2012 a major conference was held at Leeds town hall, with groups drawn from across the area he represents and from the wider West Yorkshire area to look at these issues. As he knows, I have already written to the public health director in Bradford asking what is being done locally to address this issue, and I suggest that it would be useful if my hon. Friend followed up on that. I would be happy to hear how that conversation goes.

Psychological Therapies

11. **William Wragg** (Hazel Grove) (Con): What steps his Department is taking to ensure that the NHS recruits, trains and retains adequate numbers of therapists, clinicians and other staff to improve access to psychological therapies.
[902123]

The Minister for Community and Social Care (Alistair Burt): Health Education England, working with NHS England, is charged with ensuring that there are sufficient staff with the right skill mix to support the delivery of the improving access to psychological therapies programme, and that is monitored by an annual workforce census. For example, HEE's plans for 2015-16 are to train 946 additional individuals—a 25% increase on last year.

William Wragg: As well as providing adequate numbers of high quality specialised staff, given the prevalence of mental health issues in our society, is it not also important that general awareness is raised of mental health issues and the available treatments among all medical professionals, especially GPs? What future steps can the Government take to improve that training?

Alistair Burt: There are two particular ways to do that. The first is to enhance GP training, and work is already going on to do that. The second is through continuing professional development, and the Royal College of General Practitioners and HEE are combining to ensure that a good range of materials is available for clinicians and others to improve their skills in that area. My hon. Friend is right to raise the issue.

Health Problems (Poverty)

12. **Tommy Sheppard** (Edinburgh East) (SNP): What assessment he has made of the effect of poverty on the incidence of health problems.
[902124]

16. **Peter Grant** (Glenrothes) (SNP): What assessment he has made of the effect of poverty on the incidence of health problems. [902128]

The Parliamentary Under-Secretary of State for Health (Jane Ellison): Across Government we are working to improve the life chances of children, and that is at the heart of our efforts to tackle the real causes of child poverty and improve the prospects for the next generation. That involves taking a broad approach to improving poor health and tackling health inequalities which the last Government embedded in the law. The wider causes of ill health, such as worklessness and unhealthy lifestyles, are all being addressed at the moment. I welcome the fact that we have record numbers of people in work and a dramatic drop in the number of children living in workless households. That goes to the heart of some of the broader drivers of ill health and poverty.

Tommy Sheppard: I am pleased that the Government accept that there is a causal link between poverty and poor health outcomes. They will also know of the widespread concern that the proposed changes to the tax credits regime will result in greater poverty, which will in itself cause poorer health outcomes and may put great pressure on the NHS. Will the Department consider putting in place mechanisms to monitor the effect of the tax credit changes on demands on the national health service?

Jane Ellison: We do far more than monitor health inequalities; we are taking action to deal with them. The heart of my portfolio is comprised entirely of tackling health inequalities in our nation. Let me give just a couple of examples: the expanded troubled families programme, on which the Department of Health is working closely with other Departments; and the family nurse partnership, where we support some of the most vulnerable young parents in the earliest years of their children's lives. Those programmes have the greatest impact on our most disadvantaged communities. The matters that the hon. Gentleman raises are for other Departments, but I assure the House that improving the life chances of all our children is core business for the Government.

Peter Grant: Interesting answer, but unfortunately it was not the answer to the question that was asked. No doubt my hon. Friend will follow that up later. Is the Minister aware of work produced by, for example, Sir Harry Burns, the former chief medical officer of Scotland, which clearly indicates that although there is a very strong link between poverty and poor health, that link is not inevitable and should not be allowed to become inevitable? What are the Government doing to change policy, so that that link can be broken?

Jane Ellison: I have already given some examples of the work the Government are doing to tackle health inequalities in our nation. Let me give the hon. Gentleman another practical example. The burden of disease that tobacco brings falls disproportionately on poor communities. As well as the action that we have taken on standardised packaging and on smoking in cars with children, we are committed to a new tobacco strategy. I have said publicly that at the heart of the strategy there must be effective action to look at the areas in which

the effect of tobacco falls most heavily—disadvantaged communities. We are taking practical action to close gaps in health outcomes in a range of ways.

Hepatitis C Infection (Winter Fuel Payments)

13. **Drew Hendry** (Inverness, Nairn, Badenoch and Strathspey) (SNP): If he will discuss with the Secretary of State for Work and Pensions provision of winter fuel payments to people infected with hepatitis C by NHS blood transfusions. [902125]

The Parliamentary Under-Secretary of State for Health (Jane Ellison): Those affected by the contaminated blood tragedy are entitled to receive Department for Work and Pensions winter fuel payments if they meet its eligibility criteria. For the benefit of the House, if the not the hon. Gentleman, it is worth explaining that there are separate programmes of support. The bodies that put support in place for affected individuals also provide some winter payments. If somebody is eligible for both, receiving something from one body does not preclude them receiving a DWP winter fuel payment if they meet the criteria, but they are two different schemes.

Drew Hendry: With the UK Government dragging their feet on the £25 million transitional compensation payments for those in receipt of infected blood products, will they now make a firm commitment to supporting patients through this winter, and then get on with the business of getting a just and lasting settlement?

Jane Ellison: I have had conversations with my opposite numbers in Scotland about this issue and, as the hon. Gentleman knows, Shona Robison wrote to me about it. We are looking at her proposals in the context of wider scheme reform. I have also ensured that my officials are talking to the other devolved Administrations as we move forward to a better solution to this tragedy.

Non-hospital Care

14. **Dame Angela Watkinson** (Hornchurch and Upminster) (Con): What progress has been made on integrating and improving care provided outside of hospitals. [902126]

The Minister for Community and Social Care (Alistair Burt): The Government are committed to transforming out-of-hospital care for everyone, in every community, by 2020. We have seen excellent progress in areas led by integration pioneers, such as South Devon and Torbay. My hon. Friend's own area also has in place a number of initiatives, such as the community treatment team and intensive rehabilitation service, which is rated very highly in her local community.

Dame Angela Watkinson: My right hon. Friend will be aware that elderly people deteriorate rapidly and lose their independence skills when they are admitted to hospital. What discussions have been held with local authorities to ensure that there is an adequate supply of carers to enable older people to remain in their homes whenever possible?

Alistair Burt: I meet regularly, as does the Department, with our partners in the provision of social care. A new recruitment and retention strategy has been launched by the Department of Health and Skills for Care on how to ensure more care is provided by more skilled and more valued workers in the home environment. My hon. Friend is right to raise this issue.

Mr Speaker: Equally briefly, the last question and answer. I call Barbara Keeley.

Barbara Keeley (Worsley and Eccles South) (Lab): The ResPublica report, “The Care Collapse”, states that our residential care sector is in crisis. It says:

“Providers are being faced with an unsustainable combination of declining real terms funding, rising demand for their services, and increasing financial liabilities.”

It also states that a £1 billion funding gap in older people’s residential care would result in the loss of 37,000 care beds, which is more than in the Southern Cross collapse. No private sector provider has the capacity to take in residents and cover the lost beds, so those older people will most likely end up in hospital. What is the Minister doing to protect the care sector from catastrophic collapse?

Alistair Burt: As the House is aware, social care is a matter of great importance as we head towards the spending review round. We are aware of pressures in the system, and there is always contingency planning to identify particular problems. We are working hard with the National Care Association to improve the quality of care provided by the sector, and my right hon. Friend the Secretary of State has commissioned Paul Johnson, of the Institute for Fiscal Studies, to look at pressures in the care home sector and how to ensure that we can meet the challenges. If challenges require more money, which they always seem to do according to the hon. Lady, she needs to come up with ideas for how to provide that money, but she never does. It is the Government’s responsibility to meet those challenges within the context of the overall economic position.

Topical Questions

T1. [902172] **Kate Hollern** (Blackburn) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Health (Mr Jeremy Hunt): On Friday, I announced an ambitious plan to halve the rates of maternal deaths, neonatal harm and injury and still births by 2030 by learning from best practice in this and other countries. Following the tragic events in Paris, I know the House would also like my reassurance that we regularly review and stress test the NHS’s preparedness for responding rapidly to terrorist attacks. I have written to Madame Marisol Touraine, my French counterpart, to offer our solidarity and support. Vive la France!

Kate Hollern: Just after the election, the Health Secretary called childhood obesity a national scandal and made tackling health inequalities one of his key priorities. How will a flat-rate cut in the public health grant across all authorities, regardless of specific health challenges, as well as a further projected cut, under the reformulation, of £3 million in my constituency, help him to achieve his mission?

Mr Hunt: I gently say to the hon. Lady that we have to find efficiencies in every part of the NHS, and we are asking the public health world to find the same efficiencies as hospitals, GP surgeries and other parts of the NHS, but that should not be at the expense of services. I completely agree with her about childhood obesity, on which we will announce some important plans shortly.

Mr Speaker: Forgive me colleagues, but what we need at Topical Questions is short inquiries, without preamble, if we are to make progress. Let us be led in this exercise by Fiona Bruce.

T3. [902174] **Fiona Bruce** (Congleton) (Con): This is alcohol awareness week. In Scotland, the number of drink-driving offences dropped by 17% in the first three months after the introduction of a lower drink-driving limit. In the light of this encouraging evidence, is the Minister’s Department looking at the public health implications of reviewing the drink-driving limit in England and Wales as part of its alcohol review?

The Parliamentary Under-Secretary of State for Health (Jane Ellison): Obviously, tackling drink-driving remains a priority for the Government. We will be interested to see a robust and comprehensive evaluation of the change to the Scottish drink-driving limit, and I can confirm that Public Health England’s review of the public health impacts of alcohol will include drink-driving. Obviously, some of the issues my hon. Friend raises are for the Department for Transport, but I can confirm that we will be looking at this issue, and I will be interested to see the evidence.

Heidi Alexander (Lewisham East) (Lab): On Sunday, independent experts, the King’s Fund, the Nuffield Trust and the Health Foundation, had this to say about the coming winter:

“Expect the inevitable: more people dying on lengthening waiting lists; more older people living unwell, unsupported and in misery; and a crisis in Accident and Emergency.”

Are they all wrong?

Mr Hunt: They are right about the pressures on the NHS, which is why we are investing £5.5 billion more into it than Labour promised. Those pressures will be made a lot worse by the forthcoming strike, so will the hon. Lady clear something up once and for all: does she condemn the strike—yes or no?

Heidi Alexander: Let us be clear: if junior doctors vote for industrial action, one person will be to blame, and that person is the Health Secretary.

The Health Secretary does not want to admit that NHS funding is not keeping pace with demand and that over the last five years, his Government’s deep cuts to social care have left the NHS bleeding. Will he guarantee that every penny of the money his Department had set aside for implementing the now-postponed cap on care costs will go directly into funding social care?

Mr Hunt: That is the difference: the hon. Lady follows the unions; I lead the NHS. When Labour had a big choice whether to support vulnerable patients who desperately need better weekend care, they chose political expediency—and the whole country noticed.

T6. [902177] **Seema Kennedy** (South Ribble) (Con): St Catherine's hospice provides outstanding end-of-life care, but receives only 26% funding compared with 34% nationally. Will the Minister confirm whether he has any plans to encourage clinical commissioning groups to pay their fair share for hospice care?

The Parliamentary Under-Secretary of State for Health (Ben Gummer): I thank my hon. Friend, who is right to raise the issue of end-of-life care, which is central to our plans to provide better care across the NHS. Indeed, it was a manifesto commitment of ours at the general election. NHS England is looking at a more transparent, fairer and clearer funding advice formulae for CCGs. I encourage her CCG to look very carefully at that and to copy the example of some CCGs such as Airedale, which have put this at the centre of the work they do looking after local patients.

T2. [902173] **Ruth Cadbury** (Brentford and Isleworth) (Lab): I strongly associate myself and my colleagues with the remarks of the Secretary of State about the atrocities in France this weekend. What assessment has the right hon. Gentleman made of the impact of housing problems on the difficult task of recruiting and retaining clinical staff, particularly nurses in London and London's NHS?

Mr Hunt: I do think it is a serious problem. People find it hard to live near to the hospital at which the work, particularly where housing is very expensive. This is an issue that we are looking at closely.

T8. [902179] **Julian Sturdy** (York Outer) (Con): Can the Secretary of State assure me that the NHS funding review that is currently under way will deliver a fairer formula for my constituents and many others across York and North Yorkshire by putting age and rurality—some of the biggest drivers of health costs—at the heart of this long overdue review?

The Minister for Community and Social Care (Alistair Burt): Clinical commissioning group formulae are based on advice provided by the Advisory Committee on Resource Allocation. I can assure my hon. Friend that an adjustment per head is made for morbidity over and above age and gender, but as to whether or not one area is fairer than another, I am afraid that that is always a matter for local decision and discretion.

T4. [902175] **Margaret Greenwood** (Wirral West) (Lab): Can the Health Secretary explain how cutting £200 million from public health budgets is consistent with the emphasis on prevention and public health as set out in the five-year forward view?

Mr Hunt: I have already explained that, but I hope the hon. Lady will understand that we also need the Labour party to explain why it is committed to £5.5 billion less for the NHS over this Parliament than this Conservative Government, on the back of a strong economy that her party has never been able to deliver.

T9. [902180] **Mrs Flick Drummond** (Portsmouth South) (Con): Some of our GP surgeries are finding it difficult to attract new GPs. What plans do the Government have to train new GPs and encourage them to work in areas where it is difficult to recruit?

Alistair Burt: We are very conscious of the pressure on general practice and of the pressure of ensuring that enough GPs are available. The Government's plans are for 5,000 more doctors to be working in primary care by 2020, and that is supported by our recruitment, retention and returning campaign, as well as by efforts to ensure that medical schools do everything they can to ensure that general practice is made more attractive. This work will continue right through this Parliament.

T5. [902176] **Imran Hussain** (Bradford East) (Lab): According to Public Health England, life expectancy in the most deprived areas of Bradford is 9.6 years lower for men and eight years lower for women, demonstrating that there are clear health inequalities in urban areas in Bradford. The Government's attack on the poor makes this issue worse, so will the Minister tell me what they are doing to tackle these inequalities and give people in Bradford the quality of life that they deserve?

The Parliamentary Under-Secretary of State for Health (Jane Ellison): The hon. Gentleman will be aware of my earlier answers to other questions. A wide range of aspects of the public health work that this Government are taking forward attack that very issue—the inequality of outcomes for some communities. I gave examples earlier, including the family nurse partnership and the troubled families programme, which has a health aspect to it. More widely, the universal health visiting programme, which has just moved into commissioning by local government, contains significant elements that were designed exactly to support poorer families and disadvantaged communities.

Heidi Allen (South Cambridgeshire) (Con): For the avoidance of doubt, will the Secretary of State please repeat again that he will enter into completely open-minded, non-preconditional negotiations with the British Medical Association? The public need to see that we are approaching this matter with an open mind.

Mr Hunt: I am happy to confirm that we are willing to talk about absolutely anything with the BMA to avoid a dispute that would be very damaging to patients. We do, of course, reserve the right to implement our manifesto commitment to seven-day reforms if we fail to make progress in the negotiations, but at this time, in the interests of patients, the right thing to do is sit round the table and talk rather than refusing to negotiate and going ahead with the strikes.

T7. [902178] **Simon Danczuk** (Rochdale) (Lab): Rochdale infirmary now has fantastic dementia provision which really meets the needs of local people. Will the Secretary of State observe the good practice there, and look into how it could be shared more widely?

Mr Hunt: I shall be happy to do that. We have made great progress in tackling dementia, and there are some very good examples all over the country, but we can still do a lot better. We now need to concentrate not just on dementia diagnosis, but on the quality of the care that we give people when they have been given such a diagnosis.

Chloe Smith (Norwich North) (Con): What support will be available to hospitals over the winter? Norfolk and Norwich University hospital declared a black alert last week.

Ben Gummer: We are preparing for the winter on an unprecedented scale, having learnt from the experience of last winter. Specific support has already been provided for Norfolk and Norwich University hospital, and support will be provided consistently throughout the winter to enable us to deal with the additional challenges that are, I am afraid, being thrown in the way of hospitals throughout the country by the junior doctors and their industrial action.

Norman Lamb (North Norfolk) (LD): Is the Secretary of State doing everything he can to ensure that we

secure extra dedicated investment in mental health in the spending review? He will know that introducing the access rights that everyone else already enjoys requires hard cash. I am sure he will agree that we must end the outrageous discrimination against those who suffer from mental ill health.

Mr Hunt: I congratulate the right hon. Gentleman on his timing, given that the Prime Minister is now present. I assure him that we are committed to putting extra resources into the NHS, and to ensuring that we increase the proportion of those resources that go into mental health. I also congratulate the right hon. Gentleman on the mental health award that he received last week, which was extremely well deserved.

G20 and Paris Attacks

12.32 pm

The Prime Minister (Mr David Cameron): With permission, Mr Speaker, I will make a statement on the terrorist attacks in Paris and the G20 summit that took place in Turkey over the weekend.

On Paris, the Home Secretary gave the House the chilling statistics yesterday. We now know that among the victims was a 36-year-old Briton, Nick Alexander, who was killed at the Bataclan. I know that the thoughts and prayers of the whole House will be with the families and friends of all those affected.

On Saturday, I spoke to President Hollande to express the condolences of the British people and our commitment to helping in whatever way we can. After our horror and our anger must come our resolve and our determination to rid our world of this evil, so let me set out the steps that we are taking to deal with this terrorist threat.

The more we learn about what happened in Paris, the more it justifies the full-spectrum approach that we have discussed before in the House. When we are dealing with radicalised European Muslims, linked to ISIL in Syria and inspired by a poisonous narrative of extremism, we need an approach that covers the full range: military power, counter-terrorism expertise, and defeating the poisonous narrative that is the root cause of this evil. Let me take each in turn.

First, we should be clear that this murderous violence requires a strong security response. That means continuing our efforts to degrade and destroy ISIL in Syria and Iraq, and, where necessary, working with our allies to strike against those who pose a direct threat to the safety of British people around the world. Together, coalition forces have now damaged over 13,500 targets. We have helped local forces to regain 30% of ISIL territory in Iraq and we have helped to retake Kobane and push ISIL back towards Raqqa. On Friday, Kurdish forces retook Sinjar. The United Kingdom is playing its part, training local forces, striking targets in Iraq and providing vital intelligence support. Last Thursday the United States carried out an air strike in Raqqa, Syria, targeting Mohammed Emwazi, the ISIL executioner known as Jihadi John. That was a result of months of painstaking work in which America and Britain worked hand in glove to stop this vicious murderer.

It is important for the whole House to understand the reality of the situation that we are in. There is no Government in Syria with whom we can work, particularly in that part of Syria. There are no rigorous police investigations or independent courts upholding justice in Raqqa. We have no military on the ground to detain those preparing plots against our people. In this situation, we do not protect the British people by sitting back and wishing things were different. We have to act to keep our people safe, and that is what this Government will always do.

Secondly, on counter-terrorism here in the UK, over the past year alone our outstanding police and security services have already foiled no fewer than seven terrorist plots right here in Britain. The people in our security services work incredibly hard. They are a credit to our nation and we should pay tribute to them again in our House today. But now we must do more to help them in their vital work. So in next week's strategic defence and

security review, we will make a major additional investment in our world-class intelligence agencies. This will include over 1,900 additional security and intelligence staff and more money to increase our network of counter-terrorism experts in the middle east, north Africa, south Asia and sub-Saharan Africa.

At the G20 summit in Turkey this weekend, we agreed additional steps to better protect ourselves from the threat of foreign fighters by sharing intelligence and stopping them travelling. We also agreed for the first time to work together to strengthen global aviation security. We need robust and consistent standards of aviation security in every airport in the world and the UK will at least double its spending in this area.

Thirdly, to defeat this terrorist threat in the long run we must also understand and address its root cause. That means confronting the poisonous ideology of Islamist extremism itself. As I have argued before, that means going after both violent and non-violent extremists—those who sow the poison but stop short of actually promoting violence; they are part of the problem. We will improve integration, not least by inspecting and shutting down any educational institutions that are teaching intolerance, and we will actively encourage reforming and moderate Muslim voices to speak up and challenge the extremists, as so many do.

It cannot be said enough that the extremist ideology is not true Islam, but it does not work to deny any connection between the religion of Islam and the extremists, not least because the extremists themselves self-identify as Muslims. There is no point denying that; what we need to do instead is take apart their arguments and demonstrate how wrong they are, and in doing so we need the continued help of Muslim communities and Muslim scholars. They are playing a powerful role and I commend them on their absolutely essential work.

We cannot stand neutral in this battle of ideas. We have to back those who share our values with practical help, funding, campaigns, protection and political representation. This is a fundamental part of how we can defeat this terrorism both at home and abroad.

Turning to the G20 summit, there were also important discussions on Syria and on dealing with other long-term threats to our security, such as climate change. Let me briefly address those.

On Syria, we discussed how we do more to help all those in desperate humanitarian need and how to find a political solution to the conflict. Britain, as has often been said, is already providing £1.1 billion in vital life-saving assistance—that makes us the second largest bilateral donor in the world—and last week we committed a further £275 million to be spent in Turkey, a country hosting over 2 million refugees. In February, the United Kingdom will seek to raise further significant new funding by co-hosting a donors conference in London together with Germany, Norway, Kuwait and the United Nations.

But none of this is a substitute for the most urgent need of all: to find a political solution that brings peace to Syria and enables millions of refugees to return home. Yesterday I held talks with President Putin. We reviewed the progress made by our Foreign Ministers in Vienna to deliver a transition in Syria. We still have disagreements—there are still big gaps between us—but there is progress.

I also met with President Obama and European leaders at the G20, and we agreed some important concrete steps forward, including basing some British aircraft alongside other NATO allies at the airbase at Incirlik if that is the decision of the North Atlantic Council, which meets shortly. These would be in an air defence role to support Turkey at this difficult time. We also agreed on the importance of stepping up our joint effort to deal with ISIL in Iraq and Syria—indeed, wherever it manifests itself.

This raises important questions for our country. We must ask ourselves whether we are really doing all we can be doing—all we should be doing—to deal with the threat that ISIL poses to us directly, not just through the measures we are taking at home, but by dealing with ISIL on the ground in the territory that it controls. We are taking part in air strikes over Iraq and have struck over 350 targets. Significant action has been taken in recent hours. ISIL is not just present in Iraq; it also operates across the border in Syria, although that border is meaningless to it—as far as ISIL is concerned, it is all one space. It is in Syria, in Raqqa, that ISIL has its headquarters, and it is from Raqqa that some of the main threats against this country are planned and orchestrated. Raqqa is, if you like, the head of the snake.

Over Syria we are supporting our allies—the US, France, Jordan and the Gulf countries—with intelligence, surveillance and refuelling. But I believe, as I have said many times before, that we should be doing more. We face a direct and growing threat to our country, and we need to deal with it not just in Iraq but in Syria too. I have always said that there is a strong case for our doing this: our allies are asking us to do it, and the case for doing it has only grown stronger after the Paris attacks. We cannot and should not expect others to carry the burdens, and the risks, of protecting our country.

I recognise that there are concerns in this House. What difference would action by the UK really make? Could it make the situation worse? How does the recent Russian action affect the situation? Above all, how would a decision by Britain to join in strikes against ISIL in Syria fit into a comprehensive strategy for dealing with ISIL and a diplomatic strategy to bring the war in Syria to an end? I understand those concerns, and I know that they must be answered. I believe that they can be answered. Many of them were expressed in the recent report by the Foreign Affairs Committee.

My firm conviction is that we need to act against ISIL in Syria. There is a compelling case for doing so. It is for the Government, I accept, to make that case to this House and to the country. I can therefore announce that as a first important step towards doing so, I will respond personally to the report of the Foreign Affairs Committee. I will set out our comprehensive strategy for dealing with ISIL and our vision for a more stable and peaceful middle east. This strategy should, in my view, include taking the action in Syria that I have spoken about. I hope that, in setting out the arguments in this way, I can help to build support right across the House for the action that I believe it is necessary to take. That is what I am going to be putting in place over the coming days, and I hope that colleagues from across the House will engage with that and make their views clear, so that we can have a strong vote in the House of Commons and do the right thing for our country.

Finally, the G20 also addressed other longer-term threats to global security. In just two weeks' time, we will gather in Paris to agree a global climate change deal. This time, unlike in Kyoto, it will include the USA and China. Here at this summit, I urged leaders to keep the ambition of limiting global warming by 2050 to less than 2° above pre-industrial levels. Every country needs to put forward its programme for reducing carbon emissions. And, as G20 countries, we also need to do more to provide the financing that is needed to help poorer countries around the world to switch to greener forms of energy and adapt to the effects of climate change.

We also agreed that we should do more to wipe out the corruption that chokes off development, and to deal with antimicrobial resistance. Corruption is the cancer at the heart of so many of the problems we face in the world today, from migrants fleeing corrupt African states to corrupt Governments undermining our efforts on global poverty by preventing people from getting the revenues and services that are rightfully theirs. And if antibiotics stop working properly—the antimicrobial resistance issue—millions of people in the world will die unnecessarily. So these are both vital issues on which the United Kingdom is taking a real lead.

Let me conclude by returning to the terrorist threat. Here in the UK, the threat level is already severe, which means that an attack is highly likely, and it will remain so. That is why we continue to encourage the public to remain vigilant. We will do all we can to support our police and intelligence agencies as they work around the clock. The terrorist aim is clear: it is to divide us and to destroy our way of life. So now more than ever we must come together and stand united, carrying on with the way of life that we know and love. Tonight, England will play France at Wembley. The match is going ahead. Our people stand together as they have done so many times throughout history when faced with evil. And once again, together, we will prevail. I commend this statement to the House.

12.44 pm

Jeremy Corbyn (Islington North) (Lab): First, I thank the Prime Minister for his statement, a copy of which he kindly sent me earlier. May I also thank him for the measured and careful tone of his public statements since the dreadful events of last Friday in Paris? In the face of such tragic events, and the horror, anxiety and sorrow that have caused the British public to stand up in solidarity with the people of France, it is right that we take an approach of solidarity with them.

The Prime Minister and the Home Secretary have talked of the importance of achieving consensus in our response to the attacks and a common objective in trying to defeat ISIL. I agree with him, and the Opposition stand ready to work with him and the Government towards that end. May I also thank him for arranging for the National Security Adviser to brief my Opposition Front-Bench colleagues last weekend? Will he assure me that the Opposition and other parties will continue to be briefed about developments as they emerge?

On behalf of Labour Members, I want to express my condolences to and solidarity with the people of Paris in the wake of the horrific and unjustified attacks on the people who suffered in that city last Friday night.

[Jeremy Corbyn]

That solidarity extends to all victims of terrorism and conflict, whether they be in Paris, Beirut, Ankara or Syria itself. Absolutely nothing can justify the deliberate targeting of civilians by anyone, anywhere, ever. These contemptible attacks were an attempt to divide Muslims, Christians, Jews, Hindus and peoples of all faiths and none, as was tried in London some years ago. They will fail.

Secondly, I wish to take a moment to praise the efforts and work of emergency service workers, in Paris and elsewhere, who spring into action in these dreadful and very difficult situations, and help to save life. It is easy to forget the extraordinary heroism of those involved in simply going to work, not knowing what will happen. It is not easy to drive an ambulance not knowing what you are going to find when you arrive at the scene.

In my letter to François Hollande this weekend, I said that we stand united with his country in expressing our unequivocal condemnation of those involved in planning and carrying out these atrocities. The shocking events in Paris were a reminder to all of the ever-present threat of terrorism and indiscriminate violence. In this House, we also have a primary and particular duty to protect the people of this country and keep them safe. Yesterday, my right hon. Friend the Member for Leigh (Andy Burnham) pledged our support for the Government in their efforts to do that, and that we reiterate again. We welcome the sensible measures to make more funding available for our security services, so that they can gather intelligence and expose and prevent plots, but can the Prime Minister confirm that those will be balanced with the need to protect our civil liberties, which were so hard won in this country and are so stoutly defended by many of us? They are part of what distinguishes us from many other regimes around the world—indeed, regimes from which people are fleeing.

My right hon. Friend said yesterday that in the forthcoming spending review there should be protection of the policing budget and policing services, which clearly will be playing a vital role on the ground in ensuring that our communities are safe. Will the Prime Minister now confirm that he is willing to work with us to prevent cuts to our police force and ensure that they are able to continue with the protective work they have to do? Does he agree with the former Metropolitan Police Commissioner, Lord Blair, that it would be “a disaster” to axe police community support officers, as they bring in vital intelligence from communities to help prevent attacks? As a Member of Parliament for an inner-city community, I fully understand and appreciate the great work that safer neighbourhood teams and community policing teams do.

As for community cohesion, we in Britain are proud to live in a diverse and multi-faith society, and we stand for the unity of all communities. There are more than 2 million Muslims living in Britain, and they are as utterly appalled by the violence in Paris as anybody else. We have seen after previous atrocities such as this that there can be a backlash against the Muslim and other communities. Anti-Semitism, Islamophobia and far-right racism have no place whatsoever in our society or our thinking, and I hope there will be no increase in any of that degree of intolerance as a result of what has happened in Paris.

Will the Prime Minister set out in more detail the steps his Government are taking to work with representative organisations of all our faith communities to ensure that we achieve and strengthen community cohesion during these very difficult times? We must also ensure that those entering our country, whether they be refugees or visitors, are appropriately screened. Will he confirm that the Home Office will provide the border staff necessary to do that?

It is also important in these circumstances to maintain our humanitarian duty towards refugees. The Syrian refugees are fleeing the daily brutality of ISIL and Assad and it is our duty—indeed it is our legal obligation—to protect them under the 1951 Geneva convention. I hope the Prime Minister will confirm that our obligation to maintain support for that convention and the rights of refugees will be undiminished by the events of the past few days.

At a time of such tragedy and outrage, it is vital that we are not drawn into responses that feed a cycle of violence and hatred. President Obama has said that ISIS grew out of our invasion of Iraq, and that it is one of its unintended consequences. Will the Prime Minister consider that as one of the very careful responses that President Obama has made recently on this matter? It is essential that any military response that might be considered has not only consent, but support of the international community and, crucially, legality from the United Nations. I welcome the Prime Minister's comments at the G20 yesterday when he said:

“I think people want to know there is a whole plan for the future of Syria, for the future of the region. It is perfectly right to say a few extra bombs and missiles won't transform the situation.”

I welcome the Prime Minister's commitment to respond personally to the Foreign Affairs Committee report, which has been so carefully presented to the House and the country. Will he confirm that, before bringing any motion to the House, he will provide answers, as he has indicated that he will, to the seven questions raised by the Select Committee report? Will he also say more about the particular contribution that Britain has made to the Vienna talks on the future of Syria? The talks possibly provide a basis for some cautious optimism that there could indeed be a political future in Syria that involves a ceasefire and the ability of people eventually to be able to return home.

Finally on this matter, will the Prime Minister also say what more can be done to cut off supplies of weapons and external markets to ISIL? Weapons are being supplied to some of the most repressive regimes in the region. What is being done to ensure that they do not end up in even worse hands, including those of ISIL and some of the extremist jihadist groups in Syria? What more can be done to bring to account those Governments, organisations or banks that have funded these extremists, or turned a blind eye to them? We need to know the financial trail by which ISIL gets its funding and indeed sells its oil.

Turning quickly now to other G20 issues, did the Prime Minister have a chance to congratulate the new Canadian Prime Minister? He did not mention it, but I am sure that he has. Is he also aware that the current slowdown in the global economy is causing concern? What discussions has he had with his Chancellor about the dangers of more demand being sucked out of the economy at this time?

In conclusion, the Prime Minister mentioned the climate change talks that will be going on in Paris over the next few weeks. They are very, very important indeed. I welcome the commitment he made in relation to the problems created by epidemics and antibiotic resistance. I ask him also to consider this: the cuts that have been made to renewable energy in this country run directly counter to everything he and his Government have said they want to achieve at the climate change talks. We must combat climate change globally, internationally, and here in Britain.

The Prime Minister: I thank the right hon. Gentleman for his remarks and for the tone that he is taking in trying to aim for greater consensus. Let me try to answer each question in turn.

Briefing on national security issues is available to all Privy Counsellors. If it is not offered, then Members should ask. The National Security Secretariat is there to help, and its role is particularly important during these times of heightened alert.

The right hon. Gentleman was right to praise the emergency services in France, as they did an amazing job. It is important to reiterate—and the Home Secretary did this yesterday—that ever since the Mumbai attacks and following the intelligence we had about the potential for marauding firearms attacks some years ago, a lot of work has been done in Britain to try to ensure that we would be ready for any such attack. I thank him for his support of the security services. He was right to mention the vital importance of our civil liberties. Indeed, they are part of what we are fighting to defend.

On policing, we protected counter-terrorism policing budgets throughout the last Parliament, and we will continue to do so throughout this Parliament, which is vital. Members will see the uplift that we are giving to our intelligence and security services. We will do what is necessary to ensure that we keep our country safe.

The right hon. Gentleman is right to condemn anti-Semitism, Islamophobia and right-wing extremism. All those issues are addressed in our counter-extremism paper. We shall be working with local communities, as he suggests, to ensure that they often lead in these debates. Some of the things that have been said by Muslim clerics and Muslim leaders have made a huge difference in recent weeks.

The right hon. Gentleman asked about borders. We do have the opportunity to carry out screening and checks at our borders, because we did not join, and we are not going to join, the Schengen no-border system. Once again, we can see the importance of having those border controls and using them to the best of our ability.

On the Syrian migrant programme, it is worth reminding the House that we are taking 20,000 Syrian refugees from the camps rather than from among those who have already arrived in Europe. That enables us to screen very carefully the people whom we take. There are two levels of screening, the first of which is carried out by the United Nations High Commissioner for Refugees, and the second by the Home Office, to ensure that we are getting people who are genuinely fleeing persecution and who would not pose a risk to our country.

The right hon. Gentleman asked about the genesis of ISIL. The so-called Islamic State is one of the branches of this violent Islamist extremism that we have seen in our world for more than 20 years—I am talking about Boko Haram, al-Qaeda and al-Shabaab. It is worth making the point that the first manifestations of this violent Islamist extremism, not least the twin towers attack, happened before the invasion of Iraq. It is important that we do not try to seek excuses for what is a death cult, which has been killing British citizens for many, many years. He rightly asks about the process in Vienna. We are a key part of that, with our Foreign Secretary playing a very strong role. Indeed his work was commended by Secretary of State John Kerry yesterday.

The right hon. Gentleman mentioned what I said yesterday about additional bombs and missiles only being able to go so far in Syria. Yes, that is right, Britain can do more, and because of our expertise and targeting, we could cut the number of civilian casualties when that action is taken. It would make a difference, but, alongside that, we also need a process that delivers a Government in Syria who can represent all of the Syrian people. We cannot defeat ISIL purely by a campaign from the air; we need to have Governments in Iraq and in Syria who can be our partners in delivering good government to those countries and in obliterating the death cult that threatens both us and them. Those things go together.

The right hon. Gentleman asked about cutting the supply of weapons and money. We are a key part of the international committee that is working on that. A large amount of ISIL's money comes from the oil that it sells, not least to the Syrian regime. That is another thing that we would be able to address more directly if we were taking part in the action in Syria.

Finally, the right hon. Gentleman asked me whether I had met Justin Trudeau, the new Canadian Prime Minister. I did and I congratulated him on his victory. He is coming to London very shortly to see the Queen. I hope to have a meeting with him, as the Canadians will be very good partners on lots of issues where we work together.

On the economic slowdown, the right hon. Gentleman is right that the forecasts for global growth are lower than they were. Britain and America stand out in the advanced world for having more rapid economic growth, and we encourage others to take some of the steps that we have taken to deliver that growth.

Finally, the right hon. Gentleman asked about renewables and climate change. I have to say that the summit on climate change was disappointing. There is still quite a lot of opposition from some countries on putting in place the things that are needed for a good deal in Paris. Britain has played an important role in getting a good European deal. As for renewable energy, if Members look at what has happened over the past five years, they will see that there has been nothing short of a renewable energy revolution in Britain.

Dr Liam Fox (North Somerset) (Con): The continued reach and activity of ISIS represents a monumental international security challenge. The aim was to degrade and contain ISIS, but it is not contained, so I thank my right hon. Friend for what he said yesterday about the need to cut off the financial supplies to ISIS and to deal with the narrative over values, and for what he has said

[Dr Liam Fox]

today about the need to join our allies in taking action over Syria, as well as Iraq. He is absolutely correct when he says that no military campaign of this nature has ever been won from the air alone, so we may yet require an international coalition on the ground of the sort that we required to remove Saddam from Kuwait. May I ask my right hon. Friend simply to rule nothing out and give no comfort to ISIS, because these people hate us not because of what we do but because of who we are?

The Prime Minister: I thank my right hon. Friend for his support. Obviously, we should be in the business of working out what we can do and what would make a difference, rather than what we cannot do; but it is my contention that, in the end, the best partner we can have for defeating ISIL in Iraq is the Iraqi Government, and that the best partner we can have in Syria is a reformed Government in Syria, without Assad at their head, who could credibly represent all the Syrian people and be a partner for getting rid of this death cult, which threatens the Syrian people, as well as the rest of us.

Angus Robertson (Moray) (SNP): I thank the Prime Minister for advance sight of his statement. We would very much welcome a commitment by the Government to brief all parties in the House on major developments.

May I associate the Scottish National party with the expressions of shock and sadness for the people of France and all the families and friends of those who were killed and injured in the Paris attacks.

Will the Prime Minister confirm that all assistance, including intelligence information, is being shared with our allies in France? In the UK, we are hugely indebted to all those in our police and security services who work to keep us safe. We welcome the commitment by the Prime Minister to provide necessary funding and personnel to allow them to do this vital work.

Given the scale of the disaster in Syria, we welcome the progress made at the talks in Vienna and at the G20 in Turkey. For the first time, momentum appears to be building to secure a ceasefire, to work through the United Nations and to combat the terrorism of Daesh. Can the Prime Minister update the House on the next diplomatic steps towards a potential ceasefire and political transition in Syria?

In recent weeks and months, there have been large-scale bombing operations in Syria. There has been bombing by the United States of America, by Russia, by France and by many other countries. There have been bombs dropped by drones, bombs dropped from fast jets and missiles fired from naval vessels. President Obama has reiterated his opposition to providing boots on the ground. Given these facts, does the Prime Minister agree that the long-term solution for Syria is an end to the civil war and to provide support for forces such as the Kurds who are fighting Daesh on the ground?

Today, we have seen the arrival of refugees from Syria in Glasgow. These are people who have been fleeing terrorism at home. Does the Prime Minister agree that the welcome we give to those refugees is the true mark of humanity, decency and compassion—in short, the complete opposite of what was visited on Paris by terrorists last Friday?

The Prime Minister: I thank the right hon. Gentleman for his remarks and questions. First, on briefings, he is now a Privy Counsellor and a member of the Intelligence and Security Committee. If he feels that he is not getting enough briefings, he should please ask my team, and I will make sure that he gets them. He asks about intelligence sharing. We have very strong intelligence sharing with the French Government and, indeed, with others in Europe. There is more we can do. I spoke to the Belgian Prime Minister yesterday to talk about increasing the extent of our intelligence sharing, which is a vital agenda for us to move on.

On Vienna, as the right hon. Gentleman says, there is momentum behind the talks. The Foreign Ministers will meet again in the coming weeks, but right now the role is falling to Staffan de Mistura, the UN special envoy, to bring the different parties together. It is a very complex piece of work. It is absolutely vital that some of the Syrian opposition groups are involved in this dialogue. We want a future Syria where Sunni, Shi'a, Kurd and Christian are all represented, so the Russians should stop bombing the Free Syrian Army and recognise that it should be part of Syria's future.

The right hon. Gentleman makes a point about how much can be done from the air. Of course what we need is an end to the civil war, but he goes on to say that we need to support the Kurds. Yes, we do, and some of that support can be delivered from the air. They need our help to bring this conflict to an end.

On the right hon. Gentleman's remarks about Syrian refugees, let me commend what Glasgow is doing in taking Syrian refugees. I am confident that we will have 1,000 here by Christmas, and I know that they will be well looked after.

Crispin Blunt (Reigate) (Con): I thank the Prime Minister for his commitment to a personal reply to the Foreign Affairs Committee report and for his acknowledgement that the defeat of ISIL requires a transition from the Syrian civil war. The progress made at Vienna is therefore beginning to clear the path towards an international plan that would enable the full conventional military defeat of so-called Islamic State in both Syria and Iraq. Will he continue to put our full diplomatic effort into making that plan sufficiently clear politically, militarily and legally, so that he can come to the House to seek an endorsement of a role for our armed forces that will lead to the defeat of ISIL in both Syria and Iraq sooner rather than later?

The Prime Minister: I thank my hon. Friend for his support and for what he is saying. I very much welcome what he has said today. Yes, I can confirm our full diplomatic effort is towards bringing everyone together. Sitting around the table in Vienna are Saudi Arabia, Iran, Britain, France, America, Turkey and Russia. All the key players are there. On the legal basis for any action that we might take, I believe that we can answer that question comprehensively, as we have on other issues, and I very happy to put that in front of the House, as part of my response to the Foreign Affairs Committee.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The Prime Minister will know that ISIL wants to exploit the refugee crisis and to poison Europe's attitude

towards those who are fleeing the very same barbarism that we saw, so tragically, on the streets of Paris. He has told me before that Britain is supporting proper registration in Greece. I am concerned that that is not happening. Will he look again urgently at what more Britain and Europe can do to support proper registration and border checks, not just in Greece but at internal borders throughout Europe, so that we can ensure that we provide the security and humanitarian aid that is desperately needed, and Britain and Europe can support both our security and our solidarity with desperate refugees?

The Prime Minister: I thank the right hon. Lady for what she says. She is right that, as the external border of Europe, Greece plays an absolutely vital role and that it is vital that the registration of migrants as they arrive takes place properly. My understanding is that we have given more, I think, than any other country in Europe to the European Asylum Support Office, EASO, so we are certainly putting in the resources, even though, effectively for us, Greece is not our external border; our external border is the border controls at Calais, because we are not part of Schengen. So we are doing what we can; we will continue to see whether more can be done, but she is right that making sure that people can be properly documented as they arrive will be a vital part of our security.

Sir William Cash (Stone) (Con): The planned carnage in Paris shows the danger of allowing declared jihadists to return to their country of origin. Will my right hon. Friend be good enough to review the counter-terrorism legislation to prevent declared UK jihadists from returning to the United Kingdom, whatever human rights or the charter of fundamental rights may say? We must put the lives of the people of this country before human rights.

The Prime Minister: I thank my hon. Friend for his point, and I have a huge amount of sympathy with it, and that is why in the counter-terrorism legislation that we passed we took further steps to confiscate people's passports. If someone is a dual national, we can strip them of their UK citizenship if we think that they no longer merit citizenship of this country. We now have the power—it was controversial but the Home Secretary and I pushed it forward—to exclude temporarily even British nationals from returning to the UK. I am all for looking at options for going further to make sure that we keep ourselves safe, but it was very contentious at the time. This situation is demonstrating that we were right to stick to our guns.

Tim Farron (Westmorland and Lonsdale) (LD): I thank the Prime Minister for advance sight of his statement. I join him and colleagues on both sides of the House here today in expressing solidarity, compassion and sympathy to the people of Paris and Beirut, especially the injured and families of those who have lost their lives, and in condemning the terrorists who seek to attack us. They detest our diversity, our freedom and our generosity of spirit, and we let them win if we compromise on any of those things. It is critical that any UK military involvement in Syria should focus on civilian protection and political transition, alongside crushing ISIL; otherwise we will repeat the mistakes of the illegal and counterproductive Iraq war. So does the

Prime Minister agree that long-term stability in Syria must be part of the strategy against ISIL, and will he confirm that any plan brought to Parliament by the Government to use our armed forces there will specifically address that?

The Prime Minister: The hon. Gentleman is right to mention the bombing in Beirut. Some people posit this as a clash of civilisations—the Islamic world against the rest. The Beirut bomb, as with so many other bombs before it, proved that these people—in this case, ISIL—are killing Muslims in their hundreds and thousands. It is very important to demonstrate to Muslim communities in our own countries that we take this violence as seriously as violence committed in Paris or elsewhere.

The hon. Gentleman asks whether what we would do in Syria would be about civilian protection. My argument is, yes, it would be about civilian protection in the obvious way—that if we can take out the murderers of ISIL, we are helping to protect the Syrian people whom they are threatening—but, because Britain has precision munitions such as the Brimstone missile, which are in many ways more effective even than some of the things the Americans have, our intervention and our assistance would mean better targeting of the people who should be targeted and fewer civilian casualties.

Mr Andrew Mitchell (Sutton Coldfield) (Con): In his very welcome statement today, my right hon. Friend is clearly right to focus on the political track in the Syrian negotiations, building in part on the Kofi Annan proposals from some time ago, and on the significant progress that appears to have been made in Vienna last week. If those negotiations are successful, that will of itself remove a huge barrier to the widespread military coalition that all of us want to see, in which Britain, as my right hon. Friend said today, would have the ability, as well as a number of unique assets, to play a very significant part. If the negotiations in Vienna are successful, I have no doubt that the Prime Minister, coming back to this House, will get a huge majority of Members from both sides supporting Britain's full participation in it.

The Prime Minister: My right hon. Friend, who follows these things closely, makes some very good points. Of course, as I have said, to defeat ISIL in Syria two things are required. First, we need to make sure that the international community—Arab states and others—are taking the military action to degrade and defeat ISIL. Secondly, we need a political settlement that gives us an effective ally in Syria to defeat ISIL in a way that can unite the country. Those two things go together, but if my right hon. Friend is arguing that military action should follow only after some political agreement has been nailed down, we might wait a very long time for that to happen. I caution against that approach.

I want to be clear about what I am proposing here. I am saying that the Government will bring together all our arguments about how we succeed in Iraq, how we succeed in Syria, what a political process should achieve, how we degrade and defeat ISIL, the role that Britain should play, and my argument that we should be going further in Syria as well as in Iraq. We will put all those arguments together in response to the Foreign Affairs Committee. Then it will be for Members of this House to see whether they want to assent to that idea. If that

[*The Prime Minister*]

happens, we shall have the vote and take the action so that we play a part with others in defence of our own national security.

Several hon. Members *rose*—

Mr Speaker: Order. May I gently say to the House that I am conscious that there are many colleagues here who cannot be accused of underestimating their own expertise in these important matters, but nearly 60 Members still wish to contribute? If I am to have any chance of accommodating them all, they will all need to follow the rubric of brevity, now to be demonstrated to perfection by Gisela Stuart.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Thank you, Mr Speaker. I welcome the Prime Minister's commitment to a wider narrative explaining how he thinks Daesh can be defeated, and his insistence that that has to be done with our allies. Press reports this morning suggest that France has invoked the mutual defence clause in the Lisbon treaty for the first time. Will the Prime Minister explain what practical implications that may have for the United Kingdom and our co-operation?

The Prime Minister: I am grateful for the fact that the hon. Lady raises this. It is not a clause that has been invoked before, as I understand it, so we are looking very carefully at exactly what it would involve. Standing back from the legalities, it is very clear: the French are our friends, our allies, our brothers and sisters and we should be with them. If there are things we can do to help them, I say we should.

Dame Angela Watkinson (Hornchurch and Upminster) (Con): In the extreme circumstances of a Paris-type attack in London, does my right hon. Friend think that depriving the police of the right to shoot to kill would make the public safer?

The Prime Minister: No, I absolutely do not. I hope the Leader of the Opposition will review his remarks. What happened in Paris was an attack. It was not a siege, hostages were not taken and demands were not set out. It was an attempt to kill as many people as possible, and when the police are confronted with that, they must be clear that if they have to take out a terrorist to save lives, they should go right ahead and do so.

Mr David Winnick (Walsall North) (Lab): Is the Prime Minister aware that those of us who are not persuaded, at least at this stage, that air strikes should be extended to Syria have no less hatred for the mass murderers who have carried out so many atrocities, the latest in Paris? We are not persuaded, not because we are pacifists or semi-pacifists—I am certainly not so and never likely to be—nor because of the internal politics of the Labour party, but because, as the Foreign Affairs Committee concluded, there does not seem to be a strong case for extending air strikes, and it will achieve little or nothing and simply make us feel good that we are doing something as a result of the atrocities.

The Prime Minister: I do not agree with that view. I respect the fact that it is for the Government to bring forward the argument, to make the case and to seek to persuade as many Members of this House as possible that it is the right thing to do. People who oppose that have to answer the question why it is right to take out ISIL in Iraq, but wrong to take out ISIL in Syria, particularly as the headquarters of ISIL are in Syria and it is from Syria that the attacks on this country have been planned and, for all we know, continue to be planned. That is the question that colleagues will have to answer after reading my response to the Foreign Affairs Committee. If we can get to the situation where it looks like Britain can come together as one and say, "It is right for us to take this action", I am not asking for an overwhelming majority; just a majority would be good enough.

Mr Keith Simpson (Broadland) (Con): The Prime Minister is only too well aware of the danger posed to our society by those returning from serving with ISIL in Syria. What measures are the Government taking to persuade those who can to speak out against what has happened? They are more likely to influence young Muslims than any of us.

The Prime Minister: My right hon. Friend is right. Huge numbers in Britain's Muslim communities have made it clear that what is being done by ISIL is not in their name and that those are not representatives of Islam, but a perversion of Islam. That is incredibly powerful, and I encourage all those people who have already made such an effort to go on doing that, please. My right hon. Friend is right. Those people who have been to Syria, perhaps as part of an aid convoy, who have seen what has happened and have come back, rightly disillusioned by the butchery of those people—their hatred of people with different ways of life and the appalling way they treat women as sex slaves and throw gay people off the top of buildings—can be some of the most powerful voices saying, "Those are not people we can deal with. Those are people we have to finish."

Mr Nigel Dodds (Belfast North) (DUP): May I, on behalf of my right hon. and hon. Friends, who have experienced over many, many years the ravages of terrorism personally and at close quarters, express our full support for the Prime Minister and his words and actions in recent days in relation to the terrible events in Paris and elsewhere, and express our profound sympathies with the people affected? In relation to counter-terrorism, does the Prime Minister agree that the security services need the resources—I very much welcome what has been said in recent days—and they need the powers? We look forward to working with the Government to introduce more powers with proper ministerial oversight, but the security services also need public support and the support of politicians. When they need to shoot to kill, they need our support. I welcome what the Prime Minister has said about the shameful trait expressed, sadly, by some even in this House, of seeking to blame the terrorists' victims for contributing to their own murders, by saying that the foreign policy of this country is wrong. That is a shameful approach. Terrorism has no excuses. It never had any excuses and the people who express such sentiments should be ashamed of themselves.

The Prime Minister: As has often been the case in recent days and recent weeks, the right hon. Gentleman speaks with great power and great force, and I agree with what he says.

Nusrat Ghani (Wealden) (Con): As well as action from our armed forces, security forces and police, we need to tackle the ideology that lies behind the threat that we face. Does the Prime Minister agree that as part of that we need to support those who challenge the extremists, expose Daesh as a death cult, support the communities who feel vulnerable to the spread of Wahhabism within the UK, and help to stop more people sliding into extremism?

The Prime Minister: My hon. Friend is absolutely right. For too long in some European countries, Governments have felt that the way to handle community relations is to leave people in different silos and listen to self-appointed community leaders rather than engage directly with people. When it comes to this battle against extremism, we should not be neutral. We should be very clear about the groups we will engage with because they back the values we share, and those that we do not agree with and frankly think might be part of the problem. Greater clarity on this is probably not just necessary in Britain; I expect it is going to be necessary in other parts of Europe too.

Keith Vaz (Leicester East) (Lab): Last Friday evening at Wembley stadium, when the Prime Minister shared a platform with Prime Minister Modi, he made a speech about being proud to be the leader of the most multi-cultural country in the world. Does he agree that in order to protect and preserve that, we need to be very aggressive in our counter-narrative, and that that means the internet companies doing much more than they are currently to take away the most important method of recruitment, while internationally it means working with Europol and Interpol and giving them the support they need, as this is an international issue?

The Prime Minister: I thank the right hon. Gentleman for the support that he gave to the Indian Prime Minister's visit to our country last week. What I said standing alongside Prime Minister Modi is that while of course we still have to fight discrimination and racism in our country, I think we can lay some claim to being one of the most successful, multi-racial, multi-faith, multi-ethnic democracies in our world. India aspires to do that as well, and it should link us. The right hon. Gentleman is right about working with internet companies. Just as we have worked with them to try to take paedophilia and child pornography off the internet, so there is more we can do to get this extremism off the internet as well.

Mr John Baron (Basildon and Billericay) (Con): The Prime Minister is right to focus on the importance of a multi-faceted approach, but may I suggest to him that when it comes to military intervention in Syria, we must learn from previous errors and try to ensure that we put together a proper strategy involving regional powers and allies, including Iran and Russia, which might have to recognise that ISIL is a greater danger than President Assad, because we need to accept that air strikes alone will not defeat this evil regime?

The Prime Minister: My hon. Friend is right that bringing together an international coalition for political change in Syria is the right thing to do, and that is exactly what we are doing. Iran, Saudi Arabia, Russia, America, Britain, France, Turkey and others are all in the room together negotiating this, and that is the way it should be. But we also have to have regard to our own national security, and every day that ISIL is active in Iraq and Syria is a day that we are in some danger in our own country.

Chris Leslie (Nottingham East) (Lab/Co-op): The Prime Minister is right that the police and the security services need our full support at this time. Should it not be immediately obvious to everyone—to everyone—that the police need the full and necessary powers, including the proportionate use of lethal force if needs be, to keep our communities safe?

The Prime Minister: The hon. Gentleman is absolutely right. I think we can have huge regard for our police in this country. The old saying that the public are the police and the police are the public rings true, because they come from our communities—they are not seen as some occupying force. It is absolutely right that when they are confronting murderers and people with weapons they have to be able, on occasion, to take lethal action. I hope that the Leader of the Opposition will think very carefully about what he has said, because it is very important that we all support the police in the work they do rather than undermine it.

Seema Kennedy (South Ribble) (Con): Will my right hon. Friend set out what plans the Government are taking forward to make airport security safer given the belief that the Russian airliner was brought down by a bomb?

The Prime Minister: This morning we have seen some reports that the Russian security services are now making it clear that they believe that it was a bomb that brought down that aircraft, tragically, after it left Sharm el-Sheikh. I discussed this issue with President Putin yesterday. We need to work with others to look at the most vulnerable locations around the world and work out how we can make them safer. There is no 100% security you can deliver, even in the most advanced airport, but there are some basic things about scanners, about the way luggage is handled, about the way passengers interact with their luggage, and about what happens at the gate—best practice that can be introduced right across the world. That is what we are going to work on.

Alex Salmond (Gordon) (SNP): If a broad international coalition is not just possible but necessary on Syria, what is the obstacle to a Security Council resolution? On the subject of financial flows, will the Prime Minister answer this question directly: what are the obstacles to disrupting and degrading the financial flows and the financial institutions without which Daesh could not function?

The Prime Minister: The obstacle so far to a Security Council resolution has been the fact that one of the permanent members, Russia, has threatened to veto meaningful Security Council resolutions that would perhaps provide the overarching permission for the

[*The Prime Minister*]

action that we believe is necessary in Syria. I will answer the question very directly in my response to the Foreign Affairs Committee in saying that the action I believe we should take is legal under international law. I know that should be spelled out clearly, and of course I will spell it out clearly.

In terms of disrupting Daesh's financial flows, we are part of the committee that is looking at all the action that can be taken, including against financial institutions. As I said, one of the most important things we can do is to stop its funding through the oil trade, some of which it is selling directly to Assad.

Dr Andrew Murrison (South West Wiltshire) (Con): Earlier this year the Kingdom of Morocco signed an agreement with France to train imams and preachers, including women, in the moderate mainstream tradition to which my right hon. Friend referred. Will he congratulate Morocco on the exceptional leadership it has displayed in tackling extremism and commend its further efforts, whereby perhaps the UK can learn some of the lessons that France is currently undergoing?

The Prime Minister: My hon. Friend is absolutely right. We can learn the lesson from Morocco. There is also work that the German Government have been doing with Turkish imams and work that we have been doing with training imams coming into this country. One of the remarkable things about the G20 was the conversation about fighting radicalisation and extremism. The proposals made by, for instance, the Indonesian President and the Malaysian Prime Minister—both countries pride themselves on being part of the moderate Muslim world—were particularly powerful to listen to.

Caroline Lucas (Brighton, Pavilion) (Green): While we differ on the details of how to ensure that citizens are kept safe, I certainly agree that it is the overwhelming priority of the Government to make sure that they are. In that vein, will the Prime Minister assure us that as well as giving extra money to the security services, he will make a significant investment in our diplomatic services, which are world class and are needed more than ever right now? They should not be hollowed out by cuts.

The Prime Minister: Our diplomatic posts play an absolutely vital role in Britain's soft power. We were ranked the other day as No. 1 in the world for soft power. We have been opening embassies around the world rather than closing them. This is a good opportunity to thank all our hard-working staff from this Dispatch Box.

Richard Drax (South Dorset) (Con): To counter the appalling slaughter that was faced by all those in Paris, we will need armed police on the spot within minutes. Will my right hon. Friend reassure the House that we have sufficient armed police in all our cities to do just that?

The Prime Minister: My hon. Friend is absolutely right to raise this. Following the Mumbai attacks and the intelligence we had after that about potential attacks in this country, a lot of work was done to make sure

that our armed response vehicles have a sufficient number of people to meet the challenge in any of our major urban areas. We keep this under review. We are studying what happened in Paris. We are looking at the numbers that we need. I do not think the idea of routinely arming all the police in our country is the right approach, but certainly increasing the number of armed police that are available is something that we are looking at very carefully and something that, if necessary, we will do. While we do not talk about the role of our special forces, they are also available to help in these circumstances. We will do everything we can to make sure that they can be brought to bear at the right moment and can help with our overall effort in dealing with what are extremely challenging problems thrown up by what happened in Paris.

Emma Reynolds (Wolverhampton North East) (Lab): Does the Prime Minister agree that full responsibility for the attacks in Paris lies solely with the terrorists and that any attempt by any organisation to somehow blame the west or France's military intervention in Syria is not only wrong and disgraceful, but should be condemned?

Hon. Members: Hear, hear.

The Prime Minister: The response right across the House shows how right the hon. Lady is. Those who think that this is somehow all caused by Iraq should remember that France did not take part in the Iraq war. Indeed, it condemned it. The fact about these ISIL terrorists is that they hate our way of life. They want to kill and maim as many people as possible. They also do that to Muslims with whom they disagree. That is why we have to confront and defeat them, not compromise with or excuse in any way this vile organisation.

James Morris (Halesowen and Rowley Regis) (Con): I welcome the Prime Minister's statement, particularly his commitment to come to the House with an argument for extending British military action to Syria. However, does he agree that the current threat from ISIL to our national security is such that he may have to take action as Prime Minister without coming back to this House, in order to protect our national security?

The Prime Minister: I am grateful to my hon. Friend for raising this question. I have always said very clearly at this Dispatch Box that, in the case of premeditated action—for instance, against ISIL in Syria—it is right that we have a debate and a vote, and I am happy to repeat that. However, when action in the national interest needs to be taken very quickly and rapidly, and when confidentiality is needed before taking it, I reserve the right to do so and am prepared to act. That is what I did in the case of Hussain and Khan with the UK drone strike and, obviously, in the case of Emwazi, where we worked hand in glove with the Americans. I think it was right to take that action and to explain afterwards, but I will try to stick to that clear demarcation. I think that is the right approach for our country.

Mr Douglas Carswell (Clacton) (UKIP): I welcome the Prime Minister's statement and I am sure that sensible people on both sides of the House will support sensible measures in the days and weeks ahead. Have the Government given any consideration to the way in

which the Government of Saudi Arabia perhaps export, fund and encourage radicalism, and is that something we should address, with a view to making sure that they do not radicalise young people in the UK?

The Prime Minister: The hon. Gentleman makes an important point. I met the King of Saudi Arabia at the G20 and we discussed the situation in Syria. It is fair to say that Saudi Arabia has quite a strong de-radicalisation programme for its own citizens who have become extremists, and that has been successful. As I have said, we need to ask more broadly how we stop people setting off down the path to extremism in the first place. That is important in terms of what is taught, and how it is taught, in schools and how we make sure that, in all our educational practices right across the world—whether we are Christians, Jews, Muslims or Hindus—we are teaching tolerance and understanding right from the very start.

Mark Field (Cities of London and Westminster) (Con): Although I suspect that many, both in this House and beyond, will find it unpalatable that we are talking to President Putin at this time, I wholeheartedly support the Prime Minister having those discussions. Picking up on the point made by the right hon. Member for Gordon (Alex Salmond), is it the case that the Government are still trying to work towards getting a UN Security Council resolution on these matters, hand in glove with the other strategy to which the Prime Minister has referred?

The Prime Minister: We keep talking with Security Council partners about potential resolutions that we could put forward on any number of issues to do with this overall problem of ISIL, Iraq and Syria. However, something to back the sort of military action we have spoken about in this House has not been possible up to now, because of the potential Russian veto. It is important for us to understand that it is possible to act within, and with the full backing of, international law without a Security Council resolution. Obviously, it is better in many ways to have a Security Council resolution as well, but we cannot outsource our national security to a Russian veto or, indeed, a veto by anybody else.

Mr Pat McFadden (Wolverhampton South East) (Lab): May I ask the Prime Minister to reject the view that sees terrorist acts as always being a response or a reaction to what we in the west do? Does he agree that such an approach risks infantilising the terrorists and treating them like children, when the truth is that they are adults who are entirely responsible for what they do? No one forces them to kill innocent people in Paris or Beirut. Unless we are clear about that, we will fail even to understand the threat we face, let alone confront it and ultimately overcome it.

The Prime Minister: It is that sort of moral and intellectual clarity that is necessary in dealing with terrorists. I know there is something deep in all of us that wants to try to find an excuse, an explanation or an understanding, but sometimes the answer is staring us in the face. With ISIL, that is absolutely the case.

Will Quince (Colchester) (Con): The people of Colchester and north Essex mourn the loss of Nick Alexander. Nick died doing the job he loved, giving pleasure to

others through music. Will my right hon. Friend join me in paying tribute to Nick and also reaffirm our resolve that we will not allow these murderous cowards to destroy our way of life?

The Prime Minister: I certainly join my hon. Friend in paying tribute to Nick. Our thoughts are with his family and friends. ISIL was trying to destroy our way of life, our value systems and the things that people like to do in their spare time. One of the most important things we can do, alongside all the security responses, is to go on living our lives.

Ms Margaret Ritchie (South Down) (SDLP): I thank the Prime Minister for his statement. On behalf of myself and my two colleagues from the Social Democratic and Labour party, I would like to convey our sympathy to those affected and our outright opposition to terrorism. Coming from Northern Ireland, we all know what it was like for so many years. We note that the Prime Minister will come back to the House with a full, comprehensive strategy. Will he define what he means by action that would be legal under international law?

The Prime Minister: What I have said is that, as part of the strategy that I will lay out in response to the Foreign Affairs Committee report, I will set out why I think we should take action not just in Iraq, but in Syria, too. In doing so, we will set out the legal advice. It is very important that the House sees that. The action we are taking in Iraq is being taken at the request of the legitimate Iraqi Government, and the action we took against Mohammed Emwazi and against Khan and Hussain was also taken on the basis of the self-defence of the United Kingdom. I can lay out very clearly the arguments about why we should be doing it, how we should help keep ourselves safe and why it is in the interests of our national security, but I will make sure that the paper addresses the legal arguments as well.

Craig Whittaker (Calder Valley) (Con): Following a second massacre in Paris last weekend, our own citizens being murdered in Tunisia and a plethora of Daesh-led massacres over the past year, may I say that now is the time not for knee-jerk reactions, but to reflect and plan effectively? Will my right hon. Friend do everything in his power to stop and destroy the murderous regime that is Daesh, for the sake of our own national security? I support him 100% in that, as no doubt do many Members in this House.

The Prime Minister: I thank my hon. Friend for his support. I do not believe in knee-jerk reactions. When events such as those in Paris happen, though, it is worth asking every single question about our state of preparedness, how we would respond and our intelligence co-operation. That is exactly what we are doing and it is right that we do that.

Mike Gapes (Ilford South) (Lab/Co-op): The content and tone of the Prime Minister's statement spoke not just for the Government, but for the country. He referred to Mount Sinjar and the retaking of Sinjar by Kurdish forces supported by the international coalition. The all-party group on the Kurdistan region in Iraq visited the region and on Saturday I was with the Kurds on the frontline south of Kirkuk. Those Kurdish forces are

[Mike Gapes]

brave and are putting their lives on the line every day; they did so at Sinjar, along with the Syrian Kurds. Can we do more to provide material support for the peshmerga of Iraqi Kurdistan and, pending a decision on whether we go into Syria, give more support from the air to the Kurds in Iraq?

The Prime Minister: I am very grateful to the hon. Gentleman for what he has said. The answer to his questions is yes. As he knows, we are already providing training and support to the Kurdish peshmerga forces. They are incredibly brave and incredibly dedicated, and they have done a brilliant job in liberating people from ISIL dominance. We discussed yesterday, with President Obama and the French, German and Italian leaders, what more we could do. Germany is already doing a lot in that area. We are doing a lot, and there is certainly more that we can do.

Helen Whately (Faversham and Mid Kent) (Con): I welcome my right hon. Friend's commitment to defeating ISIL in Syria as well as in Iraq, and his commitment to continuing to make the case to this House and to the electorate, but may I ask him to do so as part of a long-term vision for stability in the region?

The Prime Minister: My hon. Friend is absolutely right. People want to know that our response is not driven by anger, but is driven by resolve and is thoughtful and thought through, and that it will make us safer and the region more stable. I am convinced we can answer all those questions in the document I will put before the House.

Patrick Grady (Glasgow North) (SNP): May I associate myself with the comments of my right hon. Friend the Member for Moray (Angus Robertson) in welcoming the refugees arriving in Glasgow today? With regard to the Paris climate change talks, may I ask the Prime Minister what further discussions were held on that at the G20 and whether he plans to attend the talks in Paris as an act of leadership and solidarity?

The Prime Minister: Yes, I will certainly be there at the start of the talks on Monday. The discussions at the G20 were positive in that everyone again committed to the aim of a below 2° C rise in global temperatures. My concern is that there is still some opposition from some countries to some of the things necessary to make this agreement really meaningful, such as five-year reviews and the rest of it, and we still have not had every country's independent proposal for how they will reduce their own carbon emissions. There is important work to be done, and we can use the Commonwealth conference for part of that. Britain is playing its part. There will be an agreement—I am confident of that—and it will involve Russia and China, but we are now battling for a good agreement, rather than just a mediocre one.

Wendy Morton (Aldridge-Brownhills) (Con): Does my right hon. Friend agree that our overriding priority must be the security of our country and its people, and that we must recognise that the threat we face from terrorists today is not just about bullets and bombs,

but about cyber-attacks? Will he ensure that we have the right funding and organisations to deal with this threat?

The Prime Minister: My hon. Friend is absolutely right. We face cyber-attacks not just from states, but from radical groups and individuals. We have made a lot of progress in recent years in funding our cyber-defences, but I think that should be a major feature of the strategic defence review we will discuss next week.

Mr David Hanson (Delyn) (Lab): The first duty of the Government is to protect their citizens. The Prime Minister has set out with absolute clarity the steps required to do that, for which his statement is welcome. Will he, however, say more about what steps he will take to secure action against those who are buying contraband goods from ISIL—not just the Syrian Government, but individuals and companies?

The Prime Minister: I am very grateful to the right hon. Gentleman for his remarks. There are of course sales of antiquities, to which he may be referring, as well as of oil. We are trying to crack down on all those things, and we are looking at what more we might have to do in this country to assent to some of the conventions in that area.

Several hon. Members *rose*—

Mr Speaker: Order. I think it is reasonable to move on at 2 o'clock, not beyond, so I appeal for brevity. If colleagues help each other, that would be really useful.

Henry Smith (Crawley) (Con): Along with the hon. Members for Ilford South (Mike Gapes), for South Antrim (Danny Kinahan) and for Barrow and Furness (John Woodcock), I was on the frontline against ISIL/Daesh south of Kirkuk in Iraqi Kurdistan last weekend. Indeed, we saw the amazing work that the peshmerga are doing in taking back territory and communities from that evil existence. We also visited some refugee and displaced persons camps, and saw the families affected. Does my right hon. Friend the Prime Minister agree that we need to ensure that we are protecting those minorities in the middle east?

The Prime Minister: My hon. Friend is absolutely right. Making sure that both Iraq and Syria are countries with Governments who represent all their peoples—Sunni, Shi'a and Kurd—is absolutely vital.

Several hon. Members *rose*—

Mr Speaker: A question perhaps? I call Chuka Umunna.

Mr Chuka Umunna (Streatham) (Lab): I agree with all the comments about the Government's No. 1 priority being to safeguard the national security of those we represent, but that actually extends to every Member of the House. With regard to the use of lethal force by intelligence and police forces abroad and at home, it is of course important that they have the powers necessary to act, but it is also important that they act within a clear legal framework. I welcome the Prime Minister's

agreement to publish the advice on which he intends to act in Syria. Will he also ensure that the basis on which the police act on our streets is published and made known to those we represent?

The Prime Minister: I thank the hon. Gentleman for his question. Let me clarify something, because I do not want to mislead the House. I am not saying that I will publish the legal advice, because Governments have never done that. What I did as Prime Minister in the last Government and will do again in this is to provide a proper and full description of what that legal advice says. I know that that sounds like splitting hairs, but it is important. That is what I will do. As for the issue that the hon. Gentleman raises about the police, perhaps I will ask the Home Secretary to write to him directly about that.

Several hon. Members *rose*—

Mr Speaker: Order. After his uninterrupted 28 years' service in the House, I feel sure that the hon. Member for Bosworth (David Tredinnick) can put a question briefly and, very likely, in a single sentence. I call Mr Tredinnick.

David Tredinnick (Bosworth) (Con): Has my right hon. Friend the Prime Minister heard anything about the possibility of partition as a settlement, along the lines of Cyprus, leaving an Alawite, five-tribal area in the south and a free Syria in the north?

The Prime Minister: I have seen ideas put forward for these sorts of things, but I do not think it is the right idea. The idea of trying to carve up these countries into a sort of "Sunnistan" and a "Shi'astan" would be a great mistake. What we need to do is to build a Syria that can have a Government who represent all of their people as Syrians.

Tom Brake (Carshalton and Wallington) (LD): I have met a number of Syrians during the past couple of weeks, including a very brave citizen journalist, who is about to return to Syria. They are unanimous in calling for a no-bombing zone in Syria to stop civilians being killed by Assad's barrel bombs. Will the Prime Minister reassure us that he will ensure that the views of Syrian civilians are taken into account in relation to any UK military action?

The Prime Minister: The right hon. Gentleman is absolutely right. If we were to take action, it would be to save the lives of Syrian civilians. Of course, we all support no-bombing zones in terms of Assad stopping the practice of raining down barrel bombs, sometimes with chemical weapons, on his own people. That is why, while we should be very focused on ISIL, we cannot forget that President Assad has been one of the recruiting sergeants for ISIL and that his brutality keeps providing fresh recruits. The idea that you can just take sides and team up with Assad against ISIL is an entirely false prospectus.

Mr David Nuttall (Bury North) (Con): May I thank the Prime Minister for his statement? In the light of the terrorist attacks in Paris, I believe our police and security services urgently need the new powers set out in the

draft Investigatory Powers Bill now. May I therefore urge him to consider speeding up the pre-legislative scrutiny procedure and bring forward the date when this vital Bill will reach the statute book?

The Prime Minister: I thank my hon. Friend for his question. We are looking at this issue, but I would reassure him that most of what the IP Bill does is to put on to an even clearer statutory footing practices currently carried out by our security and intelligence services. There is one particularly important element that is new, relating to internet connection records, which is probably the most controversial part of the Bill, and I do not want to jeopardise the Bill by rushing it. I hope he is reassured that we will look at the timing, but most of the Bill is about putting powers on a clearer legal basis.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Arguably the more successful forces against Daesh on the ground in Iraq and Syria have been the peshmerga. What diplomatic pressure can the UK Government put on certain allies who are undermining their capabilities?

The Prime Minister: We are doing everything we can to help their capabilities—training, ammunition and logistical support are coming from us, from the Germans and from the Americans. Obviously, we need to work very hard with all the countries in the region to recognise that the Kurds are our allies in this fight, not least because they are taking it directly to ISIL and saving civilian lives.

Jason McCartney (Colne Valley) (Con): As chairman of the all-party group on Kurdistan, I join the Prime Minister in praising the peshmerga forces for retaking Sinjar, with support from US-led air strikes. Does he agree that the Kurdish forces now need their fair share of oil revenues—promised from Baghdad—for them to be able to continue this fight on the ground against the evil ISIL/Daesh?

The Prime Minister: My hon. Friend has a lot of experience of working with and helping the Kurds, not least from taking part in delivering an earlier no-fly zone. There is an agreement in Iraq about the sharing of oil revenues, but it needs to be honoured. The Iraqi Government need always to make it clear that they are there not just for the Shi'a, but for the Sunnis and Kurds as well.

Sarah Champion (Rotherham) (Lab): Will the Prime Minister share his views and those of the G20 on the creation of a safe zone for civilians in Syria?

The Prime Minister: As I have said before at this Dispatch Box, we are always happy to look at such suggestions, but we have to remember that we cannot declare safe zones without making them fully safe. To do that, we might have to take severe military action against Syrian air defences, aircraft, command and control systems, and all the rest of it. We might also need troops to make the zone safe. There are therefore real problems with these suggestions. I look at them and have discussed them with the Turks a huge amount. There is another danger that it is worth thinking about.

[*The Prime Minister*]

There are 2 million Syrian refugees in Turkey. If they felt that a safe zone was being created to push them out of Turkey and into Syria, it might hasten their move into Europe. All those things have to be considered. At the end of the day, safe zones are only proxies for what really needs to happen, which is the destruction of ISIL and the political transition in Syria.

Andrew Bingham (High Peak) (Con): There is an assertion that at least one of the perpetrators of the Paris atrocity came into Europe in the guise of a refugee. Will my right hon. Friend give an assurance that as we welcome—I emphasise the word “welcome”—genuine refugees into our country, proper security checks will be carried out to ensure that ISIL supporters do not get in under the radar in a similar way?

The Prime Minister: My hon. Friend makes a good point and puts it in the right way. We must not confuse migration and terrorism, but we need to be clear that proper border controls and checks are necessary to make sure that the people who come to our country do not threaten us. That is one reason why we have never joined Schengen: we want to keep our own border controls. Taking Syrian refugees from the camps enables us to carry out the checks before they take off.

Jack Dromey (Birmingham, Erdington) (Lab): The Prime Minister is right that greater powers are necessary to thwart terrorist plots on the internet. He is also right to make available additional resources for our security services and special forces. However, does he not agree that this would be the worst possible time to proceed with the biggest cuts to a police service anywhere in Europe, which would have a serious impact on the neighbourhood policing that is vital to intelligence gathering, as it is the eyes and ears of counter-terrorism in local communities?

The Prime Minister: As I have said, we protected counter-terrorism policing budgets in the last Parliament and will do the same in this Parliament. The police have shown in the past five years how well they can find efficiencies and increase the number of neighbourhood police officers on our streets.

Martin Vickers (Cleethorpes) (Con): Terrorists and their weapons can enter the UK through any point of entry. Ports that mainly handle freight, such as the Humber port, are particularly vulnerable. Will my right hon. Friend assure me that the staff levels at Border Force will be maintained and, if necessary, enhanced to combat this threat?

The Prime Minister: My hon. Friend is right to raise this issue. We are very focused on preventing firearms from entering our country. That is one of the best ways to defend ourselves from these sorts of appalling attacks. We have an intelligence-led model, whereby we use intelligence to ensure that our border security is delivered in the right way at the right time. All the time, we are asking Border Force whether it has what it needs. I discussed that with the head of Border Force when he attended the Cobra meeting on Saturday morning.

Ian Austin (Dudley North) (Lab): I agree with everything the Prime Minister said about Syria and terrorism. Does he agree with me that those who say that Paris is reaping the whirlwind of western policy or that Britain's foreign policy has increased, not diminished, the threats to our national security not only absolve the terrorists of responsibility, but risk fuelling the sense of grievance and resentment that can develop into extremism and terrorism?

The Prime Minister: The hon. Gentleman kindly said that he agreed with me and I absolutely agree with him. We have to be very clear to people who are at risk of being radicalised that this sort of excuse culture is wrong. Not only is it wrong for anyone to argue that the Paris attacks were brought about by western policy; it is very damaging for young Muslims growing up in Britain to think that any reasonable person could have that view. I agree with the hon. Gentleman 100%.

Mr Nigel Evans (Ribbles Valley) (Con): Does the Prime Minister believe that any individuals living in the United Kingdom who have information about any of the activities of those who have been radicalised or become terrorists are silent accomplices to any carnage that might take place in this country and that they have a duty to pass on that information immediately to save the lives of many innocent people?

The Prime Minister: My hon. Friend makes an important point that speaks to the civil liberties that we have in our country. People who suspect that a friend, relative or someone they know has become radicalised or that their mind has been poisoned should come forward, secure in the knowledge that everything that we do in this country happens under the rule of law. We cannot send out that message clearly enough.

Ian Paisley (North Antrim) (DUP): In this age of terrorism, will the Prime Minister indicate to us how safe are the British people?

The Prime Minister: I do not set the alert levels; they are rightly set independently by a group of experts. The level is currently “severe”, which means that they believe an attack to be highly likely. The next step is “critical”, which would mean that a threat was imminent. That would not normally happen until there was intelligence that a threat was in some way imminent. I say to the British people that we should go about our lives and that we should be vigilant and work with the police and intelligence services where we can. We must never give in to the threat that the terrorists pose, because they want us to change our way of life and to live in fear—that is what “terrorism” means.

Christopher Pincher (Tamworth) (Con): Does my right hon. Friend agree that for terrorists to pursue their evil trade as effectively as possible they require training, and that training requires territory? Action to reduce ISIL's territory, whether it be in Iraq, Syria or anywhere else, is therefore a vital component to ridding the world of these evil people.

The Prime Minister: My hon. Friend is absolutely right and what he says relates to the point that the hon. Member for Dudley North (Ian Austin) made. Much of

our policy over recent years has been about closing down the ungoverned spaces where terrorists are able to stay and train. That is why we cannot sit back from all these things. It is why we are engaged in trying to make Somalia into a proper, functioning country. It is why we took action in Afghanistan to try to stop that country being a haven for terror. It is why we cannot stand by while there fails to be a Libyan Government. We have to work harder to bring about some rule of law and order in that country. We do not do this because we believe in military adventurism; we do it because we want to keep people safe in our own country. That is what it is about.

Richard Burden (Birmingham, Northfield) (Lab): May I join the Prime Minister in expressing cautious optimism that the Vienna process could advance the prospects for a sustainable peace in Syria? That is important not only because of the huge numbers who have died there and the millions who have been displaced; the horrors of Paris and Beirut remind us of its importance in defeating Daesh. May I emphasise the importance of there being a strategy when he comes back to the House with his response to the Foreign Affairs Committee report? I understand that he will want to advance the case for military action, but a lot of us will be looking at how that fits into an overall strategy, including the involvement of regional powers.

The Prime Minister: I hope that I am able to reassure the hon. Gentleman. There is a strategy, which we need to lay out more clearly, of combining the political settlement with the military action that I think is important and the involvement of neighbouring countries. In the end, we have to decide whether to take such action as part of a strategy. That is my aim in the document that I will produce.

Rehman Chishti (Gillingham and Rainham) (Con): I fully welcome the Prime Minister's statement. President Hollande has used the exact words that France is "at war" with Daesh. In Vienna, John Kerry said that we have to "defeat Daesh". This evil organisation wants us to call it Islamic State or ISIL to give it the legitimacy and appeal that it wants. Can we join our counterparts and use the word "Daesh" to ensure that we use the right terminology?

The Prime Minister: My hon. Friend is slowly winning that battle. The use of the word "Daesh" is increasing with every issue of *Hansard* that is published. He is right about the evil we face. This group carried out the attack in Paris and they would be equally content to carry out an attack in Belgium, Sweden, Denmark or here in Britain. They do not not do it because they feel that we are somehow different; they just have not managed it yet and we have to stop it.

Ann Coffey (Stockport) (Lab): I thank the Prime Minister for his statement, which I fully support. Does he agree that the multiculturalism of our country is more likely to be destroyed if we do not take every possible action to defeat these murderous terrorists?

The Prime Minister: I absolutely agree with the hon. Lady, and as we do that, we need to take everyone in our country with us.

Mr Stewart Jackson (Peterborough) (Con): May I direct the Prime Minister back to the alarming reports that 450 violent jihadists returning from the middle east have been readmitted to the United Kingdom? Will he give a firm undertaking to the House that he will not rule out any action against those individuals, however robust, tough or draconian, including revoking their passports in order to protect the British public?

The Prime Minister: My hon. Friend is right to make that point. We have a system for trying to examine everybody who returns in such a way. As I said, some people will come home completely disillusioned with what they have seen, because it is an appalling regime with appalling practices, but there are people who we will have to keep a very close eye on, and use all the powers at our discretion.

Jim Shannon (Strangford) (DUP): I congratulate the Prime Minister on his courage and leadership at this time. There is a clear need for a new strategy, and that must come from within this House. Is it time that right hon. and hon. Members took the decision to step out in support of the new strategy, and to protect all the people of the United Kingdom of Great Britain and Northern Ireland?

The Prime Minister: I am grateful to the hon. Gentleman for what he has said. I hope that the response to the Foreign Affairs Committee will be something around which Members of the House can rally, so that we can move forward in a way that supports our allies and keeps our country safe.

Jake Berry (Rossendale and Darwen) (Con): My right hon. Friend is aware that Lancashire constabulary is one of the UK's leading forces in fighting radicalisation and terrorism. Will he update the House on what further steps we can take to ensure that our security services and police forces co-operate fully with each other?

The Prime Minister: My hon. Friend makes a good point. We have announced additional funding for our security forces, and I have said what I said about counter-terrorism policing. We must continue to work on the Prevent programme, and I am sure that that will be addressed by the Home Office in its spending review.

Mr Speaker: Last but not least I call John Nicolson.

John Nicolson (East Dunbartonshire) (SNP): May I raise with the Prime Minister disturbing reports of the firebomb attack that took place in the early hours of this morning against the Al Sarouk cultural centre in Bishopbriggs, which is used by my Muslim constituents? May I also alert him to the grotesque racist attack faced by my colleague, Humza Yousaf MSP, on social media? Will he join me in condemning some of the inflammatory statements in the press that attempt to link innocent Muslims with extremism?

The Prime Minister: I certainly join the hon. Gentleman in condemning those attacks. We should be equally clear that just as anti-Semitism and Islamophobia are wrong, right-wing extremism and attacking people for their religions is also completely wrong. It is vital that we are equally vehement about all those things.

Several hon. Members rose—

Mr Speaker: Order. I am sorry to disappoint remaining colleagues, but the statement has lasted for an hour and a half. I thank the Prime Minister for his brevity, and I say gently to colleagues who did not get called that if their colleagues who did get in had been a bit briefer, they would have been called. We must help each other.

Points of Order

2.3 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): On a point of order, Mr Speaker. I seek your guidance. This morning eminent academics published research in a peer-reviewed journal that estimated the mental health effects of the Government's new work capability assessment process between 2010 and 2013. The research is the first population-level study that looked at more than 1 million work capability reassessments in 149 local authorities in England, and at trends in suicide, self-reported mental health problems, and rates of antidepressant prescription. The report found that there is independent association of an additional 590 suicides, 280,000 cases of self-reported mental health conditions, and 725,000 antidepressant prescriptions. Concerns about the work capability assessment process and other aspects of the Government's welfare policy have repeatedly been made in this House. In view of the gravity, and the scale and range of impacts of Government policy on the health of its citizens, I seek your advice, Mr Speaker, on how best to get the Secretary of State to make an early statement on how he intends to address those appalling effects.

Mr Speaker: I am grateful to the hon. Lady for her attempted point of order. I know that she follows this issue extremely closely and carefully, but I am afraid that it is not a point of order for the Chair. I do not want to dilate on matters that take place outside the Chamber, but—forgive me for saying this, but it must be said—we cannot have a situation in which an attempt to raise a matter through an urgent question, for example, which is not granted, is then substituted by an attempt to deal with the matter via a point of order. If every Member did that, we could spend long periods each day with people who tried to get an urgent question but did not succeed thinking, “I’ll deal with this through a point of order instead.”

The hon. Lady asked me honestly for my advice, but I am afraid my advice is for her to table written questions through the Order Paper. If she remains unhappy with the answers—or, as she sees it, the lack of answers—she can try again to deploy the mechanism of an urgent question. It is for her to demonstrate why the matter is urgent for that day, rather than simply a matter of great importance and relative topicality. If she wants to apply for an Adjournment debate she can of course do so.

I think I have shown considerable readiness to grant UQs and hear points of order, and I do not intend any discourtesy to the hon. Lady. She is extremely assiduous in the execution of her duties, but I do not think that I can say more than that today if I am to be fair about it—well, I am being fair about it—[*Interruption.*] Well I think I’m being fair anyway—[HON. MEMBERS: “Hear hear”] It is quite useful to hear the odd “Hear hear”. If there are other points of order we had better hear them.

Louise Haigh (Sheffield, Heeley) (Lab): On a point of order, Mr Speaker. Last year Her Majesty's Revenue and Customs outsourced some of its functions relating to tax credits to a US-based company, Concentrix. Many constituents have contacted me in desperation because mistakes made by that company have led to arbitrary cancellations of their much-needed tax credits.

Timely correction of those mistakes is next to impossible, as there is no way for my constituents to contact Concentrix. The HMRC has a hotline for members, but its staff have told me that they cannot provide an update on the status of a case because they cannot speak for or to Concentrix. A cursory glance at *Hansard* has shown that Members have been unable to get answers about that company from Ministers. Can you give me any guidance, Mr Speaker, about how we can best represent our constituents, given the obvious failings of a Government agency and its contractor in this matter?

Mr Speaker: First, it is an expectation that Ministers will provide answers that are both timely and substantive on matters that fall within their competence—I use that term in the technical sense. If that has not been the case, or if the hon. Lady judges it not to be the case, that is disappointing and I urge her to persist. I gently remind those on the Treasury Bench that answers to legitimate questions should be provided, and that those should not be alternatives to answers—they should be answers.

Secondly, it is sometimes necessary and to be expected that the Government will make certain urgent announcements when the House is not sitting—indeed, if they did not they would probably be criticised, and it is perfectly legitimate for them to do so. Having studied this matter in concert with advisers, I confess that I am sympathetic to the view that has been expressed—not least by the hon. Lady—that the announcement about HMRC closures is of a kind that might reasonably be expected to be made to the House. It is fair to say that over the last couple of days exceptionally important matters have naturally dominated, but I hope that those on the Treasury Bench will have noted what has been said. It is open to Ministers to come forward sooner rather than later with announcements to the House if they are so minded. If they are not, even though I have known the hon. Lady for only six months, I rather suspect that she will pursue the matter with the terrier-like intensity that she has thus far demonstrated to colleagues.

If there are no further points of order perhaps we can move to the 10-minute rule Bill that the hon. Member for Gainsborough (Sir Edward Leigh) has been waiting for with stoicism and fortitude.

House of Lords (Parliamentary Standards Etc) Bill

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

2.9 pm

Sir Edward Leigh (Gainsborough) (Con): I beg to move,

That leave be given to bring in a Bill to amend the Parliamentary Standards Act 2009 to make provision for the Independent Parliamentary Standards Authority to be responsible for determining, paying, maintaining oversight of, and adjudicating complaints relating to, the allowances, expenses and financial interests of members of the House of Lords; to amend the House of Lords Reform Act 2014 to provide for the compulsory retirement of members of the House of Lords under certain conditions; to make provision for the reduction of the number of members of the House of Lords; and for connected purposes.

The other place is too large, too political, too comfortable and too prone to political patronage. It is time to reform it. The Bill is sponsored by Members from several political parties, and it assumes that, for the time being, the House of Lords remains appointed. On behalf of at least one of the Bill's supporters, who is in his place, I am not saying whether the House of Lords should be elected or appointed: we have had that debate for 100 years and opinion is divided. We are where we are. For the present and for the foreseeable future, the House of Lords is appointed and it needs reform.

My personal view is that an elected Chamber would cause all sorts of problems that would have to be resolved. I do not see any point in the other place replicating this place. It should not be a place for ambitious 30 and 40-somethings who want to climb the greasy pole and become Ministers. There is no harm in ambition, but there is no point in having just another whole set of politicians in the other place. Arguments will rage back and forth on that point, but I do not want to get involved in that debate today. My Bill looks at the House of Lords as it is—an appointed body.

If the other place is not elected, it cannot replicate this House in terms of political dispute. It has to be a place of experts, distinguished men and women from all walks of life and all parts of the country, and mature people who do not want to get involved in politics any more. They may have been politicians, but they should now want to use the other place to improve legislation. There is no doubt that much of the legislation that leaves this place is hurried, has not been thought through and needs improving. There is a place for a revising Chamber, and I would like the Bill to achieve an agreement by convention that the House of Lords is not there to overturn manifesto commitments, or to get involved in taxation. The House of Commons was created all those centuries ago to ensure that the king could not tax the people without the consent of the people, and therefore taxation resides with this place. I would like to see the House of Lords established as a sensible, revising Chamber.

I return to my original point. The Lords is too large, too political, too comfortable and too prone to political patronage. I must make it clear that this is not a declaratory Bill. I wish to lay down some guidelines—and Lord Strathclyde is working on these matters now—but it is for the other place to decide how it meets those guidelines. My own view is that the House of Lords is too large: it does not need to be larger than the House of Commons.

[Sir Edward Leigh]

I would use the size of the Commons as a guide. We have 650 Members—perhaps after the next election it will be 600. How would we reduce a House of Lords of 850 Members to 600 or 650? I would leave it to the House of Lords to determine how to do it, but my own view is that we need some mechanism to ensure that the size of the political parties in the other place reflects the size of the political parties in this place after a general election. That is for the Lords to decide—they may have another point of view or they may wish to reflect voting strengths. They would also need room for Cross Benchers, so that no one party had a majority. That is important. Just because one party gets an overall majority in this place, it should not have one in the other place.

The House of Lords is overcrowded at the moment and we should reduce its size. We should also stop the absurd race, every time we have a general election with a change of party control, whereby the incoming Prime Minister feels that he has to create another 10, 20, 30 or 40 Members of the other place to try to increase his strength. We keep getting a larger and larger body. When I started in politics, it was hard to get into the House of Lords—usually new peers were of former Cabinet rank. It is becoming too easy to get in, and that gives the Prime Minister too much power. I do not really approve of the system under which the Prime Minister can just send up loads of people from this place: we need a limit on size.

Not everyone will agree, but perhaps we will have to reduce the number of bishops. There were 12 apostles, so perhaps 12 bishops would be enough, and there are also people of other faiths. Again, that is for the House of Lords to decide.

I do not think the House of Lords should have a set retirement age, because there are people aged 90 who are making a tremendously good contribution. If they are elected by their fellows in their political party or among the Cross Benchers to go on sitting there, let them do it. But one way of solving the problem would be to say that no one over the age of 80 should draw expenses or allowances, or be allowed to vote. That system works well in the Vatican. Cardinals can join discussions with

their colleagues, but over the age of 80 they cannot vote. What is good enough for cardinals should be good enough for the other place. Again, that is for the House of Lords to decide, but to force people over 80 to be on the Whip, to come in and to vote late at night is rather demeaning for them and unnecessary. If they were not receiving expenses, it would get rid of any other inducements.

Let me deal briefly with expenses. Unfortunately, the House of Lords has increasingly been liable to criticism and scandal. We have to find a way forward. I think that Members of the House of Lords should be able to choose whether to be on an expenses regime and subject to the Independent Parliamentary Standards Authority—allowed to claim for a hotel and travel if their main home is outside London—or to receive a modest, flat-rate, taxable allowance. That would get rid of all the scandals that we read about in the newspaper of people coming in for just half an hour or an hour to claim their £300 a day tax-free allowance. We should have the same system here, by the way, with a choice between going on the IPSA regime, with all its complications, and getting a modest, taxable allowance.

If we want to recreate the conventions about making the Lords a revising Chamber, to have a modern expenses regime and to get really distinguished people in the other place who want to make a contribution—not necessarily all the time, but coming in a few times a year because they have a particular expertise—my Bill would fit the bill. It would be a modern, revising Chamber; after all, we are all modernisers now. It would also avoid scandals and create a House of Lords of a good size. It would make the other place fit for purpose for the 21st century, and I commend it to the House.

Question put and agreed to.

Ordered.

That Sir Edward Leigh, Robert Ffello, Geoffrey Clifton-Brown, Mike Kane, Mr Andrew Turner, Philip Davies, Martin Vickers, Mark Menzies, Michael Fabricant, Daniel Kawczynski, Robert Neill and Norman Lamb present the Bill.

Sir Edward Leigh accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 4 December, and to be printed (Bill 95).

Cities and Local Government Devolution Bill [Lords]

[2ND ALLOCATED DAY]

[Relevant Documents: Oral evidence taken before the Communities and Local Government Committee on 12 October and 10 November 2015, and written evidence to the Committee, reported to the House on 7 and 15 September and 12 October 2015, on the Government's Cities and Local Government Devolution Bill, HC 369, the Committee's First Report of Session 2014-15, Devolution in England, the case for local government, HC 503, and the Government's response, Cm 8998.]

Further considered in Committee

[MR DAVID CRAUSBY *in the Chair*]

Clause 20

GOVERNANCE ARRANGEMENTS FOR LOCAL
GOVERNMENT: ENTITLEMENT TO VOTE

Question proposed, That the clause stand part of the Bill.

The Temporary Chair (Mr David Crausby): With this it will be convenient to discuss the following:

Clause 21 stand part.

New clauses 3 and 9.

2.20 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (James Wharton): I look forward to an interesting discussion this afternoon. I hope it will be similar in tone to the discussion we had on the previous day in Committee and that we are able to explore issues of concern to hon. Members. I hope that in the bulk of cases we find consensus, areas on which the House agrees, on the devolution agenda that I think many of us believe to be in the interests not just of this place but of our constituents—the people we represent who send us here to do the work we do.

I wish to oppose clause 20 and I shall also speak to clause 21 and new clauses 3 and 9. Clause 20 was inserted against the Government's wishes following a lively debate in the other place. It amends section 2 of the Representation of the People Act 1983 by lowering the minimum voting age from 18 to 16 for the local government franchise in England and Wales. That means that 16 to 18-year-olds could vote in all elections based on this local government franchise. In England and Wales, those would include local government elections, police and crime commissioner elections, elections for the Greater London Authority and Mayor, and elections to the National Assembly for Wales. The amendment would also mean that 16 to 18-year-olds could vote in local neighbourhood planning referendums, council tax referendums and referendums on local authority governance arrangements.

I have considered carefully the arguments that have been set out in earlier considerations of the Bill, both here on Second Reading and in the other place. I am of course also aware of very similar arguments that have been made in relation to the franchise in Parliament's

consideration of the European Union Referendum Bill—a Bill that I follow closely for reasons of personal interest.

Mark Field (Cities of London and Westminster) (Con): I agree with the Government's view—I do not think the voting age should be lowered at all—but will the Minister give at least some consideration to the idea that there is a distinction between a normal election and a referendum, given the permanence or longer period for which a referendum would hold sway? Again, it is not a view I entirely agree with, but I think there are some colleagues even on this side of the House who would make a distinction between the two. Perhaps he could go into some detail on why the Government feel that that distinction should not be made.

James Wharton: My hon. Friend tempts me to go off topic. The European Union Referendum Bill has had a debate on this matter and has come to a conclusion to express the will of this place on the age of the franchise. I know this issue is of interest to a number of Members. Referendums are different from elections of other sorts, but I do not think that the difference is such that the concession should be made, certainly not through the vehicle of this particular Bill.

Norman Lamb (North Norfolk) (LD): The Secretary of State has at least indicated that there is a debate to be had about lowering the voting age and I wonder whether, secretly, he might actually agree with the proposition. Will the Minister explain what the dangers are of reducing the voting age to 16? The world did not cave in when people were given the vote at 16 in the Scottish referendum.

James Wharton: The right hon. Gentleman can speculate on whether the Secretary of State might agree or not. I can tell him that I certainly do not, but I recognise there is a time and a place for such matters as this to be debated. I will set out some of my thoughts on the appropriateness of the Bill or otherwise for that debate today in the comments I will now come to, although I feel that this is not necessarily that time and place, as I will explain.

Mr Graham Allen (Nottingham North) (Lab): Does the Minister understand that there is a lot of desire to see an extension of participation in our processes? My Select Committee produced a very fulsome report in the previous Parliament, which outlined proposals such as electronic voting and votes for 16 to 18-year olds. The Minister's position is very clear: he does not want to do this at the moment. However, will he consider the possibility, as we devolve power to local government, that, in certain discrete pilot areas that request it, there could be experiments with the 16 to 18-year-old franchise?

James Wharton: I admire the creativity of hon. Members who wish to find ways to pursue this matter. I do not feel that it is appropriate to do so in this the Bill, for reasons I will go on to explain, but I recognise what the hon. Gentleman says. It is undeniable that there is a debate to be had on the issue. There are views on both sides of the argument. It is, I think, the view of nearly all right hon. and hon. Members that we would like greater participation and involvement in our democratic processes. Whether lowering the franchise is the right

[James Wharton]

way of going about it is rather less clearly agreed across the House. Indeed, it is an area about which I have significant reservations. I have, however, considered carefully the arguments set out with regard to the Bill.

John Redwood (Wokingham) (Con): Will the Minister confirm that we did not place in our manifesto any wish to change the voting age, so we have no manifesto mandate, and that when Labour was in office for 13 years with big majorities it never thought it a good idea to change the voting age?

James Wharton: My right hon. Friend makes a very important point. Conservative Members did not stand on that proposal in the manifesto. Opposition Members from a variety of parties did so. It may be argued, therefore, that this issue has been decided by democratic processes already. However, I recognise, as I have said, there is a debate to be had. We may come to different conclusions, but my contention today is that, valid though that debate may be, the Bill is not the vehicle through which such a change should be delivered.

Several hon. Members *rose*—

James Wharton: I would like to make a little progress and then I will give way to more hon. Members who want to have their say on this issue.

Lowering the voting age to 16 for local elections in England and Wales would be a major change to the fundamental building blocks of our democracy. The right starting point for making such change would be that those democratically elected to represent the people of this country should consider all the issues involved. Before such a step, we shall seek the views of those we represent. We should seek to recognise where public opinion stands on the issue, and how to maintain and strengthen confidence in ensuring that elections are free and fair. We should carefully discuss the issues and, having weighed the arguments and recognised where consensus and opinion lies across the country, only then would we decide whether or not to make such a change.

John Stevenson (Carlisle) (Con): Does the Minister agree that if we were to go down the route of 16 to 17-year-olds having the vote, logic would dictate that they should also be able to stand for Parliament, stand as a councillor or stand as an elected mayor? Is that something he would support?

James Wharton: My hon. Friend makes a very important point. There is a need for a joined-up approach in such matters. There is a need to ensure that any change is fully considered in the context of all the other things we place age restrictions on—all the other things that we do or do not allow people to do at different ages, often for very good reasons. Whether that is buying cigarettes or alcohol, using a sunbed, voting, standing for Parliament or driving a car, we have different ages for different things for long-established reasons. Those ages are not set in stone, but they are in place for a very good reason in principle. There is a debate to be had, but the conclusion of that debate is not foregone.

Mark Field: I very much agree with what the Minister says, particularly the way in which he has enunciated it. Particularly in the past 10 to 15 years, in many areas—smoking, using sunbeds, drinking—the age limit has been raised rather than lowered. Insofar as we can try to have a sense of working together and agreeing a single age, if anything we are moving in an upward rather than a downward direction. This leads to the question—I say this only because my late mother's first vote was in an East Germany election in the 1950s and the electoral age in that part of Europe at that time was 14—why not 14, 12 or 10, rather than 16, as is being proposed?

James Wharton: My hon. Friend tempts me to go further down the path of debating the specifics of different ages, but he makes a fundamental and important point: we have different ages for different things. These matters need to be considered fully and in the round. Change should not be brought piecemeal or as an adjunct to a Bill. It would have to be done in a carefully considered way after proper and thorough debate.

Norman Lamb: *rose*—

James Wharton: I will give way to the right hon. Gentleman, but then I really must move on.

Norman Lamb: How does the Minister, who accepts that there is a debate to be had, intend to facilitate that debate so that we can have it perhaps during this Parliament?

2.30 pm

James Wharton: I recognise what the right hon. Gentleman says, but this debate has been ongoing for some time in our democratic process. I said earlier that at least two Opposition parties stood with it in their manifesto, but they were not successful at that last election. I am talking today about the progress I want this Bill to make. His point is well made, but it is not going to tempt me to go further today.

A broader issue underlies the clause: the transition from childhood to adulthood; the interplay between the different limits, age ranges and restrictions, which we have discussed already; and the desire to further the cause of democratic engagement and how to do it. This complex issue deserves the most serious attention, but it should not be an adjunct to this Bill on devolution, the purpose of which is to meet our manifesto commitment and deliver for areas affected. For those reasons, we do not support the clause. It is not the right place to insert such a significant legislative and constitutional change.

After careful consideration, we have concluded that clause 21 should stand part of the Bill. It was also inserted in the other place, against the then wishes of the Government, and removes section 9NA of the Local Government Act 2000, which currently provides that, where a council has been required to hold a mayoral referendum under an order made by the Secretary of State, and where that referendum has been successful and a mayor has been duly elected, the mayoral model of governance cannot subsequently be changed except by a further Act of Parliament. This provision currently applies solely to Bristol.

Karin Smyth (Bristol South) (Lab): On behalf of all parties in Bristol, I am grateful for the recommendation to retain clause 21, which, as I said the last time we discussed this in Committee, enshrines a fundamental democratic principle by giving the people of Bristol continued control over the system for determining their elected representatives.

James Wharton: Absolutely. That reflects the consensus we are trying to build around the Bill. Ours are the very actions of a listening Government working on a cross-party basis to deliver in everyone's interests. Bristol was the only city to vote for a mayor in the mayoral referendums held in May 2012. We have considered the argument made, among others, by the hon. Lady—that the people of Bristol should have the same opportunity as those in other areas to petition for a change in governance arrangements. Clause 21 effectively places the people of Bristol in the same position they would be in had the mayoral referendum in 2012 been triggered by a resolution of the council or the receipt of a valid petition. Having carefully considered these arguments, we are prepared to see the people of Bristol in this position, and hence we support clause 21.

Susan Elan Jones (Clwyd South) (Lab): The Minister has spoken about consensus. Of course, one issue, connected with the Bill, on which there is great consensus is the Government's proposals to amend the Sunday trading laws—the great consensus being that we should not do it. Will he confirm that those proposals are not coming back, either in this Bill or in any other way?

James Wharton: I hear the hon. Lady's comments, although I am not sure to which clause we are here to debate she refers. More generally, we always talk to hon. Members across the House and listen to the views of the public at large to determine the best course of action, but the issue she raises is not before the Committee this afternoon. As to what will happen in the future, she tempts me to go further than I can.

New clause 3, tabled by the hon. Member for Nottingham North (Mr Allen), would amend section 36 of the Representation of People Act 1983 to allow local areas to alter their systems for the election of councillors. His enthusiasm to push the boundaries of devolution, throughout our consideration of the Bill and more generally, has not gone unnoticed by Ministers or, I am sure, Opposition Members. When we last met in Committee, he flagged up the proposition that councils should be free to decide their own electoral arrangements in conjunction with their people. He suggested they should be able to have a debate and come to a decision.

I understand the hon. Gentleman's interest in voter engagement, which, as I have said, we all share, and I note the devolutionary nature of his proposals, under which a council could decide its own electoral system. That said, he will be unsurprised to learn that I have some concerns about how such complex proposals would work in practice and whether there is an appetite for them. Local councillors are currently elected under the first-past-the-post system, which is a well-recognised and straightforward system, as we saw in the outcome of the referendum to change to the alternative vote system in 2011. I accept that that was in relation to UK

parliamentary elections, but two thirds of voters chose first past the post over the alternative vote, suggesting there is no public consensus for change.

I have concerns about the potential confusion caused by the possibility of voting systems changing from one poll to the next. We can imagine the pressures that councils and councillors could come under in considering the systems they might wish to employ. There would be a natural desire to consider, or attempt to second-guess, whether there might be some political advantage in adopting a different set of arrangements or sticking with the existing tried and tested ones. Even if appropriate safeguards could be introduced, which themselves would add to the complexity of the arrangements, the practical processes of switching voting systems would still be complex and costly. For example, a change to the single transferrable vote could, in many cases, require a major re-warding of an entire local authority area.

These concerns might not be insurmountable, but the proposal represents a fundamental change to the building blocks of our democratic processes and would require significant consideration, development and consensus, and I am clear that the Bill, although both devolutionary and enabling, is not the right vehicle for such a change. On raising the proposal last time, the hon. Gentleman suspected that the idea might need to brew a little. He will sense from my comments that I believe it has brewed nowhere near enough. I therefore ask that he does not push it to a Division.

Finally, I turn to new clause 9, which would introduce a requirement through regulations for local government electors in an area to approve certain boundary and structural changes via a referendum. The boundary and structural changes involved relate to the establishment of new unitary local authorities, the merger of authorities or movement from one authority area to another. Clause 16 already gives the Secretary of State wide regulation-making powers regarding structures and boundaries. The regulations will allow modification of the existing processes, as provided for in the Local Government and Public Involvement in Health Act 2007, for making changes such as merging councils or moving to more unitary structures. These regulations can be made only where all the affected councils agree. I doubt it would be right to include a requirement for a referendum, and nor do I believe referendums to be sound practically in this context.

Our democracy is founded on the traditions and principles of representative democracy, which have served us well and stood the test of time. In general, we believe that decisions on public matters are made most effectively by those democratically elected to represent the area affected. All past experience suggests that this is the case with changes to local authority boundaries and structures. The democratically elected local representatives are best placed to take local decisions on these issues. Of course, they will want to take account of the views of the electorate—of those who live and work there, of businesses, of those who contribute to the life of local communities. However, how they seek these views—the kind of consultation exercises they undertake—is a matter for them. It is not for the Government to tell elected representatives how to undertake their roles.

Hence, it would not be right to require referendums—to require a particular way of ascertaining the views of local people—or for the result of such an exercise to

[James Wharton]

determine the decision on proposed boundary or structural change. The referendums envisaged by the new clause would not be sound in practice. First, it would only require a referendum in a part of the area—the part becoming unitary, for example—yet such a change would have implications for the surrounding areas, so I am not clear that this approach would be right in any event. Secondly, such boundary and structural changes are almost invariably part of some wider reform. To present the question as simply one about some council structure or boundary risks being misleading and oversimplifying complex arguments. With those explanations, I hope that my hon. Friend the Member for Isle of Wight (Mr Turner), after what I am sure will be an interesting discussion, will not press his new clause.

In conclusion, I have explained that the Government cannot support new clauses 3 and 9. We are content for clause 21 to stand part of the Bill, but we are opposed to clause 20.

Liz McInnes (Heywood and Middleton) (Lab): I am glad to hear that the Government are in listening mode. I am pleased about clause 21, but I hope that the Government will now listen to the arguments in favour of clause 20 and reducing the voting age to 16 in local government elections.

More than 1.5 million 16 and 17-year-olds in the UK are denied any part in our democratic process. In recent years, pressure has developed to reduce the voting age from 18 to 16. The Electoral Reform Society has argued for it, and in 2006 the Power commission was funded by the Joseph Rowntree Reform Trust to find out what was happening to British democracy and why people were disengaged from politics.

The commission drew up a set of proposals and recommendations to increase political participation and it presented them in a final report, “Power to the People”. One recommendation was to lower the voting and candidacy age to 16, with the exception of candidacy for the House of Lords. The Power commission explained its recommendation thus:

“Our own experience and evidence suggests that just as with the wider population, when young people are faced with a genuine opportunity to involve themselves in a meaningful process that offers them a real chance of influence, they do so with enthusiasm and with responsibility. We recognise that few people take an interest in a sphere of life or an area from which they have been deliberately excluded.”

John Redwood: Will the hon. Lady remind us why during 13 years in office up to 2010, Labour, which had big majorities, never wanted to do this?

Liz McInnes: I thank the right hon. Gentleman for his question. Sometimes pressure needs to build up before change is made. It is correct to say that the Labour party did not make this change in 13 years in office, but I am going to talk about the build-up of pressure and the involvement of various organisations. We saw in the Scottish referendum that there is a real feeling that our young people are affected by the democratic process. To take the right hon. Gentleman's arguments to their conclusion, we would never make any changes whatever, simply because we did not do so in a previous term of office.

I was quoting the Power commission on young people feeling excluded and therefore not being interested in politics. The commission proposed that reducing the voting age to 16 would be an obvious way of reducing the extent of such exclusion for many thousands of young people. It would increase the likelihood of their taking an interest and participating in political and democratic debates if they actually felt that they could influence such debates.

John Stevenson: Logically, if 16-year-olds have the vote, they should clearly be entitled to stand as candidates as well. Is the hon. Lady comfortable with the idea of a 16-year-old being able to get elected to a position that has executive authority?

Liz McInnes: The Power commission did not recommend that 16-year-olds should become candidates, but rather that they should have the vote to raise their awareness of the democratic process so that when they reach an age when they are eligible to become a candidate, they will have played some part in the democratic process.

Imran Hussain (Bradford East) (Lab): During my election campaign, I spoke to hundreds of young people who were not only enthused by the political process, but actively wanted to engage in it. Does my hon. Friend agree that it is an absolute myth that young people are somehow not interested in politics, not capable of holding public office and not capable of voting? Does she further agree that the right thing to do is to give them that right to vote, so that we can bring about more engagement by young people, which is more actively needed than ever before at this time in politics?

Liz McInnes: I think my hon. Friend is absolutely right. The 16-year-olds I know and speak to are very keen on the idea of greater political involvement. We keep going back to the Scottish referendum, but it was amazing to see so many young people participating in that very important debate. It was a once-in-a-lifetime opportunity for them on an issue that was going to affect them. I feel that we have some 16-year-olds who are engaged in the political process, yet we deliberately exclude them from it.

2.45 pm

Clause 20 will allow anyone over the age of 16 to vote in local elections. The amendment was won by Labour and the Lib Dems in the House of Lords; it was not in the original Cities and Local Government Devolution Bill. I believe it would be a retrograde step to remove this clause.

Clause 20 would have effect for all elections in England and Wales that currently use the local government franchise—for the Mayor of London and the Greater London Assembly, for police and crime commissioners, and for elections to the National Assembly for Wales and the European Parliament.

For years, there has been a consistent demand from young people for votes at 16. At 16, people become adults and take control of their own futures. They can leave school, work full time and pay their taxes, leave home, get married, join the armed forces—

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones): Not without mum and dad.

Liz McInnes: I accept that young people cannot do all those things at 16 without the consent of their parents, but the fact is that they can still do them.

Contrary to popular myth, young people are interested in political issues—from climate change to racism, and from education to crime. I meet young people in my constituency, as I am sure do many of my hon. Friends, who are studying politics at A-level and are completely engaged with the political process, yet this country still denies them a vote.

In a democracy, voting is the fundamental way for our young people to express their opinions. As the Power commission report put it,

“it is worth remembering that we enlist 16-year olds into the armed forces and expect them to pay taxes if they are earning so they should be able to participate in the selection of those who govern them. We believe that any reform to encourage young people to engage politically will be very severely limited in its effectiveness while the current constitutional, party and electoral arrangements remain in force.”

Given that Government decisions will naturally affect the future, it is arguable that the young are more likely to be affected than older people by some political decisions.

Preventing 16 and 17-year-olds from voting sends a signal to them and to society that their views are not valid or important. The next generation of voters are the first to have received citizenship education in schools, yet they are being denied their full rights as citizens. This seems particularly unfair and unjust. At a time when some people feel that politics is not relevant to them, young people need to be encouraged to take part in democracy, not kept out of it. The Scottish independence referendum showed once and for all that 16 and 17-year-olds are more than capable of taking important political decisions. If young people are registered early and get into the habit of voting, we will see lasting improvements in turnout.

My hon. Friend the Member for Rotherham (Sarah Champion) secured a Westminster Hall debate on this very subject last year. She argued that the time was right “to open the democratic system even further and to include 16 and 17-year olds among the people who are able to vote.”

She continued:

“We cannot expect 16 and 17-year-olds to contribute to our society through various means—economically, physically, intellectually or socially—in a capacity where we recognise them as an adult, but then give them the democratic rights of a child... We trust our young people to contribute to society in many ways, so we should start to give them their democratic rights.”—[*Official Report*, 6 May 2014; Vol. 580, c. 7WH.]

I fully support that. I urge all Members to support the retention of clause 20, and to welcome our 16 and 17-year-olds to the democratic process.

Let me now say a few words about clause 21. I am very pleased that, on this issue at least, the Government are listening. I pay tribute to my hon. Friend the Member for Bristol South (Karin Smyth), who is present, and who has done a great deal of work in connection with the issue of the Bristol mayor. As I am sure everyone knows, Bristol was the only city to vote “yes” in the mayoral referendum of May 2012. I think it fair to say

that the current mayor has proved to be a somewhat controversial figure, but my hon. Friend has rightly said:

“This isn’t about whether you support the current mayor or would prefer a different person in that office, it’s about whether citizens of Bristol should be allowed a voice about the post itself.

It’s about democracy, and the right of Bristol people to decide how they are governed seems to be a fundamental aspect of democracy.”

She has also said that

“citizens of Bristol deserve the right to reverse that decision at any point”,

and that the Lords amendments

“offering Bristolians that opportunity are to be welcomed”.—[*Official Report*, 14 October 2015; Vol. 600, c. 372.]

I bow to my hon. Friend’s superior knowledge of the issue of the Bristol mayor, but I am very pleased that all Members seem to support clause 21, and I look forward to our giving Bristolians the same democratic rights as those enjoyed by the rest of the country.

Norman Lamb: I strongly support the amendment that was passed in the House of Lords, and I am very disappointed that the Government are proposing to remove it from the Bill. The Minister’s argument seemed to be “It is all horribly complicated, and this is not the right place to discuss it”, but I could not identify any particularly strong argument for why it is the wrong thing to do, and why 16 and 17-year-olds should not be given the right to exercise the vote like the rest of us.

I was interested by the intervention from the right hon. Member for Cities of London and Westminster (Mark Field). Indeed, I was encouraged by it, because the right hon. Gentleman appeared to recognise that there was some argument for 16-year-olds to have a say on some issues. However, he drew a distinction between referendums and voting in elections on a continuing basis. I think that he should go with his logic. If there is a case for young people to have a say in the future of their country, or on other big issues that are put before the country in referendums, surely there is a case for them to have the right to a say on who is elected as their local councillor. How on earth can the right hon. Gentleman sustain the logic of allowing a vote on a big national issue of enormous import while denying a vote on representation in a local community?

Mark Field: In fairness, I think that I should clarify my position. I am against the idea of reducing the voting age, period, but I also think there is some logic that suggests that a referendum is a somewhat different sort of plebiscite from a routine election. It may happen only every 40 years, as in the case of the European referendum, and, although I suspect that we shall not have to wait quite so long for the next referendum in Scotland, there was at least the prospect of our waiting for a generation or more in connection with a referendum-related issue.

A broader point, however—and I thought the Minister had made it fairly clear—is that this would be a pretty important change in our franchising arrangements. It is not a measure that should be sneaked through as an additional clause in a Bill emanating from the House of Lords, or, indeed, from the House of Commons. It requires a broader analysis. I accept the right hon. Gentleman’s view—and I hope that we shall engage in

[Mark Field]

some fertile discussion during the course of this Parliament—but the notion that a major change can be brought about simply by an amendment during the consideration of a Bill does not strike me as the right way to deal with the entirety of our franchising system.

Norman Lamb: I agree with the right hon. Gentleman that this is an important issue, but I hope he will understand that those of us who are convinced of the case for change should take every opportunity to argue that case, and this is one such opportunity. Because we recognise that the world will not cave in, and that many positive consequences will flow from the measure, we see no difficulty in including it in the Bill.

The hon. Member for Heywood and Middleton (Liz McInnes) referred to the Scottish referendum, which engendered an extraordinary level of engagement among young people. I do not think that any Conservative Member suggested that the young people who voted in that referendum did not know what they were talking about, or that they ought not to have the right to a say. If Conservative Members believe, on reflection—given what happened in the Scottish referendum—that it was right for those young people to have a say, they should stick with the logic of that, and accept the case for including the measure in the Bill.

It is interesting to note that the turnout among people between the ages of 16 and 18 was very high in Scotland. I understand that, according to an Electoral Commission report that was published in December 2014, the turnout among 16 and 17-year-olds was 75%, as opposed to 54% among 18 to 24-year-olds. Given the opportunity, they engaged in the democratic process very readily, and I think we should all welcome that.

Graham Stringer (Blackley and Broughton) (Lab): The right hon. Gentleman has made some fair points about the analysis of participation in the Scottish referendum, but does he not agree that that referendum was an almost unique event in terms of the enthusiasm that it engendered among all age groups throughout Scotland's population, and that there is no immediate read-across from it to other elections and referendums?

Norman Lamb: I accept that it was a highly unusual event in terms of the degree of excitement and enthusiasm that it engendered across the population. I am simply making the point that the world did not cave in because 16 and 17-year-olds had had a vote in that referendum, and I do not think it would cave in if we gave people in the same age group the right to a say in who becomes their local representative on their local authority.

Mark Field: Perhaps we are more sanguine about the events of 18 September 2014 with hindsight. It might have been very different had the result been a close-run thing, and had there been any suggestion that a change in the franchise of this magnitude might have been decisive in the overall result. That clearly was not the case: lest we forget, I remind the House that the referendum was lost by 10.6 percentage points, although the SNP does not remind us of that very regularly. As the right hon. Gentleman says, the world has not fallen in, but I think that the referendum would have been a lot more

controversial had the result been a very close-run thing, and had there been any suggestion that that franchise change might have had a distinct impact on the result.

Norman Lamb: I was on the same side as the right hon. Gentleman in the referendum. I am half Scottish, and I passionately wanted Scotland to remain part of the United Kingdom. However, I am also a democrat. I accept the will of the people following a vote in a referendum of that sort, and I accept the right of 16 and 17-year-olds to be part of the decision-making process.

Alison Thewliss (Glasgow Central) (SNP): Does the right hon. Gentleman agree that it is precisely because 16 and 17-year-olds had the biggest stake in the future of the country that it was important for them to have a vote in the referendum?

Norman Lamb: I think that is absolutely right, and indeed that is why I also think they should have a vote in the European referendum, because it is their continent as well as ours. They have a larger stake than we do in terms of the number of years they have on this planet so I accept the case the hon. Lady makes.

I have long held the view that this is right in principle. If someone can marry, join the armed forces and, perhaps most importantly, be obliged to pay taxes, if working, at the age of 16, then surely they have a right to a say about the level of that taxation and how it is applied by Government. It is surely actually a democratic outrage that people can be expected in our country to pay taxes but not have the right to any say over the application of them.

3 pm

Guto Bebb (Aberconwy) (Con): Surely that argument makes little sense? My daughter, for example, is currently saving up to buy a laptop computer. She will have to pay VAT. She is 13; she will have no votes. Does the right hon. Gentleman propose a 13-year-old should have a vote on the VAT issue?

Norman Lamb: No, I am referring of course to the application of income tax to people's employment rights. To take that argument to its logical conclusion, it would of course be ridiculous to suggest that a four-year-old should have the right to vote. I also made the point that someone who can join Her Majesty's armed forces and defend this country has no right to vote on the critical decisions this country makes. The case is clearly very powerful.

This change would also have a beneficial impact. The shadow Minister talked about the extent of young people's engagement in politics. I would draw a distinction. All my experiences show that young people are very interested in political issues, but they are totally disillusioned with, and disengaged from, the political process, and this would be one way of addressing that.

The problem goes further. David Willetts, a highly respected former Conservative Cabinet Minister, has made a powerful case about the broken generational contract. He talks about generational unfairness. As all of us in this House know, whether or not we are prepared to admit it, that older people tend to vote in greater numbers and that drives the manifestos of political parties, which in turn drives the deal that different

members of our society get from the Governments of this country. I am pleased to see the hon. Member for Norwich North (Chloe Smith) agreeing with that point. That problem becomes worse if young people aged 16 and 17 are denied a say and political parties are not forced to listen and think about the interests of young people when shaping their manifestos. Their manifestos will consequently address the needs of older people, which, of course, have to be met, but we also have to ensure that there is, as David Willetts says, generational fairness. That is denied by not giving the vote to 16 and 17-year-olds.

Mark Field: I entirely agree that inter-generational unfairness is a major issue that all of us in the political class will have to face before too long, but is not the real problem one that would not be solved by clause 20 or reducing the voting age: the real trouble is that very few people under the age of 35 bother to vote? The turnout level, even in the Scottish referendum, for 18 to 35-year-olds is much lower than for others. The truth for any political party is that there are twice as many voters over the age of 55 than under the age of 35 and they are twice as likely to vote, so there is four times the bang for the buck, as some would say.

Norman Lamb: I think there is a progressive struggling to get out. I can tell that the right hon. Gentleman wants to support this. He sees the argument in favour and he rightly points to the low engagement of people under the age of 25, but we have to ask ourselves why. During their teenage years young people are denied any involvement in our political process. Perhaps, as happened in Scotland with the referendum, if we give them the opportunity to have their say at an earlier age and if we start to teach more about the political process in our schools, they might understand that by participating they get a greater say in society and their interests may be better met.

Mr Jim Cunningham (Coventry South) (Lab): I am sure that, like me, the right hon. Gentleman meets many sixth-formers when he visits schools and finds that they are often extremely well-informed. It is the older generation's attitude to the younger generation that sometimes leads to young people becoming disillusioned. When knocking on doors during canvassing I often find that young people are very progressive-minded, certainly on matters such as climate change, the poor and poverty in the world.

Norman Lamb: I agree, and I think it is condescending in the extreme to suggest that someone aged 17 is not capable of making a decision about, for example—in the context of this Bill—who their local councillor should be, for goodness' sake. Ultimately, that is what the Conservative party is saying—that they cannot be trusted to vote to elect their local councillor.

Mark Field: Perhaps this would-be progressive could have a stab at answering that point. I do not think that anyone denies that there will be a minimum voting age and therefore an arbitrary cut-off, and I guess all the Government are saying is that, all things considered, including issues such as the drinking of alcohol, driving and smoking, 18 seems a pretty sensible cut-off date, rather than 16. I fundamentally believe that, as well as

having a right to vote, there is a responsibility to be engaged in politics. I suspect that, again, 18 is a slightly better arbitrary cut-off point than 16—or any other number we might wish to pluck from the sky.

Norman Lamb: I accept that where we draw the line is arbitrary to a degree, but I would tempt the right hon. Gentleman to be a rebel on this, because I think that deep down his instincts are with giving people aged 16 and 17 a vote. Where his party is choosing to place that arbitrary line will deny 16 and 17-year-olds the right to elect their local councillor in their communities. If the right hon. Gentleman thinks about that for more than a moment, surely he will agree that that is ridiculous.

I have gone on for too long, and I apologise for that. I urge the great right hon. Member for Cities of London and Westminster to have the courage of his convictions and I urge all Members to join those of us who will vote to retain clause 20 in the Bill.

Mr Andrew Turner (Isle of Wight) (Con): I am very glad to have the opportunity to raise the rights of local residents where there is some pressure for powers to be devolved. The kind of pressure I mean is where, for instance, a rural area finds itself under the control of an urban council, or an urban area is under a rural council. I am not going to raise the issue of the Isle of Wight as there is very little pressure now for a change—in fact, that change took place as long ago as 1996—but let us look at somewhere I am not so familiar with. Let us look at Lancashire-Yorkshire and where the county boundary was. Some areas have been part of Lancashire, but only since 1973. Before that, it was clear that the ancient boundaries were of Yorkshire.

Another example is Bradford and its environs. In Bradford there is quite a difference between those areas which are rural and those which are urban. Many would like to see changes to their own council, rather than the metropolitan council which is now in charge, and many others would not. It seems to me there would be almost no problem in allowing the more rural areas to have more responsibility for their own local affairs, for instance in planning, libraries and housing. They could take over all responsibilities for their area, but it seems to me more likely that they would want to take on the district responsibilities, leaving others, such as education, with their metropolitan brothers.

It used to be the case that it was necessary for effective metropolitan districts to have all their responsibilities over a reasonably large area to enable them to cut costs. Now, however, things have changed. It is possible now for a district council or a unitary authority to share offices so that, for instance, a chief executive could be the chief executive of two, or even three, councils. That is perfectly normal in rural areas, and I propose that the possibility could be made available in urban areas. So it would not be unduly difficult to introduce those benefits. It should be made possible to do so, but there should be no compulsion. To allow such a responsibility to be devolved, I suggest that a referendum should be held. If a majority of people in an area vote yes, the change should take place, giving them direct control over their local area. That would make it easy for local people to express their preference, and I am very much in favour of that.

Alison Thewliss: I rise to speak in support of the comments made on this side of the House about votes for those aged 16 and 17. It is odd that the House of Lords, the unelected Chamber at the other end, should have become the defender of the right of young people to vote in this country. Its wise intervention should be maintained, however, because our experience in Scotland of having 16 and 17-year-olds voting has been very positive.

It is interesting that, since my election to this House in May, every opportunity to discuss the matter has been met with the comment that it is neither the time nor the place to debate it. I should like to ask the Minister when the right time and place would be, because we should seize every opportunity to have these discussions. There is always a good time to get people involved in politics and in voting. Starting at local level, where local services are delivered to young people, is a good way of getting them involved because their schools, youth services and other local services are relevant to them at first hand. They can see what local government does and get directly involved in it.

It is interesting that lots of Members have mentioned the referendum. In my experience, speaking to young people during the two years that we spent debating the referendum was incredibly positive for their engagement. Anyone who saw the debate that filled the Glasgow Hydro arena with young people will remember that it was one of the best in the whole referendum campaign, with incredibly engaged young people making incredibly valuable contributions.

The leader of the Scottish Conservatives, Ruth Davidson, has become converted to this argument. She has said:

“I’m happy to hold my hands up and say I changed my mind. I’m a fully paid-up member of the ‘votes at 16’ club now, for every election. I thought 16 and 17-year-olds were fantastic during the referendum campaign. I can’t tell you the number of hustings and public meetings I did, and some of the younger members of the audience were the most informed.”

That tells us everything we need to know about how young people ought to be engaged in politics and why they need to be.

John Stevenson: I am looking for a bit of consistency in the argument for reducing the voting age for 16 and 17-year-olds. Would the hon. Lady suggest that, if they had the right to vote and the right to stand for election, we should also consider reducing the age limit for alcohol consumption and for driving?

Alison Thewliss: There would be public health concerns relating to the alcohol question, and those are entirely different from democratic concerns. The right hon. Member for North Norfolk (Norman Lamb) talked about party manifestos. If 16 and 17-year-olds were able to vote, perhaps they would campaign on issues such as those, but we do not know whether that is the case because they do not have the right to vote in elections to this place or to local authorities, which have licensing powers.

The Minister mentioned that parties that included votes at 16 in their manifesto had not been particularly successful. I have to correct him on that. The Scottish National party had that proposal in its manifesto and we were very successful. I know that 16 and 17-year-olds welcome and respect the rights and responsibilities that

we have placed on them. If they are going to be subject to taxation, it is perfectly reasonable that they should have the right to vote.

Turning to some of the other matters under discussion, I am a huge supporter of the single transferrable vote, the system under which I was elected as a councillor. The introduction of that system made a huge difference to the local authority of which I was a member. Before the introduction of STV in Glasgow, only four of the 79 councillors represented the SNP; when the STV election was held, we fielded 22 candidates and we got 22 candidates elected.

The result of these changes can be seen in the Electoral Reform Society’s report of 2010, entitled “Working with STV”. It used Glasgow as a case study and interviewed officers from that council, one of whom stated that Glasgow “has a council again”. There is proper debate and scrutiny. More recent work by the Electoral Reform Society on the need for electoral reform has found that councils that do not have a system such as STV can become one-party states with uncontested seats and, in the worst cases, there is a risk of corruption due to the lack of scrutiny of council decisions.

3.15 pm

My understanding is that England already has lots of multi-member wards, with officers elected on a rolling basis. Those could be retained while introducing STV, which could mean fewer elections—providing a saving to the public purse—while bringing a good element of local democracy, accountability and proportionality to those councils. There would not necessarily be a need to change any wards, but a great deal more democracy could be brought into them.

Mr Andrew Turner: May I ask what would happen in single wards? All but one of the wards in my constituency are single wards.

Alison Thewliss: I appreciate that English local government is complex and has lots of different examples. In Scotland, we had a boundary review which looked at ward sizes and shapes. My experience, having been elected under that system in 2007 and re-elected under it in 2012, is that it works very well for our constituents, because they always have three or four representatives to take their issues to. At the very best, they have a good team of people standing up for their local area. At worst, if they have a councillor who is not doing what is needed, people have an option to go to two or three others who can represent them. That is good for our constituents, and they see the value in that arrangement. A process whereby local councils could decide on this issue by themselves might need further thought, but it is an interesting idea. If the House is not going to take any action to introduce STV, we should certainly allow local government to do it if it wishes to. There would be great value in that.

I also want to talk about local referendums. They are a good thing for local democracy and responsiveness to issues involving a local demand. People should be able to have a say on the matters that affect them, and that could also include the question of revising the way in which local government is set up in their area. The local government arrangements might not be working well, for example, or there might be no clear lines of

accountability. There has been a great deal of debate on those issues in relation to elected mayors and to how the rest of the process below them would need to change.

John Stevenson: On that point about elected mayors, does the hon. Lady believe that the great cities of Scotland should have the opportunity to hold referendums to decide whether to have an elected mayor?

Alison Thewliss: People are not generally calling for that in Scotland. There has not been that tradition there.

Mr Graham Allen: That'll be a no, then!

Alison Thewliss: If people wanted to hold such referendums, that would be absolutely fine. Lots of councils in Scotland have petitions processes whereby people can submit arguments to the council for consideration, and if they wanted an elected mayor, that could be achieved through that process. The Scottish Parliament also has a petitions process that would allow areas that wanted an elected mayor to take a petition to the Scottish Government. So there are processes in place that would allow for that to happen, if there were a demand for it. However, there is no tradition of elected mayors in Scotland. In Glasgow and other local authorities, we have a political head in the leader of the council and a strong civic head in the Lord Provost or the local provost.

The hon. Member for Carlisle (John Stevenson) asked me the question about elected mayors in Scotland, but his own Conservative Government have acknowledged that we have no such tradition, because there was no suggestion of a mayor being imposed as part of the Glasgow and Clyde Valley city deal, as is happening in other parts of the UK. His own party does not seem to think that there is any rationale for elected mayors in Scotland. The Bill provides a good opportunity to try out a number of different measures that could improve local government and make it more democratic and accountable, and I support the principles behind these amendments.

Chloe Smith (Norwich North) (Con): I shall make a few brief points about this part of the Bill. I spoke in an earlier debate, in which I trailed what I am about to say now. I am one of those who believes that we should allow voting at 16, but I do not think that this Bill is the correct vehicle for achieving that.

This is perhaps a case of having the courage of my convictions. The right hon. Member for North Norfolk (Norman Lamb) also mentioned that. I have to tell him that people often confuse the names of our constituencies; I am often called the "Member for Norfolk North", and I am sure the same thing happens the other way round. We are close geographically, and we also share a lot on the substance and the values in today's debate, except that I see the courage of my convictions on engaging young people in politics as residing in doing the job properly, instead of doing it piecemeal. I shall therefore be speaking against clause 20.

As the Minister said, something coming merely by way of an amendment is not the way to do the job well. As other Conservative Members have said, omitting that much larger debate about the various ages of majority in this country does not do the job well either—and

nor does failing to speak to young people as we take on this debate. After all, if it is about anything, it should be about them.

James Wharton: Although we do not necessarily agree on where this issue should go, I sense that we agree that if this step were to be taken—I do not necessarily support it—it should be after a proper process, in a way that will last the test of time and have real support across the House and from those affected by it. It should not be done via an amendment to a Bill that is about something altogether different.

Chloe Smith: I agree with the Minister, but perhaps I may put the question back to him, as the right hon. Member for North Norfolk did, by saying that perhaps we could discuss when we ought to have that debate. A natural follow-on from the various contributions that have been made today is moving on to have that debate properly. As I suspect the Minister will tell me, that is for another Minister to answer, but no doubt he will pass the message on.

The hon. Member for Glasgow Central (Alison Thewliss) cited comments by Ruth Davidson, the leader of the Conservatives in Scotland. I am a big fan of hers, as many people are, even if the hon. Lady is not among them. As she said, Ruth Davidson has changed her view on votes at 16. Like me, Ruth Davidson also comes to the conclusion that this ought to be done for all elections. It does a disservice to this important reform to do it piecemeal and not to give it the respect of a full debate.

Alison Thewliss: Does the hon. Lady accept that in the absence of any other Bill, strategy or proposals for bringing about votes at 16 and 17, this measure is the best we can do in the meantime and that we should support every step to move the issue forward?

Chloe Smith: I am interested in that argument. Although it is for the Minister to give the real answer on that, rather than for me to attempt to give it, I think we run a risk of creating a patchwork. I do not feel comfortable with 16-year-olds in one part of the country being able to do something that their counterparts in another part of the country cannot. I am not hugely comfortable with the inconsistency, and I would far prefer us to debate this in the round properly.

John Stevenson: I agree with my hon. Friend that this is not the right forum for the discussion on reducing the voting age to include 16 and 17-year-olds. Does she agree that if that other debate ever were to come forward, it would have to include things such as the alcohol age and whether 16 and 17-year-olds should be able to have executive power, so that there is consistency?

Chloe Smith: I agree entirely. In fact, the next section of my notes tells me to acknowledge the points made by my hon. Friend about executive power and standing for office. We should also go through all the points relating to marriage, joining the armed forces, taxation, the use of substances, criminal responsibility and the age of consent for sex. They are all items in that much longer list. Before the Minister looks at me with absolute horror for moving his Bill on to something that is not included here today, I should say that I merely make those points to make the broader debate a real one.

[Chloe Smith]

As my right hon. Friend the Member for Cities of London and Westminster (Mark Field) said when he was in his place earlier, we need to have that debate, and we might hope to do so in the next couple of years, because the topic is important.

Norman Lamb: The hon. Lady cautioned against creating a patchwork of rights, yet of course the process the Government are undergoing with devolution is creating precisely that across our country, with different deals in every part of it. What is the danger in her having the courage of her convictions and voting with us to retain clause 20, in order to enable 16 and 17-year-olds just to vote for their local councillor? That is all we are asking for. What danger is involved in that?

Chloe Smith: The right hon. Gentleman tempts me to join him in the Lobby, but I would only further trash his reputation in Norfolk if I did. Joking aside, there is a distinction to be drawn between rights that people might have in different parts of the country and public services that people might have in different parts of the country. I would describe the latter as the substance of the devolution Bill—it is about how public services can be better delivered.

I wonder whether the right hon. Gentleman would permit me to extend this point to something the hon. Member for Nottingham North (Mr Allen) proposes in new clause 3, which could be argued also to create something of a patchwork. I make the distinction between rights and public services, but new clause 3 brings in another category: methods of voting. I have concern about having a patchwork in that area, too. We would want consistency there, just as we would on rights, but I can see value in having innovation in public services more locally, which is why I support the Bill overall.

Mr Steve Reed (Croydon North) (Lab): Does the hon. Lady recognise that it is in the nature of British constitutional reform that it tends to be pragmatic and incremental and that this opportunity in the Bill is at least a foot in the door towards what she is telling the House she believes in? Does she also recognise that this has already been done piecemeal—16-year-olds had the vote in the Scottish referendum, so she would not even be innovating with this measure?

Chloe Smith: Having been a Minister with responsibility for constitutional reform, I know well that it is often done in a pragmatic way. What I regard as pragmatic in this instance is to have this debate properly and thus respect the young people whom we seek to serve by looking properly at their rights and opportunities. That is the main thrust of my comments today.

I do not want to be seen as the champion in this House for votes at 16; I want to be seen as the champion for young voters. The technicality of the voting age is a very important signal, which we ought to be able to send to young people to say that they are valued in politics. That is the way I do politics and I am sure it is the way the hon. Gentleman does them; I would like to think it is how everybody else in this Chamber also approaches this crucial matter of democratic engagement. This important topic crucially affects a generation of

people, who would indeed like to be involved in politics. It is not good enough to deal with it piecemeal and not to consider the full implications of what we are talking about.

I have a few brief points to make about what this younger generation is asking of us in politics. Political engagement has indeed changed. Demos carried out research for the National Citizens Service in which it says that we should roll up our sleeves, power up our laptops and get things done, rather than rely on the state to do things for us. My colleagues on the Conservative Benches will say, “Hear, hear to that”, because that is what we believe in. We are a centre-right party that believes in getting things done. We believe in local innovation, in individuals being self-reliant, and in helping people to take the opportunities that exist. I support this Bill in its entirety, because it promotes devolution for local areas.

What we can see in Demos’ research is a certain scepticism of the state. The state comes a fairly long way down the list—after individuals, charities and businesses—when it comes to getting things done. Young people do not look to the state alone to get things done. That can be seen in the Ipsos MORI research, “Generation Strains”, which demonstrates the scepticism with which today’s youngest generation views the welfare state, compared with older generations.

What we are seeing is an opportunity for us to embrace a whole new generation of voters; dare I say it, it is the generation to which the Minister and I belong. It is that generation that we need to be welcoming in to politics. What I am saying is that we should have the opportunity to do that properly; to change our campaigning styles to meet that challenge; and to embrace those values here in this House. We also have that opportunity in this devolution Bill, but let us respect our young people by treating their democratic rights properly in a debate that looks at the matter fully rather than off the back of a single amendment that has come from the other place without the chance to look at the issue in the round.

3.30 pm

Mr Graham Allen: I am surprised, but delighted, to follow the hon. Member for Norwich North (Chloe Smith). She is a very important performer in the democratic constellation, having been a Minister and given evidence to my Select Committee, the Political and Constitutional Reform Committee, which could have been the perfect vehicle for bringing forward such proposals had the Government not abolished it—that probably tells us all we need to know.

I must say that the speed of reaction by Government to proposals from the Commons has not noticeably been a problem in my 20-odd years in the House. Some might feel that there has been a constant blur of democratic innovation in the House, but that has so far escaped me. Perhaps that happens when I am not in the Chamber. I might just be very unlucky.

I say to Members: when in doubt always read the title of the Bill. This one is Cities and Local Government Devolution Bill. It says “devolution” and not decentralisation. We are not saying, “Here is Whitehall handing out a bit of power, but it is on a string and we can pull it back when we like.” Nor are we saying, “Power should lie at the centre, but let us try a little

experiment on a very strong piece of elastic should the simpletons who are out in the sticks be unable to administer their own affairs.”

Devolution is entirely a different concept. It is about giving power away to a more appropriate level. Therefore, devolving power is, by definition, going to create difference and best practice. Lots of people will experiment, or innovate, on how they do things to suit themselves better in areas in which it is appropriate for people in localities to do those things. A patchwork, or a differentiation, or lots of different levels of change, is at the heart of devolution in a way that decentralisation never can be. Let us read the title of the Bill and let us try to make the Bill do what it says on the tin, which is to devolve power down to the localities rather than to have the localities as a means of administration of what the centre wants. That is a very, very clear distinction, which all of us who want to talk about devolution should understand.

In essence, new clause 3 applies that principle to a number of fields, but most obviously to the electoral systems in this country. There is no longer one electoral system that applies everywhere in the United Kingdom. There is a massive diversity and plurality of electoral systems and we have decided that this is about horses for courses—I am talking about a typical British constitutional evolution. The last major one was around the way in which we elect people to the European Parliament. Then there has been change in our devolved Assemblies and Parliaments, and people are finding their way in different areas. They should be allowed to continue to change if that is what they wish to do in those areas, regions or nations. It should be a process of constant exploration. So why on earth can we not do that in the localities? With the consent of people in the localities, why cannot we try, if they so wish, to go for votes for 16 to 17-year-olds?

Given the immense power vested in the Secretary of State under the Bill—he could not be a better person to trust to use these powers, I am sure—he could use his discretion to try a pilot and see what happens and what the turnout is likely to be. Let us do a proper evidence-based analysis in a number of areas to see whether young people are interested in participating in that way. Trying to do that seems to be one of the benefits of devolution. Other places might be happy with first past the post and such a change might never occur there, but pressure might be brought to bear.

Some people say that it is wrong that there are one-party states in local government. I do not happen to be one of those people, but if we get enough momentum in a locality to say that the system should change and people say, “You know what? It might refresh us. We might do better if we had more challenge,” or whatever the logic of the argument and political debate taking place, they should try something else. Let them try an alternative vote. Let them try, if they wish, the single transferable vote. Let them be the arbiters and judges and jury about the electoral system that they want in their area.

Similarly on governance, if people wish to have a form of governance that includes a leader concept, a committee structure or a mayor, they should be allowed to try it. The imposition element—if people want to run their own affairs, they must do it in the way that the Government say and have a mayor—is one of the

fundamental weaknesses of the Government’s proposal, and I do not list many. The Government say, “If you don’t want the mayor, you’re not going to get the powers.” That is unfortunate. It is counterintuitive to those of us, even the Secretary of State, who believe in devolution, and it has not done the cause any good.

If we genuinely, perhaps after one or two more Bills before 2020, get to a position where we trust local people to have the wit and creativity to devise their means of governance, they should decide whether or not they want mayoralty. The reason why only one city went for the mayoralty in the last round and the rest rejected it was partly that it was felt to be an imposition. It came close on the back of a number of elections where people had expressed a political view about who should run their locality. It was done in a clunky, clumsy way, and we can see the fingerprints from that exercise on the one that has been transposed into the Bill. That is unfortunate. Let us allow people to find a mayoralty if they feel that it is appropriate for their area. Let us allow them to test that or to experiment with it if they wish, rather than saying yet again, “You’re getting devolution, but only in the way that we in Whitehall say is appropriate.”

If, like me, hon. Members have had the opportunity to study a document about devolution, they will see that the Government are not doing any of us who care about devolution any favour at all in the way that these things are written. It is like a gathering of local officials and centralised, Whitehall officials with a very large lashing of LSD, and it is difficult for ordinary people, let alone politicians, some of whom are intellectually challenged, to understand what is meant by much of the documentation. That may be based on my errors, but I suspect, given the size of the smile on the Minister’s face, that he, too, realises that to an extent officials at local and national level have depoliticised the very thing that he and the Secretary of State have done so well in bringing the Bill to the House.

John Stevenson: I hope Members on the Government Benches are not intellectually challenged. Does the hon. Gentleman agree that when we look back at Governments of his party and of mine, we see that the present Government have done an awful lot to further the cause of devolution, and should be given credit for that effort?

Mr Allen: I know that the hon. Gentleman is an assiduous reader of my speeches, even more so than I am, and he will see that on Second Reading and a number of occasions subsequently I paid tribute to the Secretary of State for his determination to bring devolution to its present state. It is an extremely good foundation for my hon. Friend the Member for Croydon North (Mr Reed) on the Front Bench to build on in 2020.

I am surprised that we have got to this point in the debate today without anyone mentioning that devolution deals have been announced. I am surprised that the Minister has not mentioned that. I do hope word does not get back to the Chancellor about his omitting to mention the deals in Liverpool and the west midlands, in addition to the deals in Sheffield, the north-east and the Tees valley. I hope deals are rapidly on the way in my area—Nottingham/Nottinghamshire and Derby/Derbyshire. I believe there are 38 potential deals, covering up to 80% of the population.

[Mr Graham Allen]

It may seem odd for someone on the Opposition Benches—I hope I am regarded as all-party on this issue—to point out that there are large areas, Conservative areas, rural areas, county areas, that have been left out of the party. If this is to be a genuinely democratic change of the order of developing national Parliaments and assemblies—a change that will lead to a federal United Kingdom, as my hon. Friends on the Front Bench said in *The Huffington Post* this morning—we cannot leave our friends in the rural areas, whether they are Conservative or not, out of the equation.

James Wharton: It is important to find areas of agreement. Although on the issue of devolution the hon. Gentleman tempts me to go further than I am currently predisposed to go, and he would no doubt go much further than I might want to, it is important to put on record that he is right about rural areas. We have the deal with Cornwall and we are working with many other areas to reach deals which will include many rural areas in county deals. This is a process of making bespoke deals for individual areas. That means that they will be different and it will take time, but we are determined to deliver them.

Mr Allen: I genuinely wish the Minister well in that. I am sure he has followed the debates in the Conservative councillors network over the past 36 hours as closely as I have. It is important that everyone shares in the benefits of devolution and is enabled to make the sort of decisions that they feel are appropriate, rather than those that Whitehall considers appropriate.

The Minister tells me that I am pushing the process a little too fast and a little too hard. We have had such debates since the 1830s, and people have argued that we should not rush things. Fancy giving working men the vote! Fancy giving women the vote! For heaven's sake, if that ever happens to our democracy, what next? Now, my goodness, there is the brand new issue, which nobody has ever thought of before, of giving 16 and 17-year-olds the vote. We should revel in the fact that there are people in our country still desperate to use the franchise. It should be extended to them and that should be done sensibly.

I refer the Minister to the report of the Public Administration and Constitutional Affairs Committee. I see a number of distinguished former members of the Committee, even sitting close behind the Minister. The report came up with an array of possibilities for extending participation and extending our franchise, such as online voting and 16 and 17-year-old voters. There were many other proposals, but Mr Crausby would rule me out of order, were I to venture into them. Sometimes in a political career there are moments of opportunity and they are very rare. The Minister is a young man starting out on his political career. He may not be the Minister on the next devolution Bill, which is sure to happen before 2020. I hope he is, because he will have gained massive experience from taking the Bill through on this occasion, but he should seize the opportunity to push it a little further than the officials might like. That is a political lesson that we could all share.

James Wharton: It is always a pleasure to listen to the hon. Gentleman's wise and considered words on devolution issues, even if we do not always reach the same conclusions.

I am particularly interested in what might be a glimmer of agreement between us on the issue of voting age. We may not agree on what the voting age should be, but he said that any change should be carried out in a sensible way. Does he think, therefore, that a proper process should be used rather than an amendment to a Bill such as this—in other words, that there would have to be full and detailed consideration, with proper consultation taking into account many of the issues that hon. Members have raised, so that any such fundamental change, were it to be made, would be long-lasting?

3.45 pm

Mr Allen: I am always searching for consensus. In an ideal world, we should do this thoroughly and properly, but we are not in an ideal world, unfortunately. Parliament is the creature of Executive power, and so occasionally, when an opportunity arises, parliamentarians of any political party should always seize the moment.

This may not be the moment, but perhaps the Minister should be thinking—as we all should, particularly Labour Members—of the opportunities coming up. Next time there will be further increments of devolution. We will write devolution packages that ordinary human beings and Members of Parliament can understand. We will want to share them. We will want to enjoy, across the whole democratic family, the fruits of devolution, which, as Lord O'Neill, the Minister in the other place, said on the radio this morning, give us not only democratic change but the most fantastic economic opportunities, which Manchester has so successfully led the way on, to build economic growth for our local communities in a way that only they can take forward.

I will not press my new clause to a vote, but I hope that, above all, the Minister and my Front-Bench colleagues will start to think about what should be in the next devolution Bill.

Graham Stringer: It is a pleasure to follow my hon. Friend the Member for Nottingham North (Mr Allen), who makes the sensible but profound point that if services and economic development are devolved, we will not have consistency across the country. When, over the past 50, 60 or 70 years, people have argued for complete consistency in service delivery or in other parts of local democracy, it has been a cover argument for centralism, because a devolved system cannot be consistent across the ground without centralism. Consistency is never achieved because of the nature of different areas where services are delivered in different ways. Having said that, if my hon. Friend had intended to press new clause 3 to the vote, I probably would not have voted for it. I rarely disagree with him, but I will try to explain why.

I want to make two points on what has come up in the debate and two points on clause 20 and new clause 3. I cannot let it go that my hon. Friend and those on both Front Benches have said that only one city voted for an elected mayor in 2012. In fact, one of the two cities that I represent—the city of Salford—voted for an elected mayor, but the referendum on an elected mayor in Salford was not one of the 11 that were forced on people. There is a lesson there. The reason devolution to Greater Manchester is popular—an opinion poll came out this week showing 75% support—is that it is a negotiated agreement, not something that has been forced on the area. One of the reasons people in Salford

voted for an elected mayor was that they had asked for the referendum by petition; it was not forced on them. It is not surprising that the other 10 cities that had referendums forced on them voted no. No constituency argued the case for elected mayors and, unlike under this Bill, they would not have been offered different resources and powers if they had agreed to an elected mayor.

The hon. Member for Glasgow Central (Alison Thewliss), who represents the SNP, said there is no desire for devolution in Scotland.

Alison Thewliss *indicated dissent.*

Graham Stringer: I am sorry. I will be precise: the hon. Lady said there is no desire for elected mayors in the cities of Scotland. In the context of this devolution Bill, I think that means the same thing. Obviously, I did not mean devolution to the Scottish Parliament. I suggest to the SNP that it should try it. In England, the Government have been proactive by asking the cities and, as we have heard, they have grabbed the opportunity because they have been offered more powers and resources. In essence, the hon. Lady's argument is that of democratic centralism, which, sadly, is what is happening in Scotland.

Alison Thewliss: The hon. Gentleman may not be aware that the Scottish islands requested more powers from the Scottish Government, who are now considering how to facilitate devolving more powers to them. The issue relates to the Crown Estate, over which we have no powers, although we would like to have them.

Graham Stringer: I was making the opposite argument to the one made earlier by the hon. Lady. If Glasgow, Aberdeen or Dundee were offered more powers and resources, they would grab the opportunity, as the cities of England have done. That was the point I was making.

On clause 20, I have been agnostic on the voting age. Arbitrary lines have to be drawn somewhere and I have never been completely taken by the argument that 16 is so much better than 17 or that 17 is so much better than 18. The Labour party's manifesto said that we would reduce the voting age, so had we won the election I would have voted for it, but not particularly enthusiastically, because there are a lot of rather complicated arguments associated with it. It seems to sit oddly with the Labour party's commitment to a constitutional convention on major changes to the constitution, and I am wary—not just with regard to this Bill, but in relation to the European Union Referendum Bill—that people are making arguments in favour of lowering the voting age in order to alter results, not because they want comprehensively to win the argument. I will therefore abstain on clause 20 when it is put to the vote.

Another reason I am agnostic on the issue of the voting age is that the argument that there is a direct relationship between people's age and whether they get involved in elections does not seem to be based on evidence. People vote for a whole series of different reasons, including financial issues, self-interest and principled arguments over how they view the future of society, and the older they get, the more they feel that they have an interest in society. I think that the Scottish referendum was a hugely different experience because it was the future of Scotland that was being considered, so people of different ages turned out in greater numbers than they had done in elections to the Scottish Parliament

and to this place and in local elections. I once massively increased the voter turnout in Manchester, not by changing the voting age, but by putting up the rates by twice the level of inflation. Believe me, that created a great deal of enthusiasm for voting, much more so than any change in the voting age.

Although such arguments are appealing, it does not seem to me that the argument about paying tax is completely convincing. The hon. Member for Carlisle (John Stevenson) made the case that very young people pay tax by paying VAT, while many 16 and 17-year-olds do not pay income tax because they are at college or not earning money. Is the voting qualification just for people paying tax? Similarly, the functional argument for voting is that people can be in the armed forces, but most people do not join the armed forces. Does that mean they should not be allowed to vote? All I am saying is that there are big questions about arguments for lowering the voting age that appear immediately appealing. We need a discussion about when to enfranchise people, but that should not be done in a Bill to devolve power and resources to parts of this country; it should not be done in a Bill to determine this country's relationship with the European Union either.

My hon. Friend the Member for Nottingham North is an extraordinarily powerful advocate for devolving powers and resources. His new clause 3 makes the case for devolving to local government the power to decide on the voting system. I am very wary about that as a devolved function. Although the argument is sometimes made that with a proportional representation system—the single transferable vote or another proportional system—turnout will increase with people being more enthused by the different voting system, it seems to me that European elections give that the lie: the previous Labour Government had to put European elections with local government elections because the turnout was so embarrassingly low, and those are the only national elections held on a proportional system.

The real argument about whether we have PR—the alternative vote, additional Members or whatever system we want—is nearly always one of party political advantage for the party proposing a different voting system. When it started, the Labour party was in favour of PR; as soon as it got a significant number of MPs, it dropped the idea. The Liberals, who are back down to their normative level of eight Members of Parliament, are very strongly in favour of PR, as is UKIP.

Alison Thewliss: Is the hon. Gentleman aware of the exception to that argument? The Labour party in Scotland, as part of its coalition with the Liberal Democrats, brought in STV for local government.

Graham Stringer: I am sure the hon. Lady would agree that the Labour party brought in that system so that the SNP could never be completely in control of the Scottish Parliament, and it failed.

Alison Thewliss: Local government in Scotland, not the Scottish Parliament.

Graham Stringer: I am sorry. Yes, that is the one exception to my argument. In terms of local government in Scotland, however, it is fair to say that the Labour Government at the time were distrustful of the Labour

[Graham Stringer]

party running some Scottish cities and thought that it would be healthier if its very large majorities in such cities were broken up. As it happens, I think that was a mistake.

Mr Graham Allen: Of course, the point about party political advantage is very strong in respect of the SNP, which no longer talks about proportional representation for representatives in this place because half the Scottish population is represented by three Members of Parliament and the other half is represented by 56. It has suddenly gone quiet on that point.

My hon. Friend said that the electoral systems will be decided by local councils under my new clause. I hope he will forgive me for pointing out that electoral systems may change only with the full consent of local people, rather than through a deal by the political parties.

4 pm

Graham Stringer: I accept that that is what my hon. Friend's new clause says, but it would provide an opportunity for political parties. For example, if the Liberals unexpectedly gained control of a council they had not led before, they could immediately move to hold a referendum to try to change the system. It would be a mistake to allow that. I think that the electoral system for local government is better determined here. It is genuinely a central function. On that basis, if it were put to the vote, I would not vote for new clause 3.

Question put, That the clause stand part of the Bill.

The Committee divided: Ayes 188, Noes 283.

Division No. 125]

[4.1 pm

AYES

Abrahams, Debbie	Cox, Jo
Alexander, Heidi	Coyle, Neil
Allen, Mr Graham	Creagh, Mary
Austin, Ian	Creasy, Stella
Bailey, Mr Adrian	Cruddas, Jon
Barron, rh Kevin	Cunningham, Alex
Benn, rh Hilary	Cunningham, Mr Jim
Berger, Luciana	Dakin, Nic
Betts, Mr Clive	Danczuk, Simon
Blackman-Woods, Dr Roberta	David, Wayne
Blenkinsop, Tom	Davies, Geraint
Blomfield, Paul	De Piero, Gloria
Bottomley, Sir Peter	Doughty, Stephen
Bradshaw, rh Mr Ben	Dowd, Jim
Brake, rh Tom	Dowd, Peter
Brennan, Kevin	Dromey, Jack
Brown, Lyn	Durkan, Mark
Brown, rh Mr Nicholas	Edwards, Jonathan
Bryant, Chris	Efford, Clive
Buck, Ms Karen	Elliott, Julie
Burden, Richard	Ellman, Mrs Louise
Burgon, Richard	Esterson, Bill
Cadbury, Ruth	Evans, Chris
Campbell, rh Mr Alan	Farron, Tim
Campbell, Mr Ronnie	Field, rh Frank
Carmichael, rh Mr Alistair	Flello, Robert
Champion, Sarah	Fletcher, Colleen
Chapman, Jenny	Flint, rh Caroline
Coaker, Vernon	Fovargue, Yvonne
Coffey, Ann	Foxcroft, Vicky
Cooper, Julie	Gapes, Mike
Cooper, rh Yvette	Gardiner, Barry

Glass, Pat	Morris, Grahame M.
Glendon, Mary	Mulholland, Greg
Godsiff, Mr Roger	Murray, Ian
Green, Kate	Nandy, Lisa
Greenwood, Lilian	Onn, Melanie
Greenwood, Margaret	Onwurah, Chi
Griffith, Nia	Owen, Albert
Haigh, Louise	Pearce, Teresa
Hamilton, Fabian	Perkins, Toby
Hanson, rh Mr David	Phillips, Jess
Harman, rh Ms Harriet	Pound, Stephen
Harris, Carolyn	Powell, Lucy
Hayes, Helen	Pugh, John
Hayman, Sue	Qureshi, Yasmin
Hendrick, Mr Mark	Reed, Mr Steve
Hermon, Lady	Rees, Christina
Hillier, Meg	Reynolds, Emma
Hodge, rh Dame Margaret	Reynolds, Jonathan
Hodgson, Mrs Sharon	Rimmer, Marie
Hollern, Kate	Ritchie, Ms Margaret
Hopkins, Kelvin	Robinson, Mr Geoffrey
Howarth, rh Mr George	Ryan, rh Joan
Hussain, Imran	Shah, Naz
Irranca-Davies, Huw	Sherriff, Paula
Jarvis, Dan	Shuker, Mr Gavin
Johnson, Diana	Siddiq, Tulip
Jones, Gerald	Skinner, Mr Dennis
Jones, Graham	Smeeth, Ruth
Jones, Mr Kevan	Smith, rh Mr Andrew
Jones, Susan Elan	Smith, Angela
Kane, Mike	Smith, Cat
Kaufman, rh Sir Gerald	Smith, Nick
Keeley, Barbara	Smith, Owen
Khan, rh Sadiq	Smyth, Karin
Kinahan, Danny	Spellar, rh Mr John
Kinnock, Stephen	Starmer, Keir
Lamb, rh Norman	Stevens, Jo
Lammy, rh Mr David	Streeting, Wes
Lavery, Ian	Tami, Mark
Lewell-Buck, Mrs Emma	Thewliss, Alison
Lewis, Clive	Thomas, Mr Gareth
Lewis, Mr Ivan	Thomas-Symonds, Nick
Lucas, Caroline	Thornberry, Emily
Lynch, Holly	Timms, rh Stephen
Mactaggart, rh Fiona	Trickett, Jon
Madders, Justin	Turley, Anna
Mahmood, Mr Khalid	Twigg, Derek
Malhotra, Seema	Twigg, Stephen
Mann, John	Umunna, Mr Chuka
Marsden, Mr Gordon	Vaz, rh Keith
Maskell, Rachael	Vaz, Valerie
Matheson, Christian	West, Catherine
McCabe, Steve	Whitehead, Dr Alan
McCarthy, Kerry	Williams, Mr Mark
McDonagh, Siobhain	Wilson, Phil
McDonald, Andy	Winnick, Mr David
McDonnell, John	Wollaston, Dr Sarah
McFadden, rh Mr Pat	Woodcock, John
McInnes, Liz	Wright, Mr Iain
McKinnell, Catherine	Zeichner, Daniel
Mearns, Ian	
Miliband, rh Edward	
Moon, Mrs Madeleine	
Morden, Jessica	

Tellers for the Ayes:

Jeff Smith and
Judith Cummins

NOES

Adams, Nigel	Amess, Sir David
Afriyie, Adam	Andrew, Stuart
Aldous, Peter	Ansell, Caroline
Allan, Lucy	Argar, Edward
Allen, Heidi	Atkins, Victoria

Bacon, Mr Richard
 Baker, Mr Steve
 Baldwin, Harriett
 Barclay, Stephen
 Baron, Mr John
 Barwell, Gavin
 Bebb, Guto
 Bellingham, Mr Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Blunt, Crispin
 Boles, Nick
 Borwick, Victoria
 Bradley, Karen
 Brady, Mr Graham
 Brazier, Mr Julian
 Brine, Steve
 Brokenshire, rh James
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burrowes, Mr David
 Burt, rh Alistair
 Cairns, Alun
 Carswell, Mr Douglas
 Cartlidge, James
 Cash, Sir William
 Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clark, rh Greg
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Colvile, Oliver
 Costa, Alberto
 Crabb, rh Stephen
 Crouch, Tracey
 Davies, Byron
 Davies, Chris
 Davies, David T. C.
 Davies, Dr James
 Davies, Mims
 Davies, Philip
 Davis, rh Mr David
 Dineneage, Caroline
 Djanogly, Mr Jonathan
 Dodds, rh Mr Nigel
 Dorries, Nadine
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, James
 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
 Fernandes, Suella
 Field, rh Mark
 Foster, Kevin
 Fox, rh Dr Liam
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, rh Sir Edward
 Gauke, Mr David
 Ghani, Nusrat
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goodwill, Mr Robert
 Gove, rh Michael
 Grant, Mrs Helen
 Gray, Mr James
 Grayling, rh Chris
 Green, Chris
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, Ben
 Gyimah, Mr Sam
 Halfon, rh Robert
 Hall, Luke
 Hammond, Stephen
 Hancock, rh Matthew
 Hands, rh Greg
 Harper, rh Mr Mark
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Hayes, rh Mr John
 Heald, Sir Oliver
 Heaton-Harris, Chris
 Heaton-Jones, Peter
 Herbert, rh Nick
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Hopkins, Kris
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Hunt, rh Mr Jeremy
 Hurd, Mr Nick
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Boris
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark
 Latham, Pauline

Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, rh Dr Julian
 Lilley, rh Mr Peter
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 May, rh Mrs Theresa
 Maynard, Paul
 McCartney, Karl
 McLoughlin, rh Mr Patrick
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Mordaunt, Penny
 Morgan, rh Nicky
 Morris, Anne Marie
 Morris, James
 Morton, Wendy
 Mowat, David
 Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Nokes, Caroline
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 Parish, Neil
 Patel, rh Priti
 Paterson, rh Mr Owen
 Pawsey, Mark
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Phillips, Stephen
 Philp, Chris
 Pickles, rh Sir Eric
 Pincher, Christopher
 Pow, Rebecca
 Prentis, Victoria
 Prisk, Mr Mark
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Raab, Mr Dominic
 Redwood, rh John
 Rees-Mogg, Mr Jacob
 Robinson, Gavin
 Robinson, Mary
 Rutley, David

Scully, Paul
 Selous, Andrew
 Shannon, Jim
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, David
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry
 Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Mrs Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham
 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
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vara, Mr Shailesh
 Vickers, Martin
 Walker, Mr Charles
 Wallace, Mr Ben
 Warman, Matt
 Watkinson, Dame Angela
 Wharton, James
 Whately, Helen
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wilson, Sammy
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:
 Simon Kirby and
 Sarah Newton

Question accordingly negated.

Clause 20 disagreed to.

Clause 21 ordered to stand part of the Bill.

New Clause 34

SUB-NATIONAL TRANSPORT BODIES

After Part 5 of the Local Transport Act 2008 insert—

“PART 5A

SUB-NATIONAL TRANSPORT BODIES

“Establishment and constitution of STBs

102E Power to establish STBs

(1) The Secretary of State may by regulations establish a sub-national transport body for any area in England outside Greater London.

(2) In this Part—

- (a) “STB” means a sub-national transport body established under this section, and
- (b) references to the area of an STB are to the area in England for which the STB is established.

(3) Regulations under this section must specify—

- (a) the name by which the STB is to be known, and
- (b) the area of the STB.

(4) The area of an STB must consist of the whole of the area of two or more relevant authorities (whether or not of the same kind).

(5) Each of the following is a “relevant authority” for the purposes of this Part—

- (a) a combined authority;
- (b) an ITA;
- (c) a county council that comes within subsection (6);
- (d) a unitary district council that comes within that subsection;
- (e) the Council of the Isles of Scilly.

(6) A council comes within this subsection if no part of its area forms part of—

- (a) the area of a combined authority, or
- (b) an integrated transport area.

(7) An STB is to be established as a body corporate.

102F Requirements in connection with regulations under section 102E

(1) Regulations under section 102E may be made establishing an STB for an area only if the Secretary of State considers that—

- (a) its establishment would facilitate the development and implementation of transport strategies for the area, and
- (b) the objective of economic growth in the area would be furthered by the development and implementation of such strategies.

(2) The reference in subsection (1)(a) to “transport strategies”, in relation to the area of an STB, is a reference to strategies for improving—

- (a) the exercise of transport functions in the area (whether or not exercisable by the STB), and
- (b) the effectiveness and efficiency of transport to, from or within the area.

(3) Regulations under section 102E establishing an STB for an area may be made only if—

- (a) the constituent authorities have together made a proposal to the Secretary of State for there to be an STB for the area, and
- (b) those authorities consent to the making of the regulations.

(4) For the purposes of this Part, the constituent authorities of an STB are every relevant authority whose area is within the area, or proposed area, of the STB.

(5) Before making a proposal under this section the constituent authorities must consult—

- (a) each appropriate authority (if it is not a constituent authority), and
- (b) any other persons whom the constituent authorities consider it is appropriate to consult.

(6) The Secretary of State may require the constituent authorities to consult any other persons (not already consulted under subsection (5)(b)) whom the Secretary of State considers should be consulted in connection with a proposal under this section.

(7) For the purposes of subsection (5), each of the following is an “appropriate authority” if any part of the authority’s area adjoins the area of the proposed STB—

- (a) a combined authority;
- (b) an ITA;
- (c) Transport for London;
- (d) a county council;
- (e) a unitary district council;
- (f) a London borough council.

102G Constitution of STBs

(1) The Secretary of State may by regulations make provision about the constitutional arrangements in relation to an STB.

(2) “Constitutional arrangements”, in relation to an STB, include arrangements in respect of—

- (a) the membership of the STB (including the number and appointment of members of the STB),
- (b) the voting powers of members of the STB (including provision for different weight to be given to the vote of different descriptions of member),
- (c) the executive arrangements of the STB, and
- (d) the functions of any executive body of the STB.

(3) Regulations made by virtue of subsection (2)(a) which include provision about the number and appointment of members of the STB must provide—

- (a) for the members of the STB to be appointed by the STB’s constituent authorities, and
- (b) for those members to be appointed from among the elected members of the constituent authorities.

(4) Regulations made by virtue of subsection (2)(a) may provide for persons, who are not elected members of the constituent authorities, to be appointed as co-opted members of an STB; but such regulations must provide (by virtue of subsection (2)(b)) for those co-opted members to be non-voting members of the STB.

(5) The voting members of an STB may resolve that provision made in accordance with subsection (4) is not to apply (generally or in relation to particular matters) in the case of the STB.

(6) In subsection (2)(c) “executive arrangements” means—

- (a) the appointment of an executive;
- (b) the functions of the STB which are the responsibility of an executive;
- (c) the functions of the STB which are the responsibility of an executive and which may be discharged by a committee of the STB, by an officer of the STB or by a body other than the STB;
- (d) arrangements relating to the review and scrutiny of the discharge of functions;
- (e) access to information on the proceedings of an executive of the STB;
- (f) the keeping of a record of any arrangements relating to the STB and falling within any of paragraphs (a) to (e).

(7) The provision which may be made by regulations by virtue of subsection (2)(d) includes—

- (a) provision setting up or dissolving an executive body of an STB, or merging two or more executive bodies of an STB;
- (b) provision conferring functions on, or removing functions from, an executive body of an STB;

- (c) provision transferring functions of an STB to an executive body of the STB, and transferring functions of an executive body of an STB to the STB.

(8) Regulations under this section may authorise an STB to delegate any of its functions to one or more of its constituent authorities (and any such delegation may be made subject to conditions or limitations).

(9) Regulations under this section may not provide for the budget of an STB to be agreed otherwise than by the STB.

(10) For the purposes of subsections (3) and (4), the “elected members” of a constituent authority—

- (a) in the case of a combined authority, are the mayor for the area of the combined authority (if there is one) and those members of the authority who are appointed from among the elected members of the authority’s constituent councils (see section 85(1)(b) above as applied by section 104(2) of the Local Democracy, Economic Development and Construction Act 2009);
- (b) in the case of an ITA, are those members of the ITA who are appointed from among the elected members of the ITA’s constituent councils (see section 85(1)(b) above);
- (c) in the case of a county council, a unitary district council or the Council of the Isles of Scilly, are the elected members of the council.

Functions

102H General functions

(1) The Secretary of State may by regulations provide for an STB to have any of the following functions in relation to its area—

- (a) to prepare a transport strategy for the area (see section 102I);
- (b) to provide advice to the Secretary of State about the exercise of transport functions in relation to the area (whether exercisable by the Secretary of State or others);
- (c) to co-ordinate the carrying out of transport functions in relation to the area that are exercisable by different constituent authorities, with a view to improving the effectiveness and efficiency in the carrying out of those functions;
- (d) if the STB considers that a transport function in relation to the area would more effectively and efficiently be carried out by the STB, to make proposals to the Secretary of State for the transfer of that function to the STB;
- (e) to make other proposals to the Secretary of State about the role and functions of the STB.

(2) The Secretary of State may by regulations provide for an STB to have other functions of a description set out in the regulations.

(3) Regulations under subsection (2) may be made only for functions to be exercisable in relation to the area of the STB that—

- (a) relate to transport,
- (b) the Secretary of State considers can appropriately be exercised by the STB, and
- (c) are not already exercisable in relation to that area by a local authority or a public authority (see instead sections 102J and 102K respectively for a power to transfer such functions to an STB).

(4) The Secretary of State may by regulations make further provision about how an STB is to carry out functions that it has under or by virtue of this Part.

(5) Regulations under this section in relation to an existing STB may be made only with the consent of the STB.

(6) Nothing in this section limits the power of the Secretary of State to confer other functions on an STB under this Part.

102I Transport strategy of an STB

(1) The transport strategy of an STB is a document containing the STB’s proposals for the promotion and encouragement of sustainable, safe, integrated, efficient and economic transport facilities and services to, from and within the area of the STB.

(2) The transport facilities and services mentioned in subsection (1) are—

- (a) those required to meet the needs of persons (including pedestrians) living or working in, or visiting, the area of the STB, and
- (b) those required for the transportation of freight.

(3) An STB may include in its transport strategy any other proposals it considers appropriate that relate to transport to, from or within its area.

(4) An STB must publish its transport strategy.

(5) If an STB revises its transport strategy, the STB must publish the strategy as revised.

(6) In preparing or revising its transport strategy an STB must carry out a public consultation.

(7) In carrying out a public consultation under subsection (6), the STB must ensure that such of the following persons as the STB considers appropriate (taking into account the proposals to be contained in the strategy) have a reasonable opportunity to respond to the consultation—

- (a) the Secretary of State;
- (b) a combined authority;
- (c) another STB;
- (d) an ITA;
- (e) a Passenger Transport Executive;
- (f) Transport for London;
- (g) a person to whom a licence is granted under section 8 of the Railways Act 1993 (licences authorising persons to be operator of railway assets);
- (h) Highways England Company Limited;
- (i) a local highway authority (within the meaning of the Highways Act 1980);
- (j) a county council in England;
- (k) a unitary district council;
- (l) a London borough council.

(8) In preparing or revising its transport strategy an STB must (among other matters) have regard to—

- (a) the promotion of economic growth in its area,
- (b) the social and environmental impacts in connection with the implementation of the proposals contained in the strategy,
- (c) any current national policy relating to transport that has been published by or on behalf of Her Majesty’s Government, and
- (d) the results of the public consultation mentioned in subsection (6).

(9) The Secretary of State must have regard to proposals contained in the transport strategy of an STB that appear to the Secretary of State to further the objective of economic growth in the area of the STB in determining—

- (a) national policies relating to transport (so far as relevant in relation to such proposals), and
- (b) how such policies are to be implemented in relation to the area of the STB.

(10) The constituent authorities of an STB must exercise transport functions with a view to securing the implementation of the proposals contained in the STB’s transport strategy.

(11) In this Part “transport strategy”, in relation to an STB, means the transport strategy prepared or revised by an STB under this section by virtue of the function in section 102H(1)(a).

102J Exercise of local transport functions

(1) The Secretary of State may by regulations provide for functions that are exercisable by a local authority in an area that is, or is to become, the area of an STB to be exercisable by the STB.

(2) Regulations under this section may be made—

- (a) only in relation to functions that relate to transport, and
- (b) only if the Secretary of State considers that the function can appropriately be exercised by the STB.

(3) For the purposes of subsection (2)(a), regulations under this section may be made in respect of a function that relates both to transport and to other matters only so far as the function is exercisable in relation to transport.

(4) Regulations under this section may make provision for a function to be exercisable by the STB either generally or subject to such conditions or limitations as may be specified in the regulations.

(5) Regulations under this section may make provision—

- (a) for a function to be exercisable by the STB instead of by the local authority, or
- (b) for a function to be exercisable by the STB jointly with the local authority.

(6) Regulations under this section may be made only with the consent of—

- (a) the local authority concerned, and
- (b) in the case of regulations made in relation to an existing STB, the STB.

(7) In this section “local authority” means—

- (a) a combined authority;
- (b) an ITA;
- (c) a Passenger Transport Executive;
- (d) a county council in England;
- (e) a unitary district council;
- (f) the Council of the Isles of Scilly.

102K Other public authority functions

(1) The Secretary of State may by regulations provide for functions that are exercisable by a public authority in relation to an area that is, or is to become, the area of an STB to be exercisable by the STB.

(2) Regulations under this section may be made—

- (a) only in relation to functions that relate to transport, and
- (b) only if the Secretary of State considers that the function can appropriately be exercised by the STB.

(3) For the purposes of subsection (2)(a), regulations under this section may be made in respect of a function that relates both to transport and to other matters only so far as the function is exercisable in relation to transport.

(4) Regulations under this section may make provision for a function to be exercisable by the STB either generally or subject to such conditions or limitations as may be specified in the regulations.

(5) Regulations under this section may make provision—

- (a) for a function to be exercisable by the STB instead of by the public authority, or
- (b) for a function to be exercisable by the STB jointly with the public authority.

(6) Regulations under this section in relation to an existing STB may be made only with the consent of the STB.

(7) In this section—

“function” does not include a power to make regulations or other instruments of a legislative character;

“Minister of the Crown” has the same meaning as in the Ministers of the Crown Act 1975;

“public authority”—

- (a) includes a Minister of the Crown or a government department;
- (b) does not include a local authority as defined by section 102J.

102L Funding

(1) The Secretary of State may pay grants to STBs to cover expenditure incurred in the carrying out of their functions.

(2) Grants may be paid under this section subject to any conditions the Secretary of State thinks appropriate (including conditions as to repayment).

(3) The Secretary of State may by regulations make provision—

- (a) for the constituent authorities of an STB to contribute to its costs, and
- (b) about the basis on which the amount payable by each constituent authority is to be determined.

General Powers etc

102M General powers

(1) An STB may do—

- (a) anything it considers appropriate for the purposes of the carrying out of any of its functions (its “functional purposes”),
- (b) anything it considers appropriate for purposes incidental (whether directly or indirectly) to its functional purposes,
- (c) anything it considers to be connected with—
 - (i) any of its functions, or
 - (ii) anything it may do under paragraph (a) or (b), and
- (d) for a commercial purpose, anything which it may do under any of paragraphs (a) to (c) otherwise than for a commercial purpose.

(2) Where subsection (1) confers power on an STB to do something, it confers power (subject to section 102N) to do it anywhere in the United Kingdom or elsewhere.

(3) Power conferred on an STB by subsection (1) is in addition to, and is not limited by, the other powers of the STB.

(4) Where an STB has an executive body established by virtue of section 102G, the STB may delegate to that body its function of taking action under subsection (1) (but not the function of determining what action to take).

102N Boundaries of power under section 102M

(1) Section 102M(1) does not enable an STB to do anything which it is unable to do by virtue of a post-commencement limitation which is expressed to apply—

- (a) to its power under section 102M(1),
- (b) to all of its powers, or
- (c) to all of its powers but with exceptions that do not include its power under section 102M(1).

(2) Section 102M(1) does not authorise an STB to borrow money.

(3) Section 102M(1)(a) to (c) do not authorise an STB to charge a person for anything it does otherwise than for a commercial purpose (but see section 93 of the Local Government Act 2003 (power of STBs and other best value authorities to charge for discretionary services)).

(4) Section 102M(1)(d) does not authorise an STB to do things for a commercial purpose in relation to a person if a statutory provision requires the STB to do those things in relation to the person.

(5) Where under section 102M(1)(d) an STB does things for a commercial purpose, it must do them through—

- (a) a company within the meaning given by section 1(1) of the Companies Act 2006, or
- (b) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014.

(6) In this section—

“post-commencement limitation” means a prohibition, restriction or other limitation imposed by a statutory provision that—

- (a) is contained in an Act passed after the end of the Session in which the Cities and Local Government Devolution Act 2015 is passed, or

- (b) is contained in an instrument made under an Act and comes into force on or after the commencement of section (Sub-national transport bodies) of that Act;

“statutory provision” means a provision of an Act or of an instrument made under an Act.

102O Power to make provision supplemental to section 102M

(1) The Secretary of State may by regulations make provision preventing an STB from doing under section 102M(1) anything which is specified, or is of a description specified, in the regulations.

(2) The Secretary of State may by regulations provide for the exercise by STBs of the power conferred by section 102M(1) to be subject to conditions, whether generally or in relation to doing anything specified, or of a description specified, in the regulations.

(3) Before making regulations under subsection (1) or (2) the Secretary of State must consult—

- (a) such representatives of STBs,
- (b) such representatives of local government, and
- (c) such other persons (if any),

as the Secretary of State considers appropriate.

(4) Subsection (3) does not apply to regulations under subsection (1) or (2) which are made only for the purpose of amending earlier such regulations—

- (a) so as to extend the earlier regulations, or any provision of the earlier regulations, to a particular STB or to STBs of a particular description, or
- (b) so that the earlier regulations, or any provision of the earlier regulations, cease to apply to a particular STB or to STBs of a particular description.

102P Power of direction

(1) The Secretary of State may by regulations confer on an STB a power to give directions to a constituent authority about the exercise of transport functions by the authority in the area of the STB.

(2) The power to give a direction by virtue of subsection (1) about the exercise of a function extends only so far as the exercise of the function is relevant to the implementation of the STB’s transport strategy.

(3) Regulations under this section conferring a power to direct may include provision—

- (a) for the power to be given generally or subject to conditions or limitations;
- (b) for the power to apply to all transport functions or only to those functions specified or described in the regulations;
- (c) about the manner in which directions are to be given;
- (d) about the consequences arising if there is a contravention of a direction.

(4) Provision under subsection (3)(d) may include provision enabling the STB—

- (a) to take any steps it considers appropriate to reverse or modify the effect of a constituent authority exercising a transport function in contravention of the direction, and
- (b) to recover any reasonable expenses incurred in taking those steps as a civil debt from the constituent authority.

Boundary and name changes

102Q Change to boundaries of an STB’s area

(1) The Secretary of State may by regulations change the boundaries of the area of an STB by—

- (a) adding the area of a relevant authority to an existing area of an STB, or
- (b) removing the area of a constituent authority from an existing area of an STB.

(2) Regulations under this section may be made—

- (a) only if the constituent authorities have together made a proposal to the Secretary of State for the boundaries to be changed in the manner that would be provided for in the regulations;

- (b) in the case of regulations under subsection (1)(a), only if the relevant authority whose area would be added to the area of the STB joins in the making of the proposal;

- (c) in the case of regulations under subsection (1)(b), only if the resulting area of the STB meets the condition in section 102E(4).

(3) Regulations under this section changing the boundaries of the area of an STB may be made only if the Secretary of State considers that paragraphs (a) and (b) of section 102F(1) would apply in relation to the area as varied by the regulations.

(4) Regulations under this section may be made only with the consent of—

- (a) the STB, and
- (b) in the case of regulations under subsection (1)(a), the relevant authority whose area would be added to the area of the STB.

102R Change of name

(1) An STB may change its name by a resolution in accordance with this section.

(2) The resolution must be considered at a meeting of the STB that is specially convened for the purpose.

(3) Particulars of the resolution must be included in the notice of the meeting.

(4) The resolution must be passed at the meeting by not less than two-thirds of the members of the STB who vote on it.

(5) An STB which changes its name under this section must—

- (a) send notice of the change to the Secretary of State, and
- (b) publish the notice in such manner as the Secretary of State may direct.

(6) A change of name under this section does not affect the rights or obligations of the STB or any other person, or render defective any legal proceedings.

(7) Any legal proceedings may be commenced or continued as if there had been no change of name.

Supplementary

102S Incidental etc provision

(1) The Secretary of State may by regulations make incidental, consequential, transitional or supplementary provision for the purposes of, or in consequence of, regulations under this Part or for giving full effect to such regulations.

(2) Regulations under this Part may make different provision for different STBs or otherwise for different purposes.

(3) The provision which may be included by virtue of this section in regulations includes provision for the transfer under the regulations of property, rights and liabilities.

(4) The provision which may be included by virtue of subsection (3) in regulations includes provision—

- (a) for the creation or imposition by the Secretary of State of new rights or liabilities in respect of anything transferred under the regulations;
- (b) for the management or custody of transferred property;
- (c) for bodies to make agreements with respect to any property, income, rights, liabilities and expenses of, and any financial relations between, the parties to the agreement.

(5) The provision which may be included by virtue of this section in regulations includes provision amending, modifying, repealing or revoking any enactment, whenever passed or made.

(6) In this section “enactment” includes an enactment comprised in subordinate legislation (within the meaning of the Interpretation Act 1978).

102T Procedure for regulations under this Part

(1) Regulations under this Part must be made by statutory instrument.

(2) A statutory instrument containing regulations under this Part may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.

(3) At the same time as laying a draft of a statutory instrument containing regulations under this Part before Parliament, the Secretary of State must lay before Parliament a report explaining the effect of the regulations and why the Secretary of State considers it appropriate to make the regulations.

(4) Subsections (2) and (3) do not apply to a statutory instrument that contains regulations only of the following kinds—

- (a) regulations under section 102J that make provision under subsection (4) of that section for a function to be exercisable by an STB for a limited period of time;
- (b) regulations under section 102J that make provision under subsection (5)(b) of that section;
- (c) regulations under section 102K that make provision under subsection (4) of that section for a function to be exercisable by an STB for a limited period of time;
- (d) regulations under section 102K that make provision under subsection (5)(b) of that section;
- (e) regulations under section 102O(1) that make provision for the purpose mentioned in section 102O(4)(b);
- (f) regulations under section 102O(2) that make provision for that purpose or for imposing conditions on the doing of things for a commercial purpose.

(5) A statutory instrument to which subsections (2) and (3) do not apply is subject to annulment by resolution of either House of Parliament.

(6) If a draft of regulations under this Part would, apart from this subsection, be treated for the purposes of the standing orders of either House of Parliament as a hybrid instrument, it is to proceed in that House as if it were not a hybrid instrument.

102U Interpretation

In this Part—

“combined authority” means a body established as a combined authority under section 103 of the Local Democracy, Economic Development and Construction Act 2009;

“constituent authority”, in relation to an STB, has the meaning given by section 102F(4);

“ITA” means an Integrated Transport Authority for an integrated transport area in England;

“Passenger Transport Executive” means a body which is such an Executive for the purposes of Part 2 of the Transport Act 1968;

“relevant authority” has the meaning given by section 102E(5);

“STB” has the meaning given by section 102E(2);

“transport functions” means any statutory functions relating to transport;

“transport strategy” has the meaning given by section 102I(11);

“unitary district council” means a district council whose area is not part of the area of a county council.” —(*Andrew Jones.*)

This new clause inserts a new Part 5A into the Local Transport Act 2008. The new Part confers power to establish Sub-national Transport Bodies which will operate at a sub-national local government level in transport matters with the aim of furthering economic growth in their area.

Brought up, and read the First time.

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): I beg to move, That the clause be read a Second time.

The Temporary Chair (Mr David Crausby): With this it will be convenient to discuss the following:

Government amendments 62 to 66

Andrew Jones: In the summer 2015 Budget, my right hon. Friend the Chancellor reaffirmed the Government’s commitment to the development of a northern powerhouse, a key part of our plan to deliver sustainable economic growth throughout the country. The new clause and amendments, on sub-national transport bodies, or STBs, will strengthen the development of the northern powerhouse and, potentially, the midlands engine and other areas of our country too. In this House and in the other place, we are transforming northern growth and rebalancing our country’s economy. That is not to the detriment of London; it will complement its economic might and build stronger links between cities, so that hardworking people and businesses can access markets and make the most of their skills and dynamism wherever they are.

4.15 pm

One of our first challenges is to improve transport links between the great cities of the north. The Government have been very clear: we need better travel connections in the north. To give the House an example of the gulf in journey times, when travelling to London from Leeds by train it takes about two and a quarter hours to travel 170 miles at an average speed of 76 miles an hour. However, if one travels from Leeds to Liverpool on the train, it can also take just around two hours, but it is only 70 miles, at an average speed of 35 miles an hour. That is clearly too slow. These and other examples like it throughout the country are evidence of the brake on productivity and prosperity that transport can unwittingly provide.

By comparison, good connections between major urban areas can provide the catalyst for growth. We only have to look at examples like the Randstad or the Rhine-Ruhr regions to see the benefits. The Randstad region, bounded by Amsterdam, Rotterdam, The Hague and Utrecht, is linked by fast and frequent rail services, with journeys of about 30 to 50 minutes and an extensive road network. This transport network helps that area alone generate about half of the Netherlands’ GDP. Similarly, the Rhine-Ruhr region in Germany, covering five large cities and 10 smaller ones, has a network of fast inter-city, inter-urban and metro-style rail services, and a well-used system of autobahns.

Currently, in our country, decision making on strategic transport schemes is centralised at the national level. The journey to greater devolution has started, however. Individually, cities across the country are already strong and are being given the tools, through more powers and funding from Westminster in city deals, allowing areas the type of local determination they deserve. I believe there is support on both sides of the House for further devolution and a desire to see all parts of the UK benefit from greater devolution of power. The Bill will deliver devolution of powers and resources so our cities, towns and counties can become their own economic powerhouses. Through devolution, Government investment and economic growth is being tailored directly to the individual challenges and opportunities that particular places and communities face.

Let us not forget, however, that much has been achieved already. As we are all aware, improving our ageing infrastructure is of fundamental importance. In recognition of that, we are already spending £13 billion on transport

in the north of England in this Parliament. In the past five years, the Government have invested heavily in rail and road networks, committed to the northern hub and electrification programmes and are tripling road spending by 2020, improving the capacity and conditions of our motorways and major A roads. It can be seen, too, in the major benefits to come from the new trans-Pennine and northern passenger rail franchises. Building on these, and through our continuing work to develop northern powerhouse rail and roads, we will bring people and businesses closer together and strengthen connections.

John Redwood: It is excellent news that there will be more road and rail capacity between the northern cities, as it is much needed. Can the rail capacity be provided on existing track? Is it a question of more efficient signalling and better trains?

Andrew Jones: We can boost rail capacity through a mixture of new lines and work to the existing network, alongside the electrification and signalling. The combination of all those things, in conjunction with new rolling stock, will deliver the step-change we need. Our rail industry is a huge success. It has gone from carrying 750 million passenger journeys per year only 20 years ago to 1.65 billion now. The issue our industry is facing is success and how to deliver that success with its capacity. A combination of things are required to deliver the boost in capacity my right hon. Friend talks about.

Jason McCartney (Colne Valley) (Con): Like the Minister, I welcome the unpausing of the electrification of the trans-Pennine route, which my constituents will really appreciate. Will he confirm that when the new northern and trans-Pennine franchises are announced next month it will mean the end to the dreaded Pacer trains across the north?

Andrew Jones: My hon. Friend is a vigorous campaigner for rail in the north of England, especially in his constituency, and I am happy to confirm that the Pacers will disappear under the new franchises, which we expect to announce before Christmas.

Mr Clive Betts (Sheffield South East) (Lab): The Minister talks about the importance of trans-Pennine links, which currently are pretty awful. David Higgins described the links between Sheffield and Manchester as a matter of national concern. This is an important new clause—there are 12 pages of it, so it must be important. Just how will it help us to co-ordinate the delivery of HS3 with that of HS2—I have not found anyone in Government making that link—and how will it deliver a tunnel under the Pennines to replace the ridiculously slow Snake and Woodhead passes, which at present pass for road links between Sheffield and Manchester?

Andrew Jones: I caution the hon. Gentleman: the length of new clauses and amendments is not necessarily related to their importance. A sub-national transport body would provide a link between central and local government to ensure a united voice representing an area's transport requirements and, as a result, to make more likely solutions that are tailored to local need. I agree with his basic point, however, that connections across the Pennines, especially between Sheffield and Manchester, are not good enough.

Mr Betts: Will the Minister explain again? What role will the body play in looking at a road tunnel under the Pennines? Would it carry out the review of whether one is necessary? Would it commission the work? Or would it simply be advisory? How would it relate to HS2, given that that will need other transport links? What will its role be in that connection?

Andrew Jones: I am coming to that later, so perhaps I will address the hon. Gentleman's points then.

Mr Andrew Turner: My right hon. Friend the Member for Wokingham (John Redwood) talked about trains and railways. Will these provisions also include ferries?

Andrew Jones: I am not the maritime Minister, so I am not in the best position to comment, but we are seeing huge growth in all our transport modes, and the capacity being injected into our ports is extremely welcome. As to what is happening to our ferries, however, I am afraid I will have to check and get back to my hon. Friend.

Our commitment to improving the road network includes upgrading motorways in the north of England to smart motorway standards; increasing capacity; improving sections of the A19 in the north-east to expressway standard; and improving access to many of our ports, including Hull and the port of Liverpool. I see the difference that projects such as the £690 million improvements to the A1—the biggest upgrade in the country—can make. It is delivering a motorway running to Newcastle for the first time in our country's history. All over the north, there are schemes totalling £3 billion in the pipeline.

We are already working with Transport for the North on plans for east-west road and rail links to better connect the region so that northern towns and cities can pool their strengths and create a single economy. This includes work to identify the next generation of strategic road investments, building on the transformative schemes in the first road investment strategy. These could include a new road tunnel under the Peak district and major upgrades to other key east-west routes. TfN is also working closely with Highways England as it starts to develop its next programme of route strategies to inform investment decisions for the road period starting in 2020.

TfN is also exploring options to transform services between Sheffield and Manchester, to move towards a 30-minute journey time between Manchester and Leeds, to provide significant speed and capacity improvements between Liverpool and Manchester and between Leeds, Hull and Newcastle, and to bring forward integrated smart ticketing through a new Oyster card-like system of smartcards across the region, across multiple operators and across modes.

These are just a few examples of the good work being undertaken with the first body we expect to become a sub-national transport body. By working with properly established STBs across the country, we will ensure that money is spent on projects that will support growth in each area's economy and, through that, the country as a whole. A joint interim report providing an update on progress since the first northern transport strategy will be published in the coming weeks.

[Andrew Jones]

David Brown, formerly the chief executive officer of Merseytravel, has been appointed the CEO at TfN; and we expect to announce the new chair of TfN before the end of the year. While this work is progressing, the north needs a body with permanence and solidity rather than the current voluntary arrangements for TfN. That is why my right hon. Friend the Chancellor announced plans to establish TfN as a statutory body with statutory duties.

Putting TfN, and potentially others, on a statutory footing is a crucial symbol of our commitment to rebalancing the economy because it gives a clear leading role to planning and developing a programme for the north. It will provide TfN with the authority to enter into contracts and enable it to recruit staff to drive forward activity and give stakeholders and staff confidence in TfN as an organisation. Making it a statutory body, to which the Government are committed, shows long-term thinking and sends a clear message about this Government's determination to join up transport planning to help drive economic growth.

Creating TfN as a statutory body, and others like it, means legislation is vital if we want to promote thinking about how to use transport to grow economies—not just now, but for 40 to 50 years into the future. This statutory status gives STBs the permanence and stability they need to do this crucial work. It means they will not be unduly constrained by political cycles or administrative boundaries. That is why the Government have moved quickly to develop legislation and allow TfN the certainty it needs about its future to deliver an ambitious programme. To ensure TfN is ready to look at improvements, not just now, but in the next Parliament and beyond, we are aiming to introduce the secondary legislation at the earliest opportunity, so that it will be established on a statutory footing no later than 2017.

The new clauses and amendments under discussion will not just fulfil our commitment, but help to deliver the programme to build a northern powerhouse that will be a step change for how decisions on transport policy are made across England. It will formalise local input into strategic investment so that TfN can advise on a transport strategy to boost growth and development to its areas. It will allow TfN and similar bodies to evolve with the potential to assume more strategic responsibilities over time.

This clause thus goes further than the northern powerhouse alone. It provides a way to create organisations similar to TfN across the whole of England, except London, at the request of local areas. For example, the newly strengthened Midlands Connect partnership brings together 26 local authorities and 11 local enterprise partnerships, working with national agencies and Government to drive forward improved transport links across the midlands to power the midlands engine. Midlands Connect tells us that improved transport links in the region could boost the economy by more than £1 billion a year, create 300,000 jobs and save businesses nearly £0.5 billion every year. This Government have provided £5 million to Midlands Connect to develop a transport strategy for the midlands, to set out credible long-term transport investment priorities for the region that will help build the midlands engine for growth this country needs.

Simon Hoare (North Dorset) (Con): What my hon. Friend is saying makes sense, with transport being used as an economic growth driver. Can he confirm that the announcement he is making today in respect of this new clause will in no way either delay or undermine previous announcements about the A303, which brushes the north of my constituency? Is he able to update us on what progress is being made on the dualling of the A303—a vital artery to the south-west?

The Temporary Chair (Mrs Anne Main): It would be useful if the Minister could veer off the A303, which I am not aware is part of this Bill.

Andrew Jones: The A303 is not part of the Bill, but the A303, the A30 and the A358 are critical schemes in the Government's first road investment strategy, which is being implemented between now and 2020-21. I can tell my hon. Friend that it is on track, and that we want to create much more resilient road access into the south-west.

Once this legislation is passed, the Midlands Connect partnership would be able to move forward in the process to become an STB alongside TfN, should that be the route its members wish to take. STBs will give localities a greater say in strategic transport planning for their region, because local people better know their economies and their development needs, and how growth can be maximised in their area.

Let me outline the detail of our proposal for the creation of these sub-national transport bodies. The new clause sets out the basic powers and responsibilities of all STBs. It will be for local areas to come to the Secretary of State with a proposal to form an STB. The Secretary of State's role will be to consider and approve the proposal once consent from the authorities and a period of public consultation have been completed.

Graham Stringer: The section of the new clause that is headed "102M General powers" is drawn incredibly widely. Can the Minister tell us, in plain English, exactly what an STB can and cannot do? There is a generalised limitation in the next section, but given the width of the definition, it is not clear to me whether one of these bodies could turn itself into a housing or education authority.

4.30 pm

Andrew Jones: The new bodies are intended to create a link between Whitehall and Westminster and the constituent members of combined authorities. They will be able to develop transport plans for their areas, and come together to tackle issues that are currently decided here or in Whitehall rather than by local councils, relating to, for instance, longer-distance road or rail networks or systems that cross geographical areas, such as a smart ticketing system extending across the north. This is not about broadening their responsibilities to take powers away from other areas; it is about taking powers from Whitehall, increasing accountability, and ensuring that decisions are made locally.

John Redwood: Will the Minister give us a little more detail about how the powers of the Secretary of State for Transport to improve and look after the national road network will be affected by the new

powers providing for regional policies on roads? Presumably the Secretary of State will still be in charge of the national network.

Andrew Jones: The Secretary of State will still be in charge of the national network. He will still be the final decision-maker in relation to the overall national transport strategy, and the way in which money is allocated to different schemes and areas. At first, STBs will advise him on strategic transport priorities for their areas to help promote economic development, but over time they will be able to advise him on how they can develop their roles and take on more responsibilities for improving transport planning, or provide for other enhancements to economic development in their areas. The Secretary of State will not be made redundant by these developments.

Mr Betts: I am still not sure what role an STB will play. Will it be just an advisory body? Will it be just a planning body? Will it just help the Secretary of State to make decisions? How, in particular, will it relate to HS2 and HS3? Will it try to link those two bodies? Will it have any oversight of those developments?

Andrew Jones: STBs' responsibilities will start with the development of plans for their areas, as the hon. Gentleman will know from the Transport for the North plan, which was published last year. As the STBs develop, I shall expect them to work with other bodies. A memorandum of understanding has already been signed by Transport for the North and Highways England so that they can inform each other's plans. That is how we expect the arrangement to work. Decisions will be taken away from here and made on a more local basis, and the bodies will then collaborate in order to produce the right plans for their areas.

Subject to the Secretary of State's agreement, affirmative secondary legislation will designate an area as an STB area. Consistent with enabling legislation, there will be no "one size fits all" approach. The governance for STBs will not be standardised across all of them, and the detail relating to each one will be set out in secondary legislation. Combined authorities and local transport authorities will make up the membership of each body. To ensure that STBs are accountable to the people whom they represent, each one will be overseen by a political-level board consisting of either metro mayors—where they have been established as part of the Government's devolution programme—or the political leaders of the relevant constituent authorities. The Bill also specifies that the STBs will have a chair, and will enable, but not mandate, the Secretary of State to make regulations for their constitutional arrangements.

To ensure that each STB is established in a way that is right for the area for which it is working, the exact detail—such as the make-up of the board, quorums, the presence of any non-executives, and the appointment of a chair—will be left to individual pieces of secondary legislation, reflecting local plans and local need. The board will then be able to co-opt other members, such as representatives of local enterprise partnerships, to give local businesses a voice, or representatives of neighbouring authorities, to cover cross-border interests.

Initially each STB will advise the Secretary of State for Transport on strategic transport schemes and investment priorities for its own area. STBs will develop a long-term

transport strategy which will set out with one voice the area's view on transport's role in its economic development. Within the lifetime of this strategy, the STB will then need to create shorter-term transport plans that will prioritise transport interventions to be delivered in given time periods, likely to be mapped on to road and rail investment cycles. This process is already under way within Transport for the North.

Over time, the Secretary of State may grant individual STBs additional responsibilities, through further secondary legislation, around the decision-making and delivery of transport schemes and significant cross-regional schemes, such as smart ticketing. The Secretary of State, and other public authorities including local and combined authorities, will not be able to overlook an STB's transport strategy when developing their own transport strategies and plans. In return, this legislation requires STBs to consult with local government bodies, the Secretary of State for Transport and other interested parties within or without the STB, thereby ensuring it meets the expectations of all parties.

STBs will take a strategic-level view across an area to improve transport infrastructure and services, and address how that can support the economy. This involves assessing which transport schemes deliver most benefit from their investment, and how best to improve regional connectivity.

In creating STBs, the Government are demonstrating their commitment to work together with local areas to tackle those transport issues that cut across administrative boundaries, such as longer-distance road and rail, and find joint solutions that benefit people travelling across the region, such as smart ticketing. It is important to stress that this legislation gives all areas the opportunity to benefit from the establishment of STBs so their economies can grow. This is a key part of the work to help rebalance the economy outside London. Accordingly, I believe it is necessary for TfN, Midlands Connect and all future STBs to be enshrined as statutory bodies with appropriate statutory powers, and I commend this new clause to the House.

Mr Steve Reed: It is welcome to hear the consensus for devolution from all parts of the House this afternoon, and welcome, too, to hear the Minister tell us he is in listening mode. I hope so, because there is an awful lot still to work out across the Bill, including in the new clauses before us now. It will be important if we can build consensus around them so we have a solid foundation on which to build in the Bills that I am sure will follow this devolution Bill.

Labour wants to see the devolution of control over local transport so that trains, buses, trams and cycling can be properly integrated. I welcome the Government new clause. It is undoubtedly a step forward, but, like other parts of the Bill, it is limited by three factors: first, it does not go far enough; secondly, the funding and resourcing are not clear; and thirdly, it still keeps too much control in Whitehall. We would welcome further Government thinking on all those areas before we come to a final decision on the Bill.

Mr Andrew Turner: The hon. Gentleman listed three or four ways of getting around, but did not mention ferries. Where do they fit?

Mr Reed: I am happy to add in any mode of transport that I inadvertently excluded from my list, and I am grateful to the hon. Gentleman for making that point.

Graham Stringer *rose—*

Mr Reed: Has my hon. Friend thought of another mode of transport that I missed?

Graham Stringer: No. My hon. Friend mentioned buses. Does he share my surprise that we are discussing this Bill when the Government have still not produced the Bill that will allow these devolved authorities to reregulate the buses?

Mr Reed: I thank my hon. Friend for making that point. I hope that the Government will hear it while they are in listening mode, and that they will make the appropriate changes so that we can get maximum devolution and give local authorities back maximum control over their bus services.

New clause 34 will allow other regions to set up their own Transport for London-style models. TfL was an excellent Labour initiative but it was delivered 15 years ago. Helping other regions to catch up with London is the right thing to do, but it is a missed opportunity not to go significantly beyond that.

John Redwood: If the STB in a given area were to promote a road improvement that covered two different council areas, does the hon. Gentleman think that the STB should have the power to make one of the councils co-operate in the scheme if it did not wish to do so?

Mr Reed: That is a matter for the Government, but my view is that this should all be done through co-operation and negotiation, not through imposition. I hope that the right hon. Gentleman would not advocate any such imposition; I suspect that he would not.

The London Assembly has made the case that cities such as London need further devolved powers to integrate rail services with their surrounding commuter regions. That will apply to other regions across the country as well. It is not quite clear, however, what will be in scope in that regard. Perhaps this relates to the right hon. Gentleman's question. It would be helpful to have clarification on that point, as we do not have long to go before the Bill reaches its Report stage. It would be helpful to have clarity before we reach the final vote on the Bill.

There is also the question of how new transport initiatives will be funded. Since 2010, local authorities have had their funding for bus services cut by 70%. The Department for Transport has recently signed up to a further 32% cut, which is likely to affect sustainable transport programmes for cycling and buses, once we see the full detail. All of this undermines the upgrades necessary to deliver effective transport integration, which is critical to making the system work efficiently and effectively for local people. Those decisions should not be taken centrally without involving the areas affected by them, and I hope that the Government will come forward with proposals to ensure that resourcing is also part of the negotiations with localities, along with the additional powers that they may or may not be able to acquire.

Significant control over STBs is to be retained, in some cases quite unnecessarily. The new clause mentions the Secretary of State 39 times, but it mentions mayors just twice. Will mayors have a significant role within these organisations or not? We would welcome further clarification from the Government on what the precise role of the mayors will be. The Government are forcing mayors on to localities whether they want them or not, as a condition of devolution deals in the metropolitan areas, but they also seem to be denying the mayors certain powers. Either they are a central point of local accountability or they are not. We would like to see their powers over transport matters extended.

Under the provisions, authorities will still have to have their proposals approved by the Secretary of State, from whom they will also still get their funding. The Secretary of State will also be able to make provisions about how an STB is to carry out various functions. That does not seem radically different from where the ultimate authority lies now. We have seen what happens when this Government try to deliver transport projects with too much centralised control. We have seen the pausing, and the un-pausing, of the electrification of the TransPennine route, and we have seen airport expansion kicked into the long grass for decades. The Great Western main line electrification announced by Labour has also been delayed by the Tories, with its costs spiralling from under £550 million in 2011 to £2.8 billion today.

Despite the Minister's fine words and the undoubted good intentions of the Secretary of State, it appears that the Government are still too timid to really let go. I hope that the listening mode they have declared they are in today means they will think about how they can go further with these proposals by the time we reach Report.

Mr Graham Allen: Mrs Main, I understand that it is in order to talk about the other clauses remaining to the House to discuss, including new clause 29, at this point, but I am happy to stand corrected.

The Temporary Chair (Mrs Anne Main): I am reliably informed that new clause 29 is in the next group.

Mr Allen: In which case I sit corrected.

The Temporary Chair: Does the Minister wish to come back in at this point?

Andrew Jones *indicated dissent.*

Question put and agreed to.

New clause 34 accordingly read a Second time, and added to the Bill.

4.45 pm

New Clause 24

NATIONAL FRAMEWORK FOR DEVOLUTION OF FISCAL POWERS

“Within twelve months of the passing of this Act, the Secretary of State must publish a framework for further devolution of fiscal powers, including but not limited to, setting and revaluating local tax rates, banding and discounts.”—(*Mr Reed.*)

This new Clause would require the Secretary of State to set out a framework for further devolution of fiscal powers.

Brought up, and read the First time.

Mr Steve Reed: I beg to move, That the clause be read a Second time.

The Temporary Chair: With this it will be convenient to discuss the following:

New clause 29—*The Local Government Independence Code*—

‘(1) There shall be a Code, to be known as “the Local Government Independence Code”, the principal purpose of which shall be to define and regulate the relationship between central and local government.

(2) A court or tribunal determining a question which has arisen in connection with the functions of a local authority, or of the Secretary of State or other public authority in relation to any local authority, must take into account the provisions of the Code.

(3) Schedule (The Local Government Independence Code) which—

- (a) sets out the terms of the Code,
- (b) makes provision about the application of the Code, and requires public authorities, including central and local government, to comply with the Code,
- (c) makes provision for amending the Code,
- (d) requires that, where it is possible to do so, primary legislation and subordinate legislation must be read and given effect in a way which ensures compliance with the Code, and makes provision for the amending of legislation where it is found not to be compatible with the Code,
- (e) makes provision about remedial orders to amend legislation,
- (f) makes provision for Ministers to make, or refuse to make, a statement that a Bill is compatible with the Code,
- (g) amends the Parliament Act 1911 so as to exclude any Bill seeking to amend this Act from the provisions of the Parliament Act 1911,
- (h) provides for amendments which are consequential on the making of the Code to certain enactments relating to local authorities, and
- (i) requires the Secretary of State to provide for the review of provisions in pre-commencement legislation to assess their compatibility with the provisions of the Code,

has effect.”

The intention of this new Clause is to define the independence of local government and to regulate the relationship between local and central government in England by means of a statutory Code.

New clause 30—*Reduction in petition threshold*—

‘(1) The Local Government Act 2000 is amended as follows.

(2) In section 34(4) (minimum number of local government electors for a local authority’s area who must support any petition presented to the authority), for “5 per cent” substitute “1 per cent”.’

This amendment would reduce the minimum number of local government electors for a local authority’s area who must support any petition presented to the authority from 5 per cent to 1 per cent.

New clause 31—*Mayors of combined authorities: Further functions*—

‘(1) After section 107E of the Local Democracy, Economic Development and Construction Act 2009 (inserted by section 6 above) insert—

“107F Functions of mayors: alcohol pricing

(1) The Secretary of State may by order make provision for a mayor of a mayoral combined authority to have the power to set a minimum unit price for alcohol that is sold within that combined authority area.

(2) An order made under subsection (1) above must include a provision that such a power may be exercised by a mayor only following a consultation which includes local residents on the proposed level of the minimum unit price for alcohol.”

New clause 32—*Devolution to combined authorities: the family test*—

‘(1) As soon as practicable after 31 March each year a mayoral combined authority in England shall produce and publish a report setting out its performance in applying the family test headings set out in subsection (3) over the most recent year to 31 March.

(2) In applying the family test, the mayoral combined authority must consider the impact of its policies and performance under each of the family test headings set out in subsection (3) and consider any guidance issued by the Secretary of State.

(3) The family test headings are—

- (a) family formation;
- (b) families going through key transitions such as becoming parents, getting married, fostering or adopting, bereavement, redundancy, new caring responsibilities or the onset of a long-term health condition;
- (c) all family members’ ability to play a full role in family life, including with respect to parenting and other caring responsibilities;
- (d) families before, during and after couple separation; and
- (e) those families most at risk of deterioration of relationship quality and breakdown.

(4) An overview and scrutiny committee of the mayoral combined authority shall review the report within four months of its publication.

(5) The Secretary of State may issue guidance to mayoral combined authorities on applying the family test and on reporting on the test.”

This new Clause would require mayoral combined authorities in England to report annually on their performance in relation to the DWP’s Family Test (October 2014) and for an overview and scrutiny committee to examine the contents of the report.

New clause 33—*Parish Councils: Power of parish council to sell electricity*—

‘In Section 44 (1)(b) of the Local Government (Miscellaneous Provisions) Act 1976 insert “11” between “1” and “16”.’

This amendment will allow parish councils to be able to sell electricity that it generates.

New clause 36—*Regard to neighbouring authorities*—

‘In exercising a devolved function, combined authorities must have regard to any significant direct impact on the population of neighbouring authorities.’

This clause raises the concerns of some authorities which neighbour devolved authorities and ensures that combined authorities which have devolved functions give regard to the possible impact on neighbouring populations, particularly over issues such as transport and health.

New clause 37—*Disqualification for election and holding office as a Member of a local authority*—

‘In section 80 (1)(d) of the Local Government Act 1972, omit “for a period of not less than three months without the option of a fine”.’

This New Clause would extend the current disqualification regime to councillors sentenced to any custodial sentence (including a suspended sentence), instead of applying only to councillors sentenced to a term of imprisonment of at least three months.

New clause 38—*Enabling devolution to joint committees in London*—

‘(1) Following a written request from either—

- (a) a voluntary joint committee of London councils, or
- (b) a voluntary joint committee of London councils and the Mayor of London,

the Secretary of State may by order make arrangements for a function of a Minister of the Crown or a Government Department to be delegated to that joint committee, formed under Section 101 of the 1972 Local Government Act.

(2) The voluntary joint committee may make such provision as is necessary in relation to—

- (a) voting powers required to protect minority interests;
- (b) the membership and process for individual authorities to enter or leave;
- (c) the executive arrangements of the joint committee;
- (d) arrangements for the administration and transfer of property and other liabilities.

(3) A request made under subsection (1) above must have the agreement of all constituent members of the joint committee.

(4) In this section—

“London councils” means

- (a) London borough councils, and
- (b) the Common Council of the City of London;

“joint committee” has the same meaning as in the Local Government Act 1972;

“Minister of the Crown” has the same meaning as in the Ministers of the Crown Act 1975.

(5) A function is eligible for the purposes of subsection (1) above if—

- (a) it does not consist of a power to make regulations or other instruments of a legislative character or a power to fix fees or charges, and
- (b) the Secretary of State considers that it can be appropriately exercised by the joint committee.

(6) No delegation under subsection (1) above, and no variation of a delegation under subsection (1) above can be made without the agreement of all constituent members of the relevant voluntary joint committee.

(7) Before making or varying a delegation under subsection (1) above, the Secretary of State must consult—

- (a) London borough councils;
- (b) The Common Council of the City of London;
- (c) The Mayor of London (in the case of a joint committee of London councils and the Mayor of London).

(8) The Secretary of State may make arrangements for the transfer from the Crown to the relevant joint committee of such property, rights or liabilities as the Secretary of State considers appropriate to the discharge of the function delegated under subsection (1).

(9) If an order made under this section would be treated for the purposes of the standing orders of either House of Parliament as a hybrid instrument, it is to proceed in that House as if it were not a hybrid instrument.’

This clause would support further devolution of Ministerial functions to London by providing for decision-making arrangements to enable operational delegation to groups of London local authorities and for the strategic governance of devolved responsibilities to be shared between London councils and the Mayor through an appropriately constituted joint committee.

New clause 39—Environmental consideration—

‘No later than three months after the passing of this Act, the Secretary of State shall prepare guidance on effective strategic planning for combined authorities including in the areas of—

- (a) mitigation of and adaptation to impacts of climate change;
- (b) natural resource use including water management;
- (c) delivery of low-carbon energy sources and infrastructure;
- (d) landscape-scale conservation, including green infrastructure.’

This new clause places a duty on the Secretary of State to set out guidance on how co-operation between combined authorities can be strengthened to mitigate environmental problems and develop green infrastructure.

New schedule 2—The Local Government Independence Code—

‘1 Chapter 4ZA and Chapter 4A of Part 1 of the Local Government Finance Act 1992 are repealed.

2 (1) This Code—

- (a) defines the relationship between central government and local authorities; and
- (b) makes provision about the financial independence and conduct of local authorities.

(2) For the avoidance of doubt, nothing in this Code shall affect the rights of individuals; and individuals may continue to seek judicial review of any action by a public authority which they regard as unjust or as infringing their rights.

Local Autonomy and Local Self-Government

3 (1) Local authorities’ accountability is to their electorates.

(2) Local authorities are autonomous, democratically-elected bodies which independently decide upon, administer and regulate public affairs and deal with all matters of concern within their boundaries to the extent that such matters are not the statutory responsibility of another body.

(3) Local authorities shall continue to operate within the rule of law.

(4) Local authorities shall continue to operate with full legal personality and under a general power of competence. Subject to sub-paragraph (4), local authorities may pass measures on matters affecting the affairs and interests of their area.

Scope of Local Government

4 (1) The powers and responsibilities of local authorities will continue to be prescribed by statute.

(2) Local authorities shall have power to exercise their initiative with regard to any matter which is not statutorily excluded from their competence or assigned to another body.

(3) Central government may not propose actions which are intended to, or may reasonably be regarded as being likely to, infringe the independence of local government, as defined in this Code, or affect local government generally or any local authority, unless local government generally, or the local authority concerned, consents.

Inter-Governmental Activities

5 Central government and local authorities shall establish joint inspection regimes to set and monitor the standards of services supplied or secured by them.

Territorial Autonomy

6 The geographical boundary of a local authority can be altered only by a proposal from the local authority itself or from its electorate. Local authorities must make arrangements for their electorates to put forward such proposals for consideration. Any such locally-inspired proposal for boundary changes, whether initiated directly by the authority or by the electorate of the authority, must be developed with the involvement of the Local Government Boundary Commission for England and shall be subject to approval of the electorate of the area concerned, under arrangements made by the local authority concerned and approved by the Electoral Commission.

Council Governmental Systems

7 (1) The electorate of each local authority, through methods agreed by the local authority concerned, shall have the power to choose that authority’s internal political decision-making systems. The systems concerned shall include a directly elected mayor and cabinet, a cabinet and leader, a committee system, or any other political decision-making arrangement which the electorate may decide is appropriate.

(2) The electorate of each local authority, through methods agreed by their local authorities, may, after a process of consultation carried out by the local authority concerned, agree to and adopt any electoral system for use in elections to that authority.

Local Government Financial Integrity

8 (1) Local authorities shall be financially independent of central government, save as otherwise provided for in this Code.

(2) Central government may not place any restriction on decisions by local authorities about the exercise of their financial powers.

(3) The distribution of central government funds between local authorities shall continue on the basis of existing equalisation arrangements. Distribution will continue to be based on the principle of ensuring fairness and balance between local authorities. The basis on which this distribution is carried out must continue to be made public.

(4) Each local authority shall receive from central government a guaranteed share of the annual yield of income tax, as follows. Central government must in each financial year assign to the Secretary of State responsible for the distribution of central government funds between local authorities an amount of money equivalent to the yield from ten pence in the pound of income tax. The Secretary of State must make arrangements to inform each taxpayer in England of the amount of their income tax which makes up the central government funding distributed to English local authorities as a whole.

(5) The amount of the income tax yield referred to in paragraph 8(4) shall be re-negotiated between central and local government whenever service provision responsibilities are transferred between central government and local authorities.

(6) Local authorities may raise additional sources of income in their areas in any way they wish, and with the consent of their electorates as expressed through arrangements to be determined and put in place by the local authority concerned.

(7) Local authorities shall be able to raise any loans, bonds or other financial instruments which their credit rating allows and as independent entities will be exclusively responsible for their repayment. All local authorities shall operate “a balanced budget” so that in any one financial year all outgoings, including interest repayments on borrowings, shall not exceed income.

(8) Central government may not cap, or in any other way limit, local authorities’ taxation powers.

(9) The financial transparency standards that apply to central government shall apply to local authorities.

(10) Central government and local authorities may contract with each other in order to pursue their own policy objectives.

Local Authorities’ right to co-operate and associate

9 (1) Local authorities are entitled, in pursuit of any undertaking, to co-operate in any way with any other persons, including local authorities, public and private bodies, voluntary, charity or third-sector organisations, and financial, commercial or private enterprises.

(2) Where more than one local authority is responsible for services in a geographic area, those local authorities shall co-operate so as to maximise the well-being of those living or working in that area.

(3) Local authorities may join any association for the protection and promotion of their common interests and may belong to an international association of any sort.

Decision-making

10 The administration of any local referendum or other vote on proposals put forward by the electorate of any local authority, or other local decision-making processes involving a public vote, shall adhere to standards set by the Electoral Commission; and those responsible for the conduct of any such decision-making processes shall be accountable to the Electoral Commission for their performance against those standards.

Legal Protection of Local Government

11 Local authorities may seek a judicial remedy in order to secure the free exercise of their powers, and any other principles of local self-government or individual rights contained within this Code or otherwise enshrined in law.

Application of and Compliance with the Code: acts of public authorities

12 It is unlawful for a public authority to act in a way which is not in compliance with the Code.

13 Paragraph 12 does not apply to an act of a local authority if—

- (a) as the result of one or more provisions of primary legislation, the authority could not have acted differently; or
- (b) in the case of one or more provisions of, or made under, primary legislation which cannot be read or given effect in a way which is compatible with the Code, the authority was acting so as to give effect to or enforce those provisions.

14 In this Schedule “public authority” includes central government, local authorities and any other person certain of whose functions are functions of a public nature, but does not include either House of Parliament or persons exercising functions in connection with proceedings in Parliament; and “an act” includes a failure to act.

Proceedings

15 (1) A person who claims that a public authority has acted (or proposes to act) in a way which is made unlawful by paragraph 12 may—

- (a) bring proceedings against the authority under this Act in the appropriate court or tribunal, or
- (b) rely on the Code in any legal proceedings.

(2) In sub-paragraph (1)(a) “appropriate court or tribunal” means such court or tribunal as may be determined in accordance with rules; and proceedings against an authority include a counterclaim or similar proceeding.

(3) If the proceedings are brought on an application for judicial review, the applicant must have a sufficient interest in relation to the act.

(4) Proceedings under sub-paragraph (1)(a) must be brought before the end of—

- (a) the period of one year beginning with the date on which the act complained of took place; or
- (b) such longer period as the court or tribunal considers equitable having regard to all the circumstances, but that is subject to any rule imposing a stricter time limit in relation to the procedure in question.

(5) In sub-paragraph (1)(b) “legal proceedings” includes—

- (a) proceedings brought by or at the instigation of a public authority; and
- (b) an appeal against the decision of a court or tribunal.

(6) Nothing in this Act creates a criminal offence.

(7) In this paragraph “person” includes a local authority.

Judicial remedies

16 (1) In relation to any act (or proposed act) of a public authority which the court finds is (or would be) unlawful, it may grant such relief or remedy, or make such order, within its powers as it considers just and appropriate.

(2) But damages may be awarded only by a court which has power to award damages, or to order the payment of compensation, in civil proceedings.

(3) No award of damages is to be made unless, taking account of all the circumstances of the case, including—

- (a) any other relief or remedy granted, or order made, in relation to the act in question (by that or any other court), and
- (b) the consequences of any decision (of that or any other court) in respect of that act, the court is satisfied that the award is necessary to afford just satisfaction to the person in whose favour it is made.

(4) In this paragraph—

“court” includes a tribunal;

“damages” means damages for an unlawful act of a public authority; and

“unlawful” means unlawful under paragraph 15.

Amendment of the Code

17 (1) The Secretary of State may by order make such amendments to the Code as the Secretary of State considers appropriate.

(2) Before making an order under sub-paragraph (1), the Secretary of State must consult—

- (a) such local authorities,
- (b) such representatives of local government, and
- (c) such other persons (if any), as the Secretary of State considers appropriate.

(3) Any orders for amendments made by the Secretary of State are subject to the procedures set out in paragraphs 17 to 19 of this Schedule.

Limits on power of Secretary of State to amend the Code

18 (1) The Secretary of State may not make provision under paragraph 16(1) unless the Secretary of State considers that the conditions in sub-paragraph (2) are satisfied in relation to that provision.

(2) Those conditions are that—

- (a) the provision does not reduce the powers or discretion of local authorities unless the Secretary of State objectively considers that the effect of the provision is proportionate to the policy objective intended to be secured by the provision;
- (b) the provision does not remove any necessary protection for local government or breach the obligations arising under the European Charter of Local Self-Government; and
- (c) an order under paragraph 16(1) may not make provision to abolish or vary any tax.

Procedure for orders under paragraph 1

19 (1) If, as a result of any consultation required by paragraph 16(2), it appears to the Secretary of State that it is appropriate to change all or any part of the Secretary of State’s proposals, the Secretary of State must undertake such further consultation with respect to the changes as the Secretary of State considers appropriate.

(2) If, after the conclusion of the consultation required by paragraph 16(2), the Secretary of State considers it appropriate to proceed with the making of an order under paragraph 16(1), the Secretary of State must lay before Parliament—

- (a) a draft of the order, and
- (b) an explanatory document explaining the proposals and giving details of—
 - (i) the Secretary of State’s reasons for considering that the conditions in paragraph 17(2) are satisfied in relation to the proposals,
 - (ii) any consultation undertaken under paragraph 16(2),
 - (iii) any representations received as a result of the consultation, and
 - (iv) any changes made as a result of those representations.

Super-affirmative resolution procedure

20 (1) A super-affirmative resolution procedure shall apply in relation to the making of an order pursuant to a draft order, as follows.

(2) The Minister must have regard to—

- (a) any representations,
- (b) any resolution of either House of Parliament, and
- (c) any recommendations of a committee of either House of Parliament charged with reporting on the draft order, made during the 60-day period with regard to the draft order.

(3) If, after the expiry of the 60-day period, the Minister wishes to make an order in the terms of the draft, he must lay before Parliament a statement—

(a) stating whether any representations were made under sub-paragraph (2)(a), and

(b) if any representations were so made, giving details of them.

(4) The Minister may, after the laying of such a statement, make an order in the terms of the draft if it is approved by a resolution of each House of Parliament.

(5) However, a committee of either House charged with reporting on the draft order may, at any time after the laying of a statement under sub-paragraph (3) and before the draft order is approved by that House under sub-paragraph (4), recommend under this subsection that no further proceedings be taken in relation to the draft order.

(6) Where a recommendation is made by a committee of either House under sub-paragraph (5) in relation to a draft order, no proceedings may be taken in relation to the draft order in that House under sub-paragraph (4) unless the recommendation is, in the same Session, rejected by resolution of that House.

(7) If, after the expiry of the 60-day period, the Minister wishes to make an order consisting of a revised version of the draft order, the Minister must lay before Parliament—

- (a) a revised draft order; and
- (b) a statement giving details of—
 - (i) any representations made under sub-paragraph (2)(a); and
 - (ii) the revisions proposed.

(8) The Minister may, after laying a revised draft order and statement under sub-paragraph (7), make an order in the terms of the revised draft if it is approved by a resolution of each House of Parliament.

(9) However, a committee of either House charged with reporting on the revised draft order may, at any time after the revised draft order is laid under sub-paragraph (7) and before it is approved by that House under sub-paragraph (8), recommend under this subsection that no further proceedings be taken in relation to the revised draft order.

(10) Where a recommendation is made by a committee of either House under sub-paragraph (9) in relation to a revised draft order, no proceedings may be taken in relation to the revised draft order in that House under sub-paragraph (8) unless the recommendation is, in the same Session, rejected by resolution of that House.

(11) For the purposes of sub-paragraphs (4) and (8) an order is made in the terms of a draft order if it contains no material changes to the provisions of the draft order.

(12) In this schedule the “60-day period” means the period of 60 days beginning with the day on which the draft order was laid before Parliament under sub-paragraph(4).

(13) In calculating any period of days for the purposes of this section, no account shall be taken of any time during which Parliament is dissolved or prorogued or during which either House is adjourned for more than four days.

21 A resolution of either House is valid for the purposes of this schedule if, and only if, the motion for the resolution—

- (a) is agreed without a division; or
- (b) is passed on a division in which the number of members who vote in favour of the motion is a number equal to or greater than two-thirds of the number of seats in the House (including vacant seats).

Interpretation of Legislation

22 (1) So far as it is possible to do so, primary legislation and subordinate legislation must be read and given effect in a way which is compatible with the Code.

(2) This paragraph—

- (a) applies to primary legislation and subordinate legislation whenever enacted;
- (b) does not affect the validity, continuing operation or enforcement of any incompatible primary legislation; and

- (c) does not affect the validity, continuing operation or enforcement of any incompatible subordinate legislation if (disregarding any possibility of revocation) primary legislation prevents removal of the incompatibility.

Declaration of Incompatibility

23 (1) Sub-paragraph (2) applies in any proceedings in which a court determines whether a provision of primary legislation is compatible with the Code.

(2) If the court is satisfied that the provision is incompatible with the Code, it may make a declaration of that incompatibility.

(3) Sub-paragraph (4) applies in any proceedings in which a court determines whether a provision of subordinate legislation, made in the exercise of a power conferred by primary legislation, is compatible with a provision of the Code.

(4) If the court is satisfied—

- (a) that the provision is incompatible with the Code, and
- (b) that (disregarding any possibility of revocation) the primary legislation concerned prevents removal of the incompatibility, it may make a declaration of that incompatibility.

(5) In this paragraph “court” means the Supreme Court; the Court of Appeal; and the High Court.

(6) A declaration under this paragraph (“a declaration of incompatibility”)—

- (a) does not affect the validity, continuing operation or enforcement of the provision in respect of which it is given; and
- (b) is not binding on the parties to the proceedings in which it is made.

Power to take remedial action

24 (1) This paragraph applies if—

- (a) a provision of legislation has been declared under paragraph 22 to be incompatible with the Code and, if an appeal lies—
 - (i) all persons who may appeal have stated in writing that they do not intend to do so;
 - (ii) the time for bringing an appeal has expired and no appeal has been brought within that time; or
 - (iii) an appeal brought within that time has been determined or abandoned; or
- (b) it appears to the Secretary of State that, having regard to any finding of his under section 5(1) of the Localism Act 2011, a provision of legislation is incompatible with the Code.

(2) If a Minister of the Crown considers that there are compelling reasons for proceeding under this section, he may by order make such amendments to the legislation as he considers necessary to remove the incompatibility.

(3) If, in the case of subordinate legislation, a Minister of the Crown considers that—

- (a) it is necessary to amend the primary legislation under which the subordinate legislation in question was made, in order to enable the incompatibility to be removed, and
- (b) there are compelling reasons for proceeding under this paragraph, he may by means of a remedial order make such amendments to the primary legislation as he considers necessary.

(4) This paragraph also applies where the provision in question is in subordinate legislation and has been quashed, or declared invalid, by reason of incompatibility with the Code and the Minister proposes to proceed under paragraph 25(b).

(5) If the legislation is an Order in Council, the power conferred by sub-paragraph (2) or (3) is exercisable by Her Majesty in Council.

Remedial Orders

25 (1) A remedial order may—

- (a) contain such incidental, supplemental, consequential or transitional provision as the person making it considers appropriate;

- (b) be made so as to have effect from a date earlier than that on which it is made;
- (c) make provision for the delegation of specific functions;
- (d) make different provision for different cases.

(2) The power conferred by sub-paragraph (1)(a) includes—

- (a) power to amend primary legislation (including primary legislation other than that which contains the incompatible provision); and
- (b) power to amend or revoke subordinate legislation (including subordinate legislation other than that which contains the incompatible provision).

(3) A remedial order may be made so as to have the same extent as the legislation which it affects.

(4) No person is to be guilty of an offence solely as a result of the retrospective effect of a remedial order.

Procedure

26 No remedial order may be made unless—

- (a) a draft of the order has been approved by a resolution of each House of Parliament made after the end of the period of 60 days beginning with the day on which the draft was laid; or
- (b) it is declared in the order that it appears to the person making it that, because of the urgency of the matter, it is necessary to make the order without a draft being so approved.

Orders laid in draft

27 (1) No draft may be laid under paragraph 25(a) unless—

- (a) the person proposing to make the order has laid before Parliament a document which contains a draft of the proposed order and the required information; and
- (b) the period of 60 days, beginning with the day on which the document required by this sub-paragraph was laid, has ended.

(2) If representations have been made during that period, the draft laid under paragraph 25(a) must be accompanied by a statement containing—

- (a) a summary of the representations; and
- (b) if, as a result of the representations, the proposed order has been changed, details of the changes.

Urgent cases

28 (1) If a remedial order (“the original order”) is made without being approved in draft, the person making it must lay it before Parliament, accompanied by the required information, after it is made.

(2) If representations have been made during the period of 60 days beginning with the day on which the original order was made, the person making it must (after the end of that period) lay before Parliament a statement containing—

- (a) a summary of the representations; and
- (b) if, as a result of the representations, he considers it appropriate to make changes to the original order, details of the changes.

(3) If sub-paragraph (2)(b) applies, the person making the statement must—

- (a) make a further remedial order replacing the original order; and
- (b) lay the replacement order before Parliament.

(4) If, at the end of the period of 120 days beginning with the day on which the original order was made, a resolution has not been passed by each House approving the original or replacement order, the order ceases to have effect (but without that affecting anything previously done under either order or the power to make a fresh remedial order).

Definitions

29 In this Schedule—

“representations” means representations about a remedial order (or proposed remedial order) made to the person making (or proposing to

make) it and includes any relevant Parliamentary report or resolution; and

“required information” means—

- (a) an explanation of the incompatibility which the order (or proposed order) seeks to remove, including particulars of the relevant declaration, finding or order; and
- (b) a statement of the reasons for proceeding under paragraph (23) and for making an order in those terms.

Calculating periods

30 In calculating any period for the purposes of this Schedule, no account is to be taken of any time during which—

- (a) Parliament is dissolved or prorogued; or
- (b) both Houses are adjourned for more than four days.

Statements of Compatibility

31 (1) A Minister of the Crown in charge of a Bill in either House of Parliament must, before Second Reading of the Bill—

- (a) make a statement to the effect that in his view the provisions of the Bill are compatible with the provisions of the Code (“a statement of compatibility”); or
- (b) make a statement to the effect that although he is unable to make a statement of compatibility the government nevertheless wishes the House to proceed with the Bill.

(2) The statement must be in writing and be published in such manner as the Minister making it considers appropriate.

Amendment to the Parliament Act 1911

32 In section 2(1) of the Parliament Act 1911 the words “or a Bill seeking to amend the Local Government Independence Code Act” shall be inserted after the words “maximum duration of Parliament beyond five years”.

Amendments to other Enactments

33 (6A) The general power of competence includes the power to raise revenue through any method including although not limited to local taxation, levies and duties.”

34 Schedule 6 of the Localism Act 2011 is repealed.

Duty to review provisions in primary and subordinate legislation

35 (1) The Secretary of State shall, within six months of the passing of this Act, make provision by Order to provide for the review of all provisions in pre-commencement primary and subordinate legislation to assess their compatibility with the provisions of the Code.

(2) The order must include—

- (a) provision requiring the review of the compatibility of pre-commencement legislation to be completed within a five year period, commencing with the date of passing of this Act;
- (b) provision for incompatible pre-commencement legislation to cease to have effect no later than the end of a seven year period, commencing with the date of passing of this Act.

(3) The provision that may be made by virtue of subsection (2)(a) includes provision requiring the person to consider whether the objectives which it was the purpose of the legislation to achieve remain appropriate and, if so, whether they could be achieved in another way.

36 (1) In this schedule, “pre-commencement legislation” means a provision that—

- (a) is contained in any other Act passed no later than the end of the Session in which this Act is passed, or
- (b) is contained in an instrument made under any other Act and comes into force before the commencement of section 1 of this Act.

(2) Subordinate legislation under paragraph (35)1 may make transitional, consequential, incidental or supplementary provision or savings in connection with such provision.’

This new Schedule provides details relating to implementation of the new Clause on the Local Government Independence Code.

Mr Reed: I understand that it is appropriate briefly to mention the issue of Sunday trading when talking about this group. Last month, the Prime Minister declared at the Dispatch Box:

“we will be putting”—

it—

“in front of the House, in the Cities and Local Government Devolution Bill”—[*Official Report*, 21 October 2015; Vol. 600, c. 947.]

That was despite the fact that in April he wrote that he had no plans to change the Sunday trading laws and that

“the current system provides a reasonable balance.”

That measure is not before us today; the Government clearly could not get the support that they need. Could we could hear from the Minister whether the Government are now ruling it out in this Bill entirely?

The Temporary Chair: I suggest to the hon. Gentleman that the provision is not there and that we cannot debate what is not before the Committee.

Mr Reed: Absolutely, Mrs Main, although the Minister was courteous enough to respond to a point on this issue earlier in the debate and it would be helpful to know that the Government are not proposing to bring it back on Report next week.

New clause 24 stands in my name and those of my hon. Friends. Devolution without fiscal powers is not ambitious enough. As Labour said on day one of this Committee, allowing councils greater fiscal powers would allow them to build greater stability into the system. The Government should commit to providing devolved regions with the resources they need, so that they are not being set up to fail. The Bill cannot just be a means of devolving the blame for cuts made in No. 11 Downing Street; devolution is a much bigger agenda for that, and we have heard support for that view from Members in all parts of the House during this afternoon’s debate and during the passage of this Bill. There are problems with the funding of regional economic growth: local enterprise partnerships can be inefficient; and local areas need long-term commitment and resources from the Government. Regional development agencies, which LEPs replaced, were able to make single three-year funding agreements.

James Wharton: I am responsible for LEPs, and I recognise that there are some great LEPs and others that can be improved. The hon. Gentleman says that they can be inefficient, but will he say which ones he is talking about, because I will then have a look?

Mr Reed: I am not going to name individual LEPs at this stage in the debate. If the Minister talks to LEPs, he will find that they agree with my view. I used to sit on the board of a LEP until three years ago. They have access to much smaller budgets than RDAs could have and to far too many small funding pots. The model is too fragmented and too short term. I suggest that he speaks to some of the LEPs if he does not think that there is room for improvement along those lines, because I think he will hear from them what he has been hearing from me this afternoon. What the LEPs are looking for and what they need is longer-term horizons if they are to act more strategically. The Government need to

understand the need for more local decision making and fewer centrally imposed constraints, and making these changes to LEPs would be a step forward in allowing that to happen.

England's local government finance settlement is one of the most centralised anywhere in the world. Councils lack the freedom they need to innovate to the maximum and to spend as much as they would like on local priorities. Even London, which is currently more devolved than anywhere else in the country, is reliant on central Government for three quarters of its funding. That compares with figures of just 30% in New York and 25% in Berlin. London is a world city and it is competing with other world cities that have much more control over their own destinies. London does not need to be kept on such a tight leash, and nor do the other cities and regions across the United Kingdom that also hope to grow their roles in the future.

The Communities and Local Government Committee concluded that local authorities in England have limited control over local taxation and, as a consequence, rely by comparison disproportionately on central Government funding. New clause 24 does not prescribe a particular settlement, but calls on the Secretary of State to publish a framework for further devolution of fiscal powers that is in keeping with the approach that the Government have taken throughout this Bill including, but not limited to, setting and re-evaluating local tax rates banding and discounts. We would like the Government at least to consider allowing councils to add additional council tax bands at the top and the bottom of the scale. That would allow for very large properties to be charged more and for smaller properties to be charged less, which is a move towards a more progressive model of taxation.

I have some experience in this area. Before I came to this House, I was leader of Lambeth council. We froze council tax for six years after taking over from a Tory-Liberal Democrat administration that had pushed up council tax by 24% in a single year. The Government need not worry about profligate Tory or Lib Dem councils behaving in that way, because they are accountable to their local electorate. However, that should not be used as an excuse to prevent more localisation together with a fair equalisation mechanism operating across the country. I hope that we will hear more about that during the autumn statement in just a few weeks' time. The Bill strikes me as another appropriate place to be putting in some of those measures to drive forward the devolution agenda and the ability of local councils to ensure that they have the resources that they need to exercise fully the powers that they will increasingly be acquiring.

The Government can and should go further. They are devolving some of the powers, but little of the money. Devolution without the resources to make it work is not ambitious devolution; it is devolution where the Secretary of State remains the puppet master pulling all the strings, too often afraid to let go.

On new clause 34, we welcome the fact that new sub-national transport bodies must consult adjoining authorities before making a proposal. On transport, the Government have recognised that the devolution of powers to combined authorities concerns neighbouring authorities that are not part of those combined authorities, but are affected by their decisions. I am thinking about

areas such as Plymouth in relation to Cornwall, Chesterfield in relation to Sheffield, and Warrington in relation to Greater Manchester. This is an important principle, but it extends to other areas beyond transport.

Decisions made over health, for example, could have an impact on neighbouring populations. I am thinking about proposals for hospital closures, new hospitals, and reconfiguration of regional or strategic health services. Decisions over Sunday trading could also have an effect should those plans go ahead—of course I hope that they will not.

New clause 36 would ensure that regard is given to neighbouring authorities affected by devolution deals. It would be on the same principle as the Government's new clause 34, so I cannot imagine what objection the Government might have to it. If we want to build support for devolution and not to fuel resentment, this clause needs to be included, and we intend to test the will of the Committee on it by pressing it to a vote.

Finally, let me turn to new clause 39 on environmental considerations. This new clause places a duty on the Secretary of State to set out guidance on how co-operation between combined authorities can be strengthened to mitigate environmental problems and develop green infrastructure. The Royal Society for the Protection of Birds has carried out an assessment of the current devolution proposals and found that there is an appetite among local councils for greater co-operation on environmental priorities.

The duty to co-operate is not currently strong enough, and local planning can fail to take into consideration the ability of the community to build a positive vision for the local environment. Such changes would strengthen and improve this Bill. I am interested to hear the Government's position on them when the Minister has an opportunity to respond.

Robert Neill (Bromley and Chislehurst) (Con): I commend the hon. Member for Croydon North (Mr Reed) on the sentiments of his speech, if not entirely on the detail, because many of us have some sympathy for the need for further fiscal devolution and will be interested to see what form that can eventually take. With no disrespect to those broader issues, I shall refer to new clause 38, which stands in my name and those of my hon. Friend the Member for Ruislip, Northwood and Pinner (Mr Hurd) and the hon. Member for Brentford and Isleworth (Ruth Cadbury) and which relates specifically to enabling devolution to joint committees in London. That might sound technical, but it is actually important. I stress that new clause 38 is signed by the three of us on a cross-party basis. In fact, it is supported by the all-party parliamentary group for London, by London Councils on a cross-party basis and by the Mayor of London. So this is a London ask to the Government.

New clause 38 essentially relates to the fact that, as certainly I and a number of right hon. and hon. Members on both sides of the House said on Second Reading, it is sometimes thought that devolution in London is a job done. Well, it is not; more remains to be done on devolution in London. The Government recognise that fact—potential means of devolution to the Mayor and to London boroughs have already been discussed—but the purpose of new clause 38 is to probe the Government's thinking a little, and I shall be interested to hear the Minister's response on precisely what legislative framework

[Robert Neill]

is required to achieve devolution to the Mayor and to London boroughs, either for all of London in some cases or specifically, as would be allowed under these proposals, to parts of London.

We have been talking about the various devolution deals. I was delighted to hear two of them announced today. Of course, they are important and they rightly vary from place to place. Well, the same applies to London. By its very nature and size, London is infinitely bigger than any other city and any other potential devolution deal. For that reason and because of its nature and complexity—although with the directly elected Mayor and the Greater London Authority, it was the first to have a form of devolution of the kind that the Government envisage, which we welcome being rolled out elsewhere—it has different governance arrangements. In particular, we must recognise the role of the 32 London boroughs—far more than in any other proposed combined mayoral authority—as well as that of the London Assembly.

John Howell (Henley) (Con): My hon. Friend is talking specifically about London, but as the devolution deal goes through, will it not also need to be reflected in the broader picture—for example, if there were a mayor for Oxfordshire and a number of combined authorities?

Robert Neill: My hon. Friend makes an entirely fair point, and I recognise his long experience in local government and his interest in the matter throughout his time in the House. It is perfectly true that we must look at the situation in the shire counties, particularly where two-tier arrangements apply. I very much hope that we will see county devolution deals as well, because the strategic counties of England are potentially just as much economic drivers as our great cities, but we will need tailored governance arrangements to recognise the two-tier nature, which differs in its competence from that within the London boroughs or the metropolitan authorities.

Mr Steve Reed: May I associate myself with the very welcome proposals being made by my fellow co-chair of the all-party parliamentary group for London? Given the complexity of London's governance, it will be difficult for further devolution to happen if such proposals are not accepted by the Government. I endorse the view that is being expressed, and I hope that the Government will listen to it as means to promote further sensible devolution in London.

Robert Neill: I am grateful to the hon. Gentleman for his support for the new clause. It is not intended to be the definitive text, but I hope the Minister will take heart from the fact that any text brought forward by the Government is likely to enjoy cross-party support and is unlikely to impede the progress of the Bill, but will enhance the opportunity for devolution deals within London as a whole.

On the specific issues with which the new clause seeks to deal, subsection (1) provides the ability for a joint committee of London councils or of London councils and the Mayor to request in writing to the Secretary of State that arrangements be made for the delegation of a function that is currently carried out by a Minister or

a Government Department to that committee. That illustrates that it is a voluntary ask; it is bottom-up devolution, where London government has achieved consensus in a particular area and makes a request to central Government for power to be handed down. That might include specific arrangements entered into for the discharge of particular functions, or perhaps for a particular geography.

It is worth bearing in mind that, as the Minister knows, because of its size and complexity, London has different economies in different areas and distinct sets of identities. In south-east London, where there are four London boroughs which were once part of Kent, we face different issues in relation to our labour markets, our transport infrastructure or our housing markets from those in central London, those in east London, which are dominated by the development potential of the Thames gateway, or those in west London, where there is the old Middlesex railway, the industrial complex and now Heathrow and the impact of silicon valley outside the London boundary. There will be potentially different asks from different arrangements within London, and because of the division of power between the London boroughs and the Mayor, in most cases but not necessarily all, the two tiers are likely to be involved. Subsection (1) would make arrangements for that. We think that that provides sufficient scope for such matters to be agreed.

Subsection (2) provides that that voluntary joint committee can make its own provisions, as necessary, in relation to voting powers, its executive arrangements and so on. The voting powers include the protection of minority interests among the constituent parties. We considered whether that would be adequately determined by existing provisions under the Local Government Act 1972, which I am sure everyone in the Chamber is familiar with and reads on a daily basis. Case law suggests that the courts have indicated that the 1972 Act provisions have to be construed in such a way as to provide for binding decisions to be taken on the basis of a simple majority. If that is so, we need a legislative position to entrench the position of a qualified majority to give protection to minority interests within the broader devolution arrangements.

The clause also makes arrangements for the transfer of property—for example, there may be operational assets of the function that are to be transferred and that would more sensibly be held by the joint committee than by the constituent authorities.

Subsection (3), consistent with the philosophy of a bottom-up and voluntarist approach, requires that the request under subsection (1) has the agreement of all the members of the joint committee. If there is a unanimous ask, that is one of the key things about which we must approach the Government. Subsection (4) consists of definitions. Subsection (5) imposes the usual limitations so that the clause deals with operational matters, but not the ability to impose charges or the quasi-legal powers that local authorities have in certain respects. Subsection (6) deals with potential variations, ensuring that they are made by unanimity and triggered by members of the joint committee.

Those parts of the new clause provide a triple lock on the provisions of the Bill. The request must be made on a voluntary basis, entering into the agreement must be accepted on a voluntary basis, and any variation must

be on a voluntary basis or by unanimity. I hope that that is a sensible and practical means of taking a devolution ask forward.

Subsection (7) would require the Secretary of State, when he or she has received such a request, to consult London government and the Mayor. That is the right thing to do in terms of transparency and consensus. It also deals with an issue alluded to in some of the other amendments and new clauses—that we should consider the knock-on effects on surrounding authorities, such that if, say, four or five London boroughs wish, with the Mayor, to have a devolution ask, there should be an obligation to consult on any potential adverse impacts on their neighbours.

Subsection (8) relates to the transfer of property rights or liabilities as appropriate. The ask can include such a transfer, and then operational assets and other things can be handed over.

Subsection (9) is intended to deal with the technical legal aspect of any risk of potential hybridity in the arrangements. It has been drawn up in careful consultation with lawyers, but we are very open to discussion with the Minister and his departmental officials about exactly the best means of achieving these objectives.

When the Minister responds, I hope favourably, to the enabling of a Greater London devolution ask, will he confirm the position on the case law, which appears to make it inappropriate to use the existing 1972 Act provisions? In particular, those provisions would not be sufficient to enable a ministerial delegation to joint committees formed under section 101(5) of the Act. Moreover, London boroughs do not appear to be permitted authorities for the purposes of delegation under section 16(1) of the Localism Act 2011, and they cannot take on the functions of other public bodies. I can only blame the then Minister for having missed this very important point, but we all sometimes learn from the experience of legislation in practice. The new clause seeks to rectify these lacunae, and I hope that its objective is shared across the Committee.

Mr Graham Allen: I want to talk about the very broad amendments that I have tabled. New clause 29 and new schedule 2 get to the heart of the debate—that is, we can have all the powers you like, but if we do not have the financial capability to use them effectively, they are an empty charade. We are accompanied in this Chamber by people of great expertise, with at least three former leaders of councils and other colleagues who have great experience on local authorities. The hon. Member for Bromley and Chislehurst (Robert Neill)—my hon. Friend, if I may call him that—has great experience that he put to the service of the Political and Constitutional Reform Committee in the previous Parliament. He enhanced our reports particularly where they touched on local government. There is great expertise in the Chamber, and I defy anyone to counter the truism that without finance powers are useless.

That is why I return again to the question of what happens next on devolution. This Bill is absolutely essential. The Minister has heard me say on many occasions that it is a good Bill that makes good progress, but he has also heard me ask on many occasions, “What comes next? Once the foundations are in, what do we do to build a more secure construction on them?”

If the Minister does not intend to accept my new clauses, I ask him to look to the future and to consider how we can expand the financial capability of local government. We can do that in a number of areas. Indeed, my Select Committee in the last Parliament inspired me to draft the Local Government (Independence) Bill, which is available from all good Vote Offices or even from me, should anyone who is viewing the debate care to read it. It laid out a number of areas where we could use existing precedent to free local government in England and enable proper devolution.

One of the key precedents was and is Scotland. The efforts of Donald Dewar, the Scottish citizens convention, the coalition’s Scotland Act 2012 and the cross-party consensus among those of us who do not wish to split up the Union and who support the current Scotland Bill, which delivers on the promise that was made before the Scottish referendum, have all contributed to enhancing the capability of the Scottish Parliament to raise and retain its own income.

What is good enough for Scotland is good enough for England. England would need a different mechanism to deliver the heart of the deal, which is income tax assignment, but it is not beyond the wit of mankind to create that capability. Drawing on the lessons of the Scottish experience, we could soon get to a position where income tax assignment, channelled through the Department for Communities and Local Government, filtered down into a clear, honest and accountable amount of income tax without having to make any changes to the rates, the method of collection or equalisation. That would provide local people with transparency and clarity with regard to where and when their income tax is spent, via central Government, by local councils and local authorities. That would be a significant step forward, just as the Scotland Act 2012 was for the Scottish people.

On equalisation, many people get anxious about income tax assignment and say, “That means you’re retaining the income tax raised in your locality,” but that is not what it means. As happens now, income tax would go to the centre and it would be reallocated through the existing formula or a slightly changed formula, depending on the consensus at the time. Equalisation would stay exactly the same as it is now, unless all players—including, above all, local government, perhaps represented by the Local Government Association—consented to any change.

The Local Government (Independence) Bill was the product of a lot of thinking involving academics, Queen’s counsel, the Public Bill Office and this House, to try to make sure that everything was defined as accurately as possible so that it could be legislated on. It outlines ways in which local government could raise additional income, but with the very strong caveat that it could not use any additional sources of income unless it involved local people in the decision and they agreed to them. The issue has been discussed before on the Floor of the House, and we raised the obvious example of charging a hotel tax—or bed tax, as it is sometimes called—if local people consent to it. The heart of devolution is represented not by the Government saying, “Everybody should do this”, but by the freedom of local areas to try, if they wish, to get the consent of people in their locality.

Members have touched repeatedly on the idea that that approach will be so much stronger if it is done voluntarily. Rather than looking for ways to get out of a

[Mr Graham Allen]

straitjacket, people will be seeking means to join the club of local authorities that can raise money in particular ways. They would learn from each other, from the experience of colleagues down the road or from further afield and perhaps, as I have suggested in new clauses, from a best practice centre of some description—owned by local authorities, contributed to by central Government—to take devolution to the next step. Let us look at some of the good things that have happened, although not everywhere, and offer them to other authorities so that they can, if they wish, move forward.

5.15 pm

I will not repeat the arguments, but I want briefly to raise another matter. The Local Government (Independence) Bill proposed that local government's ability to raise bonds or loans should be much clearer to ordinary people. We heard earlier about transport issues. If someone wished to raise a bond on the local government bond market, which is a multi-trillion dollar market in America, they could use their credit rating—people are more likely to be willing to take a risk on local government than on central Government—to raise bonds or loans. I argue very strongly that should happen once there has been a debate with local people, not because someone in a closed finance committee or the mayor and his or her deputy made a decision in a smoke-filled room. People should be involved so that we can ensure they have signed up to raising bonds to create a dozen children's centres, an early intervention programme or whatever it may be, and so that they will watch such a project and take pride in its success, as people who do in so many civic arenas. The people in Nottingham are very proud of their tram system and their workplace parking levy that raises money for all sorts of transport projects in our city. Every Member of the House could reel off examples of their own.

That is at the heart of the new clauses I have tabled, but there is one last and very significant bottom line. We have so often seen central Government offer local government baubles or a few extra crumbs on this, that or the other, but when it suits central Government—of all parties—they take back what they had recently given away. If devolution is to mean anything, it has to be sustainable. It cannot be that if a Secretary of State does not like something an authority is doing—for example, re-establishing grammar schools—they can say, “I don't like that. I'm going to take back that power.” No, the Secretary of State must win the argument about schooling. The same would apply if a local authority had ownership of the Work programme and everything to do with tackling employment, but the Secretary of State said, “No, I don't think they're doing it right; I wouldn't do it like that” and sought to take back such powers.

If devolution is to mean anything, it must be permanent and entrenched. If it is entrenched, people can get on with it, build and have some certainty. At our disposal, we have number of weapons to entrench a proper settlement for English devolution. We can give local government independence and then protect that behind the Parliament Act 1911 so that any attempt to veto or to suck back powers can be refused by the second Chamber, or perhaps the device of a super-majority—it defends our right always to have a fixed-term Parliament

of five years—could be used to defend the rights of local government. Without that protection, such powers are favours, not rights.

Finally, I want to touch on a minor but important issue—tabled as my new clause 33—that has been raised with me by the National Association of Local Councils, who represent town and parish councils. I hope that the Minister will reassure me on this point, which relates to local energy production. In Germany, local energy that comes from renewable sources accounts for 46% of all renewable energy. In the UK, it accounts for less than 1%—0.3% is produced by our localities. That is an appalling record in anybody's book. I hope that we can liberate our parish and town councils and those who currently cannot sell their electricity that is made by renewables. That would do everybody a favour. Currently, Cambourne parish council is inhibited in doing what it would like to do.

This relatively minor change could see the development of cost-effective solar panelling on school and community centre roofs. I will not press new clause 33 to a vote and if the Minister is not prepared to respond to it today, I would be most grateful if he wrote to me. It was put to me in a spirit of consensus by the National Association of Local Councils.

I will finish with one small example of how energy impinges on what we are talking about today. I have talked of boasting about civic pride, and it is a matter of pride that Nottingham City Council has launched Robin Hood Energy. Every domestic consumer can apply to that not-for-profit organisation and get the best tariff from all the existing suppliers. That has been done in an era of massive constraint on local government. Just imagine what local government could do if it was free to be sensitive to what the delivery of local energy could mean both at the district and county level and, as under new clause 33, at the parish and town council level.

I will not ask the Committee to vote on the new clauses I have tabled. I have put them down as a marker. If the Minister wants to take forward the debate about what will come next in the English devolution arena, I will send him my personal copy of the Local Government (Independence) Bill—signed or unsigned, whatever he prefers—to give him ideas that might find the light of day the next time we legislate on devolution.

John Stevenson: I will say a few words about new clause 30. The Bill includes plenty of references to elected mayors and their powers. Indeed, much of our debate has centred on elected mayors. I have long supported the idea of elected mayors and very much welcome their introduction into legislation. However, the Bill deals with larger areas such as combined authorities, large cities and the larger counties. It does not address the possibility of elected mayors in smaller councils and communities.

I acknowledge that the Government want this change to come from the bottom up, with local authorities coming together to put forward ideas and proposals, hence all the deals that we have heard about up and down the country in recent days—I am sure that there are many more to come. I understand that process, although I do not wholly agree with it at all times. I sometimes think that there needs to be greater direction from the centre. Nevertheless, the Government are moving in the right direction.

New clause 30, which my hon. Friend the Member for Cleethorpes (Martin Vickers) and I tabled, is a small change that would allow smaller council areas and communities, which are unaffected by this legislation in many respects, to consider having an elected mayor in a simpler way and give their populaces the opportunity to vote on the prospect of an elected mayor. For example, there is an elected Mayor of London, but of the 32 boroughs underneath that, only about two have elected mayors.

I would like other boroughs to have an easier opportunity at least to consider the prospect of an elected mayor, and to extend that provision to other parts of the country. It is my view, and that of my hon. Friend the Member for Cleethorpes (Martin Vickers), that the hurdles that prevent such an opportunity from being made as easy as possible for local communities are currently too high. Requiring 5% of the local electorate to sign a petition to bring about a referendum is a high figure. One or two places up and down the country have achieved 5%—indeed, Copeland District Council in Cumbria managed to achieve that figure, and people subsequently voted in a referendum for an elected mayor.

New clause 30 is a small change that would enable local people—with the support of a reasonable but realistic number of members of the public—to bring about a referendum, and I suggest that the Government change the requirement in the Bill to 1%. That does not necessarily mean that there will be an elected mayor; it means that that community will get the opportunity to vote in a referendum on whether they would like one. I accept that some places will reject that opportunity, but if more such opportunities exist we will start to see more elected mayors in different parts of the country and it will become an established form of local government. I firmly believe that that is far more transparent and accountable, and it will provide real leadership in different parts of the country.

I look forward to the Minister's response, and would be delighted if he accepts the new clause so that it can be incorporated into the Bill and mean that referendums can be held across the country over the next few years on a regular basis. I appreciate that he will probably want to consider the matter, and I will not be pressing the new clause to a vote. I ask him to consider the issue seriously, however, and to see whether he can reduce the 5% to a percentage that is more realistic and will enable local communities across the country to petition for a referendum and decide whether they wish to have an elected mayor.

Mr Betts: I wish to raise two issues that the Government and the Committee will have to deal with at some point. When I spoke on Second Reading, I indicated that I was generally supportive of the Bill. I have reservations about some aspects and details of it, but the direction of travel is essentially right, as is the idea that devolution will happen and is on the agenda, and there is a good deal of cross-party support for it. That is an important step change from how things were when I first came to the House in 1992, or in many subsequent years. We are seeing progress. Members of the House are standing up and talking positively about devolution, and no one is saying "Local councils can't do that—they can't be trusted", which was very much the attitude a few years ago.

I am comfortable and supportive of that idea, but we need a dialogue and debate about two important issues. The first has been raised continually by my hon. Friend the Member for Nottingham North (Mr Allen), who chaired the Political and Constitutional Reform Committee in the previous Parliament. He was a strong advocate for trying to codify or set in a more formal arrangement the powers of local government and its relationship with the centre. That is important because there is a danger that some powers and aspects of policy will be devolved to local councils, but that other powers—without talking about centralisation or taking anything back to the centre—will be removed from local councils, and more controls introduced in their place.

There are currently two Bills before the House, and I expect the Minister is considering them both fairly widely. The Cities and Local Government Devolution Bill is about devolution. That is welcome, and we can discuss how devolution should take place. We also have the Housing and Planning Bill, and the Royal Town Planning Institute said that it was astonished at the amount of planning centralisation in that Bill. With starter homes, measures in the Bill are attempting to decide on the nature of section 106 agreements, which are essentially agreements about a particular site between a local authority and a developer. That is a particularly wide issue.

5.30 pm

In the last Parliament, the Government portrayed the stand-alone housing revenue accounts as a major mechanism of decentralisation—a means of devolving power to local councils—but look at the changes that are now going through. My concern is that measures before Parliament at the same time as this Bill will take control over rents from so-called high earners and, through rules on inflation increases, over the total rent charged. Those changes will row back on the policy in the last Parliament of giving local authorities powers over their housing revenue accounts on a stand-alone basis. What was given in the last Parliament will be taken back without recognising that it will reverse devolution and move back to a centrist approach.

Mr Steve Reed: As I understand it, the Local Government Association estimates that the Housing and Planning Bill includes some 30 new centralising measures. Given that that Bill is being sponsored by the same Secretary of State as the devolution Bill, does that not cast doubt on his commitment to devolution?

The Temporary Chairman (Mrs Anne Main): Order. I think the hon. Gentleman was trying to make a fair point about devolution and taking back powers, but the shadow Minister is straying down a path that will not be fruitful.

Mr Betts: I will try to get back on to the straight and narrow, Mrs Main.

My point is that we need a time of reflection, with a discussion between Government, local government and this House about the framework for the constitutional relationships between the centre and local authorities of whatever kind, including combined authorities, so that we can look at the balance of powers and perhaps put down some markers or mechanisms for ensuring that

[*Mr Betts*]

the devolution we all support today is not taken back tomorrow. We need something of that kind. A constitutional convention has been mentioned—the Government may not like those words, but we need some mechanism to enable that to happen.

My second point is about fiscal devolution. My hon. Friend the Member for Croydon North (Mr Reed) quoted the report from the Select Committee in the last Parliament, and the hon. Member for Carlisle (John Stevenson) was a member of the Committee. We produced the report on an all-party basis. We followed the London Finance Commission, which was promoted by the Mayor of London and supported by the London boroughs. By and large, we agreed the report, albeit with some embellishments, with the London Finance Commission, and we had support from the core cities, but it was almost dismissed by the Government as an irrelevancy—something that they did not want to pursue.

I am pleased that the Government are looking at the total localisation of business rates. How they do that will be critical, including dealing with the issue of rewarding councils that get more development in their areas and at the same time protecting those areas where development is not as easy to achieve. Achieving some element of redistribution in the mechanism will be key. Nevertheless, the Government have accepted the need for some more fiscal devolution in principle. They now need to consider how it can be right that any increase in the one tax over which local government has total control—the council tax—is restricted by the need for a referendum. No other tax raised by central Government requires a referendum on any increase. I did not agree with the previous Government's policy on council tax capping—I refused to vote for that on several occasions, as it is a very centralist policy.

The tax also has not been revalued for 25 years. That is nonsense. The council tax is the one tax over which local government has some degree of control, but it does not control the bands. There must be some flexibility there to recognise the extraordinary difference between amount of tax paid and the value of houses in the top and bottom bands. The difference in the values of the houses is much wider than the amount of council tax paid. Local councils need more flexibility and the ability to control that. As the London Finance Commission said, and the Select Committee agreed, let us also look at stamp duty and other property taxes. Let us consider giving local councils freedom to set business rates. I know that the Government want to bring in some freedoms, but they could go wider. Could local government have a right to be allocated a certain percentage of income tax?

Those are all ideas. All I am saying to the Government is that once this wave of devolution is going through, with cross-party support and local councils entering into it and putting in bids, can we at least have some indication that they will step back at some point and have a serious look at wider fiscal devolution? Ultimately, simply giving to local councils the power to spend money that has been handed out from the centre is not real devolution at all. It is power to spend the money the Chancellor gives out. What councils need for real devolution is the greater power to raise that money in the first place.

Mr David Burrowes (Enfield, Southgate) (Con): New clause 31 stands in my name and that of my hon. Friend the Member for Totnes (Dr Wollaston). It concerns the Government's intent to devolve more powers to local representatives, but proposes pushing the boat out a little further into terrain that, nationally, we have been a little bit tentative about. Devolved powers are allowed to make a decision on Sunday trading. Whether local areas should be able to decide on Sunday trading, and other such issues, is a debate for another day—or, hopefully, not at all.

New clause 31 concerns the minimum unit pricing of alcohol. At one point, the Government and the Prime Minister took the view that the case had been made back in 2008 by the Department of Health. Such pricing would assist directly in tackling health harms relating to the excessive use of alcohol. At that time, the Government were consulting not on whether, but how much. However, the ups and downs of coalition government and other concerns, not least from those on the Government Benches, led to the measure not seeing the light of day. This is an excellent opportunity to bring it back to the light. We can allow local authorities to have the power to set a minimum unit price for alcohol sold within their areas.

As has been said, local authorities already have some degree of power to set a price under the licensing regime. I understand that in Newcastle two bars have become the first in the United Kingdom to be licensed to sell alcohol at a minimum price in excess of £1 a unit. I am not sure how popular those bars will be, not least because I am now publicising them, but that is part of the licensing regime in Newcastle. The bars have been licensed subject to a condition that alcohol is sold at set prices that equate to a minimum price of £1.25 per unit of alcohol—nearly three times the 45p per unit price that was subject to the Government consultation.

My understanding is that that price was agreed to keep the street as the city's premier street. This initiative by the city council, with the full co-operation of the applicants, is designed to maintain the quality of the city centre, control crime and disorder, and improve health. It seeks to end the availability of irresponsibly priced alcohol by controlling multi-buy promotions that lead to irresponsible drinking. That is the approach being followed, in a somewhat limited way, by Newcastle. I understand that Ipswich also had a licensing and prices regime to tackle the impact of excessive alcohol, in particular in relation to super-strength ciders and lagers.

The Bill seeks to reduce the bureaucracy that gets in the way of empowering local areas to do what should be reasonable: to help to have a significant impact on the health harms affecting their local area.

Kevin Foster (Torbay) (Con): I am interested to hear my hon. Friend's speech. One of the main problems in my constituency is people preloading with alcohol: buying from a supermarket, drinking it at home and then going out for an evening. He talks about premium prices applying to bars. How would his suggestion work if I could drive literally just a couple of miles down the road to a supermarket, buy my alcohol, come back and drink it at home?

Mr Burrowes: My hon. Friend makes a good point, and I hope he will support me in calling on the Government to set a national minimum unit price to avoid that precise problem.

The argument has been made, in respect of Sunday trading and other issues, that if we let local areas decide, we might get a domino effect, but I would welcome it if areas without minimum unit pricing, for example, quickly realised that they needed to deal with the problem. These sorts of powers inevitably have a domino effect. It must be the intent of devolution to spread these powers around. The Government say they are keen to devolve such powers in a wide variety of areas. Given that there is real evidence—much more evidence, frankly, than on Sunday trading—of health benefits from minimum unit pricing, why not give local areas the power to decide for themselves?

Kevin Foster: Might not one slight problem be the potential incentive to do it the other way around, meaning that the one place without a minimum alcohol price ends up with lots of supermarkets looking to locate within it?

Mr Burrowes: My hon. Friend makes a good point, but the sad reality is that in all our communities we have an increasing problem with excessive alcohol consumption, and it is affecting all our local accident and emergency departments and health services. Evidence shows that minimum unit pricing tackles the problem drinkers on our streets who do not travel far to areas with cheaper alcohol. It has a particular impact on problem drinkers. It is not the only way of dealing with excessive alcohol drinking, but it is a particularly good one.

My proposal would tackle the problem of bureaucracy and red tape facing local areas going through the licensing regime and applying for permission from the Secretary of State to set a minimum alcohol price. This is unnecessary and unwelcome. The Government have said they want to remove red tape and regulation. Why not do so when it comes to setting minimum unit prices? I might be pre-empting the Minister, but he might say, “Sorry, we can’t do this because it’s not lawful. Scotland, which has devolved responsibility in this area, has tried minimum pricing, and it is being challenged in the courts.” I can assure him, however, that we need not worry about the legal issues in Scotland, because, as Aidan Robertson, a leading Queen’s counsel, said in response to the legal challenge, there

“are no valid grounds in EU law for resisting Minimum Unit Pricing”.

He continued:

“It is a matter of considerable regret”—

I agree—

“that implementation of the Scottish legislation has been held up by legal challenges from the drinks industry... The questions referred to the Court of Justice European Union do not... disclose any ground under EU law on which the validity of the legislation may be impugned. Minimum unit pricing for alcohol ought to be permitted as an innovative attempt to tackle a serious health and social problem facing Scotland.”

Scotland should not be alone in benefiting from this; minimum unit pricing is something for England, Wales and other devolved areas. Areas with elected Mayors should also have the power to introduce minimum unit pricing. I would be interested to hear

whether the Opposition support the new clause, given that, as I understand it, minimum unit pricing was in their manifesto.

There is evidence, not least from Sheffield University, that setting the minimum price at 50p per unit could save up to 50,000 people from illness in a decade. We cannot ignore the evidence: we are all aware from our constituencies of the impact on individuals of excessive alcohol consumption. This issue is not going away. I implore the Government to seize this matter, to reconsider a national minimum unit price and to reactivate the consultation, which has been kicked into the long grass. In the meantime, perhaps they can look at what happens in local areas and establish a testing ground in areas under the governance of elected Mayors, instead of just relying on Scotland. That makes sense and the time has come. If the Government cannot see that the time has come, let local authorities be set free to get on with it.

5.45 pm

On a similar theme, new clause 32 recognises that devolving powers is often a good thing. It is not just about the fiscal and economic benefits, because when deals are struck with various authorities, there is a social deal as well as an economic one. That social deal is picked up by new clause 32, which is designed to put a family test on local authorities. It does so to help authorities deal with a situation that we are all too aware of: the cost of family breakdown. The Relationships Alliance has costed that at about £47 billion. We must find ways to tackle the problem, and one way is to test the powers that are devolved through to the mayoral or combined authorities.

Such a family test is referred to in new clause 32, and it lists similar headings that the Government have highlighted as important across all policy areas. No doubt the Ministers on the Treasury Bench have looked carefully at everything in the Bill to see how the family test is applied. The family test headings are listed, and the first is “family formation”, in which I have no doubt that the hon. Member for Nottingham North (Mr Allen) would be interested. The other headings are

“families going through key transitions...all family members’ ability to play a full role in family life...with respect to parenting and other caring responsibilities...families before, during and after couple separation; and...those families most at risk of deterioration of relationship quality and breakdown.”

No doubt local areas could take those headings for the family test a stage further. It is important to do so.

I look forward to hearing the Minister’s response. He will know that the Prime Minister said in August 2014, when introducing the family test, that he wanted every Government Department to be held to account for the impact of its policies on the family, ensuring that every single domestic policy that the Government come up with will be examined for its impact on the family. That is important for national Governments, but given that local areas are that much closer to families and the impact of their own policies on families, it is surely logical to continue the process into local areas and local governance.

That is why new clause 32 is designed to introduce a family test to put into practice what the national Government say they are doing. I understand that it takes time for the national Government to found a family test “with teeth”, to use the words of the Secretary

of State for Work and Pensions on 22 June. We look forward to further publication of the family test to show the teeth. Let us make the teeth apply equally, though, to the family test in local areas.

I would like to encourage a positive response to new clause 32. Next month, my hon. Friend the Member for Eastbourne (Caroline Ansell) is introducing a private Member's Bill on the very issue of the family test—the Assessment of Government Policies (Impact on Families) Bill, which will seek to put the family test into statutory form and ensure that local government has a reporting mechanism. If my new clause does not go through today—I am probably not going to press the matter, but look forward to a positive response from the Minister—there may be further opportunity through my hon. Friend's private Member's Bill.

New clause 37 takes us into a whole different area of governance, as it deals with disqualification for election and holding office as a member of a local authority. The present situation goes back all the way to subsection 1(d) of section 80 of the Local Government Act 1933, which provides that a person shall be disqualified from being elected or remaining a member of a local authority if during the preceding five years he has been convicted and sentenced to at least three months' imprisonment, whether or not suspended.

I am grateful to Councillor Terry Neville, the Conservative group leader of Enfield council, for bringing this issue to my attention. He is a magistrate, so will know of the change in sentencing practice. He has not been a magistrate since 1933, but from his recent years of experience, he will know that it takes a lot for someone to be sentenced to over three months' imprisonment. He brought to my attention—I was not aware of it previously—that an individual who has been convicted of such a serious offence that they have been imprisoned for more than three months can still remain a councillor.

This issue has particular relevance in Enfield. In my constituency, Councillor Nesimi Erbil was convicted of two offences of fraud under the Fraud Act 2006. On 28 August 2014, he used a fake taxi badge, claiming that it applied to an all-London green taxi licence when he was entitled to drive his cab only in Enfield, Haringey, Waltham Forest and Hackney. He was rightly convicted of an offence of fraudulence in relation to a licence, and received a four-week prison sentence, which was suspended.

Owing to the 1933 Act, that councillor continues to be free to sit on committees and have influence over the people of Enfield. He can sit on planning committees—and, indeed, licensing committees, on one of which he sat after his conviction for the fraudulent licence offence. That does not seem to match up with his having received a sentence of imprisonment. This amendment to the Act would ensure that any councillor convicted of an offence warranting a custodial sentence, whatever its length, was disqualified. We need that modernisation of a limit that dates back to 1933. I am not sure why the Act specified a three-month limit, but I think that we can do a lot better in 2015.

As we devolve more powers to councillors, it is important for public confidence to be maintained. Allowing people like Councillor Erbil to continue in their posts after being convicted of fraud and sentenced to imprisonment will not instil public confidence. The best that we can hope for at present is the establishment of a standards committee to look into such matters, and the operation

of internal party discipline—although those concerned can still draw a councillor's allowance and sit as independents.

I urge the Minister to look favourably on the clause, and to confirm that what may have been appropriate in 1933 cannot be right in 2015.

Martin Vickers (Cleethorpes) (Con): Those of us with long local government experience never expected any Government to deliver devolution to this extent. I welcome what the present Government are doing, and I know that it is welcomed in local government throughout the country. For many years Governments of both colours drew more and more powers to the centre, and it is extremely pleasing to see that being reversed.

I have been a supporter of elected mayors for many years. In my own authority, I tried to secure a petition with the required 5% support 12 or 13 years ago. The problem is that that percentage is very difficult to achieve if a small number of people are involved, and particularly difficult to achieve within the 12-month period that is specified in the current legislation.

Elected mayors are often very unpopular with sitting councillors, who see them as a threat to their cosy arrangements whereby the roundabout turns and either the Tories or Labour take over. I think that where that resistance still exists, we need to allow residents—the general public—to initiate a petition with the modest threshold of 1% that is proposed in new clause 30, which stands in my name and that of my hon. Friend the Member for Carlisle (John Stevenson). I think that that would encourage local people to support an elected mayor, or at least to kick-start the journey towards securing one by initiating the referendum process when resistance is high in the local authority.

We may be seeing proof of the rule that if Back Benchers remain consistent, some Government at some time or other will eventually agree with them. Over the last 15 years or so we have seen both sides of the House run hot and cold on the issue of elected mayors, but those of us—such as my hon. Friend and me—who remain consistent can now put up the flags and welcome the fact that the Government are moving towards the idea of not just elected mayors, but elected mayors with even more power than we anticipated. I hope that the Government will at least give a clear indication that they will look favourably on our proposal to reduce the threshold and give power to local residents.

Sir Edward Leigh (Gainsborough) (Con): That is all very well, but in the case of a large rural county such as Lincolnshire, it would be quite wrong for the Government to say, "If you want devo-max, you must have a mayor." It makes sense to have a mayor of London, Birmingham or Manchester, but it does not make sense to have a mayor of a large rural county.

Martin Vickers: I see the logic of that, but my hon. Friend will know that in greater Lincolnshire the authorities have already come together and put a proposal forward, although they have not gone for the full package. I hope they eventually will, just as I hope that eventually the combined authorities emerging from this process will evolve into a super-unitary authority headed by an elected mayor. My hon. Friend would make an admirable mayor of Lincolnshire—governor of Lincolnshire, even.

Sir Edward Leigh: High commissioner.

Martin Vickers: Yes, high commissioner for Lincolnshire.

When I was reading the amendments, I was struck by new clause 32(3)(c) which talks about

“all family members’ ability to play a full role in family life”.

I shall therefore conclude by praising the Government for withdrawing their proposal to devolve powers on Sunday trading to local authorities or elected mayors. It would have been a retrograde step that would have hit many hard-working families that run the corner shop, the newsagents and so on—just the sort of people the Government should be looking after. I welcome that and praise the Government—and praising the Government is a good point to conclude on.

James Wharton: We have had an interesting and wide-ranging discussion on this group of amendments. I have listened to the debate and, while I understand a number of the points raised, I am afraid I cannot support any of the new clauses, as I will endeavour to explain.

I will begin with new clause 24, which would require the Secretary of State to set out a framework for further devolution of fiscal powers. By the end of this Parliament the local government sector will retain 100% of local taxes to spend on local government services. For the first time in decades, local areas will see the full direct benefit of business rate growth in their area. We wish to end the merry-go-round of clawing back local taxes to Whitehall and handing them out again in the form of grants. We will, of course, however, maintain redistribution between councils so that local authorities do not lose out.

We will be working with local authorities over the coming days and weeks on this ambitious agenda. It is our intention to devolve far-reaching powers within a framework of strong, accountable, transparent governance, and strong delivery capability. We will be setting out our detailed proposals in due course and, in light of this, I hope all parts of the House would agree that this new clause, which would require the Secretary of State to set out a framework for further devolution of fiscal powers, is unnecessary. I recognise the comments of the hon. Member for Sheffield South East (Mr Betts) on this new clause, and his desire to see at the end of this process a period of reflection and consideration. I think there is merit in what he says. We will see how things progress, but certainly we will need to look at the totality of what has been done before deciding what next steps may ultimately then follow.

New clause 29 and accompanying new schedule 2 would provide for a local government independence code, defining the relationship between central Government and local authorities, and would make provision about their financial independence and conduct. Such codification is somewhat contrary to our constitutional traditions, and I do not think we need to go down the route set out by this new clause. We always want clarity in the deals we do—we always want to have discussions with local government about the future they see for themselves—but we see no need for what would be a very restraining and unnecessarily legalistic approach to the relationship between central and local government. We will, of course, look to the future, as the hon. Member for Nottingham North (Mr Allen) asked. He is an ambitious advocate of

devolution in all its guises and where it can go, and I look forward to having, I am sure, many more debates in future about this topic with him.

New clause 30 seeks to reduce the minimum percentage of local government electors in a local authority area required for a petition to trigger a referendum on its governance model. My hon. Friends the Members for Carlisle (John Stevenson) and for Cleethorpes (Martin Vickers) have spoken eloquently on this issue. It is an issue that I know they care about. The hon. Member for Cleethorpes, famed for his consistency, is of course someone who stands by his beliefs and is, I think, in line and in tune with the sentiment of what the Government are doing in this area on this occasion. However, I cannot suggest we should support his new clause because the Local Government Act 2000 gives both the Secretary of State, and Welsh Ministers where relevant in Wales, a power to make regulations concerning public petitions in relation to whether a local authority should hold a referendum about changing its governance arrangements, for example to adopt a directly elected mayor. The regulations can already specify the minimum number of electors who must sign a petition for it to be valid, and the default position if the regulations do not specify any such threshold is 5%, which is also the current threshold for England. I have listened to hon. Members’ arguments, and I am happy to have further discussions about the actions the Government should take in the exercise of those powers, but I do not think it necessary to make this amendment to the Bill at this time.

New clause 31 would allow the Secretary of State, by order, to give power to the mayor of a combined authority to set a minimum unit price for alcohol sold in the combined authority area, with the mayor’s power being exercisable only following consultation on the proposed level of that price. The Government have recently undertaken a nationwide consultation on the introduction of a minimum price for alcohol, which raised a number of issues, including the potential economic impact of minimum unit pricing and the possibility of unintended impacts on businesses. The new clause’s proposed piecemeal, localised minimum alcohol pricing would risk consumers simply travelling outside the area of the authority to purchase cheaper alcohol in a neighbouring area.

I understand that in Scotland the policy of minimum unit pricing for alcohol has been legally challenged, and that the European Court of Justice has yet to express a final view. The introduction of a minimum unit price therefore remains under consideration. My hon. Friend the Member for Enfield, Southgate (Mr Burrowes) has made clear his desire to see the policy pursued, but for the reasons I have outlined we have no plans to devolve the matter at this time. We will therefore oppose the new clause.

New clause 32 seeks to introduce a requirement for mayoral combined authorities to publish annual reports about their performance in applying elements of the family test. The family test applies to the development of central Government policy. It recognises the fundamental impacts that central Government decisions can have on families and introduces an explicit family perspective into the policy-making process. However, it would not be devolutionary to start prescribing in detail how mayors or combined authorities should go about exercising their functions. We therefore have no plans to require

[James Wharton]

mayoral combined authorities to apply a family test—a test that was in fact designed to be applied to policy decisions with national impact.

Turning to new clause 33, I want to start by saying that we value the important role of parish councils and that we support local government in innovating and achieving value for money, especially when such money is reinvested into communities. The hon. Member for Nottingham North asked some specific questions, which I shall now answer, on the powers of parishes to sell electricity that they generate. A specific example would involve electricity generated from renewable sources.

There is no need to amend the Local Government (Miscellaneous Provisions) Act 1976 to enable the sale of electricity generated by parish councils. Through the general power of competence in section 1 of the Localism Act 2011 and through section 111 of the Local Government Act 1972, it is already possible for parish councils to sell the electricity they generate, depending on the circumstances. I suspect that the new clause was tabled to seek clarity, and should my comments not provide sufficient clarity I shall of course be happy to speak to interested Members after the debate to ensure that any concerns are properly addressed.

I turn now to new clause 36, tabled by Labour Members, which would require a combined authority with devolved functions to consider the impact on neighbouring local authority areas. I do not believe that this amendment is necessary or appropriate. The statute provides that combined authorities must exercise their functions in relation to their area. That area, of course, is the area that Parliament has approved when establishing the combined authority. It is an area that equally has enabled the combined authority to satisfy the statutory tests—that is, it is an area in which, if functions are exercised, that exercise of functions will result in an improvement compared with what would otherwise be the case. Indeed, the Bill provides that functions cannot be devolved to a combined authority if the Secretary of State does not consider that that would lead to an improvement in the exercise of statutory functions in the combined authority's area.

The new clause seeks to provide some further requirement about how, once established, a combined authority should go about the exercise of the functions devolved to it. As with local authorities, combined authorities must take their decisions having regard to all relevant considerations. Just as local authorities cannot be blind to the impact of their decisions beyond their boundaries, nor can combined authorities; and just as local authorities are able to form joint committees with neighbouring authorities to manage activities that could have an impact beyond their areas, so can combined authorities. Hence, as I have said, the proposed new clause is neither necessary nor appropriate for inclusion in the Bill.

My hon. Friend the Member for Enfield, Southgate has also tabled new clause 37, which would amend section 80 of the Local Government Act 1972 so that a councillor who received any sentence of imprisonment, including a suspended one, would be disqualified. At present, a councillor is disqualified only if they have received a sentence of imprisonment, suspended or not, of not less than three months without the option of a fine.

Previous Governments have recognised that section 80 needs to be updated, not least to take account of modern sentencing guidelines, and we agree that change is necessary. Many things have changed since 1972, and this section is in need of amendment. At the beginning of this year, the Electoral Commission's report "Standing for election in the UK" recommended that the Government clarify and update the law relating to the qualifications for local government elections. Our strong preference is to consult on change, and to work with colleagues in the local government sector and the Electoral Commission in considering the scope of section 80, rather than make piecemeal amendments through this Bill. This work will include not only reviewing and possibly amending the rules of disqualification relating to sentencing, but reviewing other rules about the qualification for standing for election, including rules about employees standing for election and about residence. I would like to thank my hon. Friend for bringing this proposal to the attention of the Committee. I know that he has a pressing constituency issue, which he explored in his comments and which highlights the need to make progress. I hope, however, that he will recognise that it is important that that is done in a considered and sensible way, as well as in a timely way, and that an amendment to this Bill is not the appropriate way to do that at this time.

New clause 38 was tabled by my hon. Friend the Member for Bromley and Chislehurst (Robert Neill) and it relates to London. I recognise the work that has gone into it. It is an interesting clause that clearly seeks to raise an important point that matters not only to him but to Members from across the House who take an interest in devolution and such matters in London. If accepted, the clause would enable ministerial functions to be devolved to voluntary joint committees of London councils and to such committees acting jointly with the Mayor of London. I understand from his explanatory statement that the purpose of the amendment is to provide

"for decision-making arrangements to enable operational delegation to groups of London local authorities and for the strategic governance of devolved responsibilities to be shared between London authorities and the Mayor through an appropriately constituted joint committee."

We have always made it clear that for functions to be devolved to local authorities arrangements ensuring strong and clear accountability must be put in place. The new clause appears to be an attempt to formalise joint committee arrangements, while making it clear that London authorities will have the freedom to enter into their own constitutional arrangements for joint committees, including arrangements involving the Mayor of London. We do not believe that the informal nature of the proposed arrangements provides the strong and clear accountability that would support the devolution of the functions of either a Minister or a Department to a joint committee. However, I do recognise that giving more substance to multi-borough partnerships, which are already delivering innovative pilots in the areas of health, employment and skills, could help provide clearer lines of accountability and enable them to take on more ambitious programmes in the future. I am happy, therefore, for departmental officials to work with London further to explore options and I am of course happy to discuss the matter further with my hon. Friend after the progress that we hope this Bill will have made today.

Finally, new clause 39 seeks to place in the Bill a specific requirement for the Secretary of State to prepare guidance for combined authorities on effective strategic planning for environmental problems and green infrastructure no later than three months after the passing of this Act. As with some of the other amendments we have discussed today, providing for central prescription in this way goes against what this Bill is about; we are engaged in the business of reversing many years of centralisation.

With that, and the explanations I have given on the other provisions in this group, I hope that hon. Members will not push their amendments to a vote. The Government intend to resist them. We have had another interesting, useful and productive discussion on a wide range of issues in this group. It has informed the debate about devolution more generally in a helpful and productive way. On that basis, I hope we can continue to build consensus, can deliver this Bill and can deliver on our commitments.

Mr Steve Reed: I agree with the Minister that this has been a good, interesting and productive debate. He says he is in listening mode. I am not sure he is hearing quite as much as we might have hoped, but I recognise his intention to build consensus, which is necessary for the important, incremental, constitutional change we have before us this afternoon.

The hon. Member for Bromley and Chislehurst (Robert Neill) put forward some proposals that have cross-party support and that would enable further and faster devolution for London. I hear what the Minister says, and I welcome his intention to work with London government and London councils to find a way to make these proposals work, because otherwise the complexity of London government will pull London back from the forefront of progress towards devolution across the country. We cannot consider London as a job done just because London was out there first.

My hon. Friend the Member for Nottingham North (Mr Allen) made some very important points about fiscal devolution, which must be a central part of any devolution package; otherwise, what we are doing is merely a charade. Even if the Minister is not able or willing to bring forward proposals in this Bill, we hope that the matter forms part of future legislation as we towards a more devolved settlement across the country.

I regret the Minister's comments on new clause 36. Our proposals aim to help devolution to work better. Areas on the periphery of combined authorities should not be excluded from decisions that directly affect them. Our proposal merely creates the right to be consulted, which the Government have conceded when it comes to transport. They should consider it for matters of equal importance such as health. We will seek to push that new clause to the vote, but not new clause 39.

I note that the Minister did not respond to the issue of whether he would rule out Sunday trading from any future stages of this Bill. His silence will lead Members to draw their own conclusions about what is coming.

Having reflected on all the comments in the debate, I beg to ask leave to withdraw new clause 24.

Clause, by leave, withdrawn.

New Clause 36

REGARD TO NEIGHBOURING AUTHORITIES

In exercising a devolved function, combined authorities must have regard to any significant direct impact on the population of neighbouring authorities." —(*Mr Steve Reed.*)

This clause raises the concerns of some authorities which neighbour devolved authorities and ensures that combined authorities which have devolved functions give regard to the possible impact on neighbouring populations, particularly over issues such as transport and health.

Brought up, and read the First time.

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

The Committee divided: Ayes 186, Noes 282.

Division No. 126]

[6.12 pm

AYES

Abrahams, Debbie	Elliott, Tom
Alexander, Heidi	Ellman, Mrs Louise
Allen, Mr Graham	Esterson, Bill
Ashworth, Jonathan	Evans, Chris
Austin, Ian	Farron, Tim
Bailey, Mr Adrian	Fiello, Robert
Barron, rh Kevin	Fletcher, Colleen
Benn, rh Hilary	Flint, rh Caroline
Berger, Luciana	Flynn, Paul
Betts, Mr Clive	Fovargue, Yvonne
Blackman-Woods, Dr Roberta	Foxcroft, Vicky
Blenkinsop, Tom	Gardiner, Barry
Blomfield, Paul	Glass, Pat
Bradshaw, rh Mr Ben	Glindon, Mary
Brake, rh Tom	Green, Kate
Brennan, Kevin	Greenwood, Lilian
Brown, Lyn	Greenwood, Margaret
Brown, rh Mr Nicholas	Griffith, Nia
Bryant, Chris	Haigh, Louise
Buck, Ms Karen	Hamilton, Fabian
Burden, Richard	Hanson, rh Mr David
Burgon, Richard	Harman, rh Ms Harriet
Burnham, rh Andy	Harris, Carolyn
Butler, Dawn	Hayes, Helen
Cadbury, Ruth	Hayman, Sue
Campbell, rh Mr Alan	Hendrick, Mr Mark
Campbell, Mr Ronnie	Hermon, Lady
Carmichael, rh Mr Alistair	Hillier, Meg
Champion, Sarah	Hodgson, Mrs Sharon
Chapman, Jenny	Hollern, Kate
Coaker, Vernon	Hopkins, Kelvin
Coffey, Ann	Howarth, rh Mr George
Cooper, Julie	Hunt, Tristram
Cooper, rh Yvette	Hussain, Imran
Corbyn, rh Jeremy	Irranca-Davies, Huw
Cox, Jo	Jarvis, Dan
Coyle, Neil	Johnson, Diana
Creasy, Stella	Jones, Gerald
Cruddas, Jon	Jones, Graham
Cunningham, Alex	Jones, Mr Kevan
Cunningham, Mr Jim	Jones, Susan Elan
Dakin, Nic	Kane, Mike
Danczuk, Simon	Kaufman, rh Sir Gerald
David, Wayne	Keeley, Barbara
Davies, Geraint	Kinahan, Danny
De Piero, Gloria	Kinnock, Stephen
Doughty, Stephen	Lamb, rh Norman
Dowd, Jim	Lavery, Ian
Dowd, Peter	Leslie, Chris
Dromey, Jack	Lewell-Buck, Mrs Emma
Durkan, Mark	Lewis, Clive
Edwards, Jonathan	Lewis, Mr Ivan
Elliott, Julie	Lucas, Caroline

Lynch, Holly
Mactaggart, rh Fiona
Madders, Justin
Mahmood, Mr Khalid
Malhotra, Seema
Mann, John
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
McDonagh, Siobhain
McDonald, Andy
McDonnell, John
McFadden, rh Mr Pat
McInnes, Liz
McKinnell, Catherine
Mearns, Ian
Miliband, rh Edward
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Mulholland, Greg
Murray, Ian
Nandy, Lisa
Onn, Melanie
Onwurah, Chi
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillips, Jess
Pound, Stephen
Powell, Lucy
Pugh, John
Qureshi, Yasmin
Reed, Mr Steve
Rees, Christina
Reynolds, Emma
Reynolds, Jonathan
Rimmer, Marie
Ritchie, Ms Margaret
Robinson, Mr Geoffrey
Ryan, rh Joan
Saville Roberts, Liz

Shah, Naz
Sherriff, Paula
Shuker, Mr Gavin
Siddiq, Tulip
Skinner, Mr Dennis
Smeeth, Ruth
Smith, rh Mr Andrew
Smith, Angela
Smith, Cat
Smith, Nick
Smith, Owen
Smyth, Karin
Spellar, rh Mr John
Starmer, Keir
Stevens, Jo
Streeting, Wes
Stringer, Graham
Stuart, rh Ms Gisela
Tami, Mark
Thomas-Symonds, Nick
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
West, Catherine
Whitehead, Dr Alan
Williams, Mr Mark
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel

Tellers for the Ayes:
Judith Cummins and
Jeff Smith

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Boles, Nick

Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, Alun
Campbell, Mr Gregory
Carmichael, Neil
Cartlidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Colville, Oliver

Costa, Alberto
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Byron
Davies, Chris
Davies, Glyn
Davies, Dr James
Davies, Mims
Davies, Philip
Davis, rh Mr David
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donelan, Michelle
Dorries, Nadine
Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duddridge, James
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
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Garnier, rh Sir Edward
Ghani, Nusrat
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, rh Robert
Hall, Luke
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heaton-Harris, Chris
Heaton-Jones, Peter
Herbert, rh Nick

Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyins, Andrea
Jenrick, Robert
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLoughlin, rh Mr Patrick
Menzies, Mark
Mercer, Johnny
Merriman, Huw
Metcalf, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Nokes, Caroline
Nuttall, Mr David
Offord, Dr Matthew

Opperman, Guy
Paisley, Ian
Parish, Neil
Patel, rh Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Philp, Chris
Pickles, rh Sir Eric
Pincher, Christopher
Pow, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robinson, Gavin
Robinson, Mary
Rudd, rh Amber
Rutley, David
Scully, Paul
Selous, Andrew
Shannon, Jim
Sharma, Alok
Shelbrooke, Alec
Simpson, David
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Soames, rh Sir Nicholas
Solloway, Amanda
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John

Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sunak, Rishi
Swayne, rh Mr Desmond
Swire, rh Mr Hugo
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
Tolhurst, Kelly
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Truss, rh Elizabeth
Tugendhat, Tom
Turner, Mr Andrew
Tyrie, rh Mr Andrew
Vara, Mr Shailesh
Vickers, Martin
Walker, Mr Charles
Wallace, Mr Ben
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whately, Helen
White, Chris
Whittaker, Craig
Wiggin, Bill
Williams, Craig
Williamson, rh Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wood, Mike
Wragg, William
Wright, rh Jeremy
Zahawi, Nadhim

Tellers for the Noes:
Simon Kirby and
Sarah Newton

Question accordingly negated.

Clause 22

MINOR AND CONSEQUENTIAL AMENDMENTS

6.27 pm

James Wharton: I beg to move amendment 16, page 19, line 8, after “of” insert “, or made under,”

This amendment provides that the power to make regulations under clause 22 of the Bill includes a power to make provision that is consequential on instruments made under the Bill.

The Temporary Chair (Mrs Anne Main): With this it will be convenient to discuss clause 22 stand part.

Schedule 4 stand part.

Clause 23 stand part.

Clause 24 stand part.

Government amendment 17.

Clause 25 stand part.

James Wharton: Knowing as I do that hon. Members are familiar with the content and scope of the amendments and that there is, I believe, broad agreement across the

Committee, I have no desire to speak at length unless Members wish me to do so. I hope that the amendments will secure the approval of the Committee.

Amendment 16 agreed to.

Clause 22, as amended, ordered to stand part of the Bill.

Schedule 4

MINOR AND CONSEQUENTIAL AMENDMENTS

Amendments made: 26, page 34, line 22, at end insert—

“Local Government Act 1972

A1 The Local Government Act 1972 is amended as follows.

A2 In section 100E (application of Part 5A to committees and sub-committees), in subsection (3) after paragraph (b) insert—

“(bba) a committee in place by virtue of section 107D(3)(c)(ii) of the Local Democracy, Economic Development and Construction Act 2009;

(bbb) a joint committee in place by virtue of section 107DA of that Act;”.

A3 In section 101 (arrangements for discharge of functions by local authorities)—

(a) after subsection (1C) insert—

“(1D) A combined authority may not arrange for the discharge of any functions under subsection (1) if, or to the extent that, the function is a mayoral function of a mayor for the area of the authority.

(1E) “Mayoral function” has the meaning given by section 107F(7) of the Local Democracy, Economic Development and Construction Act 2009.”;

(b) after subsection (5B) insert—

“(5C) Arrangements under subsection (5) by two or more local authorities with respect to the discharge of any of their functions cease to have effect with respect to that function if, or to the extent that, the function becomes a general function of a mayor for the area of a combined authority.

(5D) Subsection (5C) does not prevent arrangements under subsection (5) being entered into in respect of that function by virtue of section 107DA of the Local Democracy, Economic Development and Construction Act 2009 (joint exercise of general functions).

(5E) In subsection (5C), “general functions” has the meaning given in section 107D(2) of that Act.”

This amendment provides for the cessation of existing joint committee arrangements where a combined authority function becomes a mayoral function in the combined authority, and for a committee established by section 107D(3)(c)(ii) or 107DA of the Local Democracy, Economic Development and Construction Act 2009 to be treated as a committee of a principal council for the purposes of Part 5A of the Local Government Act 1972.

Amendment 62, page 34, line 22, at end insert—

“Local Government Act 1972

A1 The Local Government Act 1972 is amended as follows.

A2 In section 100J (application of Part 5A to new authorities etc)—

(a) in subsection (1) after paragraph (be) insert—

“(bf) a sub-national transport body;”;

(b) in subsection (3), after “(be),” insert “(bf),”;

(c) in subsection (4), in paragraph (a) after “joint authority,” insert “a sub-national transport body;”.

A3 In section 101 (arrangements for discharge of functions by local authorities), in subsection (13) after “combined authority,” insert “a sub-national transport body;”.

A4 In section 270 (general provisions as to interpretation), in subsection (1) after the definition of “specified papers” insert—

““sub-national transport body” means a sub-national transport body established under section 102E of the Local Transport Act 2008;”.

Local Government Act 1985

A5 The Local Government Act 1985 is amended as follows.

A6 In section 72 (accounts and audit), for subsection (5) substitute—

“(5) Any reference in this section to a new authority includes a reference to—

- (a) the London Fire and Emergency Planning Authority;
- (b) a sub-national transport body established under section 102E of the Local Transport Act 2008;
- (c) a combined authority established under section 103 of the Local Democracy, Economic Development and Construction Act 2009.”

A7 In section 73 (financial administration), in subsection (2) after “reference to” insert “—

- (a) a sub-national transport body established under section 102E of the Local Transport Act 2008;
- (b) ”.”

This amendment makes consequential amendments regarding Sub-national Transport Bodies to make provision about the admission to the meetings of these bodies; to allow them to make arrangements for the discharge of their functions; and to impose a requirement to keep a general fund and to appoint a chief finance officer.

Amendment 63, page 34, line 31, at end insert—

“*Local Government and Housing Act 1989*

1A (1) The Local Government and Housing Act 1989 is amended as follows.

(2) In section 4 (designation and reports of head of paid service), in subsection (6)(a) for “, (ja) and (jb)” substitute “and (ja) to (jc)”.

(3) In section 13 (voting rights of members of certain committees: England and Wales), in the definition of “relevant authority” in subsection (9), for “(jb)” substitute “(jc)”.

(4) In section 20 (duty to adopt certain procedural standing orders), in subsection (4)(a) for “(jb)” substitute “(jc)”.

(5) In section 21 (interpretation of Part 1 of Act), in subsection (1) after paragraph (jb) insert—

“(jc) a sub-national transport body established under section 102E of the Local Transport Act 2008;”.

Railways Act 1993

1B (1) Section 24A of the Railways Act 1993 (Secretary of State franchise exemptions: operator agreements) is amended as follows.

(2) In subsection (4)—

- (a) in paragraph (a), after sub-paragraph (i) insert—
(ia) an STB;”;
- (b) in paragraph (b), after “Executive” insert “, an STB”;;
- (c) in paragraph (c)(i), after “Executive” insert “, STB”;;
- (d) in paragraph (c)(ii), after “Executive” insert “, STB”.

(3) In subsection (5)—

- (a) in paragraph (a) of the definition of “relevant company”, after “Executive” insert “, an STB”;;
- (b) in paragraph (b) of that definition, after “Executive” insert “, an STB”;;
- (c) after that definition insert—

““STB” means a sub-national transport body established under section 102E of the Local Transport Act 2008.”

Local Government Act 1999

1C In section 1 of the Local Government Act 1999 (best value authorities), in subsection (1) after paragraph (hb) insert—

“(hc) a sub-national transport body established under section 102E of the Local Transport Act 2008;”.

Freedom of Information Act 2000

1D In Schedule 1 to the Freedom of Information Act 2000 (public authorities), in Part 2 (local government: England and Wales), after paragraph 28 insert—

28A A sub-national transport body established under section 102E of the Local Transport Act 2008.””

This amendment makes consequential amendments regarding Sub-national Transport Bodies so that the requirement to designate a head of paid service and a monitoring officer, and in relation to political balance of committees, will apply to these bodies; to make provision in connection with railway asset protection etc; and to provide for these bodies to be best value authorities and to be subject to the FOI regime.

Amendment 30, page 34, line 35, leave out “In section 91 (exercise of local authority functions),” and insert “(1) Section 91 (exercise of local authority functions) is amended as follows.

“(2) ”

This makes a technical drafting amendment to the provision in paragraph 3 of Schedule 4 to the Bill which amends section 91 of the Local Democracy, Economic Development and Construction Act 2009.

Amendment 31, page 34, line 36, at end insert—

“() In subsection (4)—

- (a) omit “or” at the end of paragraph (a);
- (b) after paragraph (b) insert—

“(c) for the function to be exercisable by the EPB and the local authority jointly, or

(d) for the function to be exercisable by the EPB jointly with the local authority but also continue to be exercisable by the local authority alone.”

This amends paragraph 3 of Schedule 4 to the Bill to add new provision in subsection (4) of section 91 of the Local Democracy, Economic Development and Construction Act 2009. The amendments enable an order under Part 6 of the 2009 Act conferring local authority functions on a combined authority to require that both authorities exercise the functions concerned jointly.

Amendment 27, page 35, line 43, at end insert—

“() After subsection (1) insert—

(1A) In relation to an order under Schedule 5B, subsection (1) has effect as if the reference to the Secretary of State were a reference to the Secretary of State or the Chancellor of the Duchy of Lancaster.”

This amendment provides for an order made by the Chancellor of the Duchy of Lancaster under Schedule 5B to the Local Democracy, Economic Development and Construction Act 2009 to be able to make incidental, consequential, transitional or supplementary provision in support of such an order.

Amendment 28, page 36, line 2, at end insert—

10A In section 116 (consequential amendments), after subsection (1) insert—

(1A) In relation to an order under Schedule 5B, subsection (1) has effect as if the references to the Secretary of State were references to the Secretary of State or the Chancellor of the Duchy of Lancaster.”

This amendment provides that the Chancellor of the Duchy of Lancaster can, in consequence of an order made under Schedule 5B to the Local Democracy, Economic Development and Construction Act 2009, make provision in consequence of any provision made.

Amendment 64, page 36, line 27, at end insert—

“*Equality Act 2010*

12A In Schedule 19 to the Equality Act 2010 (public authorities), in Part 1 (general), after the entry “A joint authority established under Part 4 of that Act for an area in England (including, by virtue of section 77(9) of the Local Transport Act 2008, an Integrated Transport Authority established under Part 5 of that Act of 2008)” insert—

“A sub-national transport body established under section 102E of the Local Transport Act 2008.””

This amendment makes a consequential amendment regarding Sub-national Transport Bodies so that these bodies will be subject to the public sector equality duty.

Amendment 65, page 37, line 8, at end insert—

“Local Audit and Accountability Act 2014

18 (1) The Local Audit and Accountability Act 2014 is amended as follows.

(2) In section 40 (access to local government meetings and documents), in subsection (6) after paragraph (j) insert—

“(ja) a sub-national transport body.”.

(3) In section 44 (interpretation of Act), in subsection (1) after the definition of “special trustees for a hospital” insert—

““sub-national transport body” means a sub-national transport body established under section 102E of the Local Transport Act 2008.”.

(4) In Schedule 2 (relevant authorities), after paragraph 28 insert—

28A A sub-national transport body.”” —(*James Wharton.*)

This amendment makes a consequential amendment regarding Sub-national Transport Bodies so that the transparency requirements for accounting and auditing and access to meetings and documents will be applied to these bodies.

Schedule 4, as amended, agreed to.

Clauses 23 and 24 ordered to stand part of the Bill.

Clause 25

SHORT TITLE

Amendment made: 17, page 20, line 3, leave out subsection (2)—(*James Wharton.*)

This amendment removes the privilege amendment inserted by the Lords.

Clause 25, as amended, ordered to stand part of the Bill.

Title

Amendment made: 66, line 5, after “functions,” insert “to confer power to establish, and to make provision about, sub-national transport bodies;”—(*James Wharton.*)

This amendment makes consequential amendments to the long title of the Bill to incorporate a reference to establish and make provision regarding Sub-national Transport Bodies.

The occupant of the Chair left the Chair (Programme Order, 14 October).

The Deputy Speaker resumed the Chair.

Progress reported; Committee to sit again tomorrow.

Business without Debate

BUSINESS OF THE HOUSE

Ordered,

That the Motions in the name of Chris Grayling relating to the Speaker’s Committee for the Independent Parliamentary Standards Authority, the Electoral Commission, and the Local Government Boundary Commission for England shall be treated as if they related to instruments subject to the provisions of Standing Order No. 118 (Delegated Legislation Committees) in respect of which notice has been given that the instruments be approved.—(*Jackie Doyle-Price.*)

Michelin Factory: Ballymena

Motion made, and Question proposed, That this House do now adjourn.—(*Jackie Doyle-Price.*)

6.30 pm

Ian Paisley (North Antrim) (DUP): Thank you, Mr Deputy Speaker, for calling me to speak in this important debate about jobs in my constituency of North Antrim.

Tuesday 3 November was a sad day that will be remembered by up to 1,000 people in the Ballymena area. The Michelin factory, which is one of the few public limited companies in Northern Ireland, has produced tyres in my constituency since 1969, and the news that it was to close broke on 3 November. The 860 directly employed workers—dedicated manufacturing staff—learned of their fate that day. More than 500 other people who are indirectly associated with the factory are also affected by that apocalyptic news.

I want to put the issue in context. If my constituency happened to be called Northampton rather than North Antrim, or if Ballymena were called Birmingham, we would be talking about the loss of 30,000 jobs. That is the job loss equivalent. It is important to put the announcement in its national context. That is why I welcome the fact that it is the Minister for Small Business, Industry and Enterprise, not a Northern Ireland Office Minister, who will respond to the debate. I would, of course, have welcomed a Northern Ireland Minister to the Dispatch Box, but it is important to view the job losses in their national context.

A few weeks ago I expressed concern that Northern Ireland was in danger of being viewed by this House as a place apart. Our Province’s peculiar employment issues are sometimes regarded as unrelated to the national picture and national politics.

Sammy Wilson (East Antrim) (DUP): Does my hon. Friend agree that Northern Ireland is not that different, and that what is happening in Northern Ireland—whether it relates to Michelin in his constituency or to Caterpillar in my constituency—is no different from what is happening in other parts of the United Kingdom? Energy intensive industries are being hit by an energy policy that is making energy much more expensive for them than it is for our competitors, and that is putting us at a competitive disadvantage.

Ian Paisley: Many of the employees of the Michelin plant in Ballymena hail from East Antrim. My hon. Friend has put his finger on one of the key issues, which I hope to return to in a little more detail during the course of my speech. He has identified one of the key reasons why this issue is of national importance and has to be addressed nationally. It would be very easy to say that it is a matter for the devolved Administration and that they should sort it out, but this matter is beyond their reach. It would be a mistake to think that our employment policies are a place apart. They are of national importance.

A year ago, the loss of 1,000 jobs in another factory in my constituency was announced. In the wake of the two announcements—and, indeed, of the Caterpillar announcement in my hon. Friend’s constituency—several hundred jobs are being lost year in, year out in the

[*Ian Paisley*]

manufacturing sector. That is why I described the announcement by Michelin on 3 November as apocalyptic not just for my constituency, but for the Northern Ireland manufacturing sector.

Before the closures, my constituency boasted of plus 20% of Northern Ireland's total manufacturing jobs, but come 2018, when the factories close, it will be sub 20%. That will have a devastating impact on local employment, local confidence, local spend, local schools, local businesses all around the district. By 2018, more than £100 million of wages will have been taken out of my local economy, meaning that £100 million will no longer be spent in local shops and the local community. The local economy is renowned for its thriftiness and the local community is renowned for being very proud of its work ethic, but those huge pillars of employment have been slowly but surely knocked down. That will have an impact on confidence, and the Minister does not require me to spell out the effect of that on a community or the impact of such a loss.

Lady Hermon (North Down) (Ind): The hon. Gentleman will be well aware, as will other hon. Members, that we have just had the final Committee stage of the new Trade Union Bill. Will he give us an insight into how helpful—not otherwise, I hope—trade unions have been in the Michelin factory and how positive they have been in looking after their workforce?

Ian Paisley: That gives me the opportunity, on the back of the intervention by my hon. Friend the Member for East Antrim (Sammy Wilson), to pay tribute to Unite the union for the great work it has done in my constituency. I have had regular meetings with Unite over the years since I became a Member of Parliament, and I have a very good working relationship with it. It is dedicated to ensuring that manufacturing is maintained there, which is why it has been incredibly flexible about the workforce agreeing to reduced hours over the years. It has been very helpful about working conditions that people would not normally tolerate: it has been prepared to work with companies and help them to bring working conditions up to a standard in their own time through investment on their own terms. It has been incredibly helpful, so this gives me the opportunity to pay tribute to the unions with which I have worked both on this factory closure and on other serious issues. In fact, what has been very helpful has been the sense of warmth—it is hard to find another word for it—felt by some of the employees from their union actually standing up for them, and coming out and saying, “Look, how can we help? How can we embrace this situation and try to address some of the key issues?”

Another organisation that also stands out for praise, particularly with Michelin, is the Prince's Trust. It has already made itself available to all the employees in the factory concerned. It has identified 80 people between the ages of 18 and 30 who were probably looking forward to a lifetime career of making tyres in the factory for the next 40 years, as their fathers did before them, but are now expecting not to have a manufacturing job. The Prince's Trust, along with the unions, has been very useful in trying to say: “Let's see if we can find a way of helping these young people become entrepreneurs and to find new jobs in the years ahead.”

Jim Shannon (Strangford) (DUP): I congratulate my hon. Friend on bringing this matter before the House for consideration, and I commend him for the hard work that he does on behalf of all his constituents all the time, but especially on this occasion. One of the things that concerns me is the redundancy packages. Will he confirm that the redundancy packages offered will be such as, first, to allow people to retrain, but secondly, to be equally as helpful for those on the factory floor as for those at managerial level? I am a wee bit concerned that management sometimes get better redundancy packages than workers.

Ian Paisley: That is a very helpful intervention because it allows me to put on the record that the first thing I raised with the employer when the announcement was brought to my attention was, “How are you going to look after the workers that have made you billions of pounds as an international company over the years?” I am pleased that Michelin put into its statement on 3 November a commitment that the support from the factory will include enhanced redundancy payments and a retraining package, as well as the deployment of what is called the Michelin development community fund. I have managed to help to secure an additional £5 million for my constituency, which will allow for the retraining of people and will help them to set up local businesses. That fund has been used over the years to create an additional 400 jobs that are not associated directly with Michelin. I hope that the deployment of that fund over the next 10 years will see job opportunities slowly created for these people, who would otherwise be told that they do not have a job.

It must be stressed that Michelin will make job offers to those who feel able to travel to Dundee or Stoke on the mainland, although those jobs will not be in the manufacturing of large truck tyres, which is what we have done in Ballymena. I imagine that very few people will do that, but at least those job offers will be made.

Kate Hoey (Vauxhall) (Lab): I congratulate my hon. Friend on securing this debate. If this was happening in any constituency on the mainland, it would be a huge story. Can he explain very simply why Michelin has decided to close the factory and move to two other parts of the United Kingdom, rather than to move out of the United Kingdom?

Ian Paisley: I thank my hon. Friend, who shares my passion for the North Antrim constituency, given her roots in County Antrim. She will have been contacted by friends and family who have been affected by the closure. I appreciate the support and encouragement she regularly gives me to continue to fight for the interests of my constituents.

Michelin has identified three key reasons why it has to close the factory, and they are sad reasons. As I have said, I am glad that the Minister for Small Business, Industry and Enterprise is here and that the Government see that there is something that they can do for us nationally. The Michelin statement put three key reasons into the public domain.

The first reason was as follows:

“The proposal to run down the truck tyre factory in Ballymena has been made in the light of the significant downturn in demand for truck tyres in Europe since the financial crisis of 2007”.

That is beyond the control of anyone on these Benches. It is a fact of life that there has been an economic downturn. For 20 years, the factory in Ballymena made truck tyres for the north American market. That market was taken from it through an internal decision by Michelin and those truck tyres have since been made elsewhere in the Michelin portfolio. After losing that market, Ballymena was solely making truck tyres for Europe. The downturn then hit us with a vengeance and we are reaping the consequences. The demand for truck tyres has decreased by more than 5 million tyres a year. That has had a catastrophic effect on the business.

The second reason Michelin put into the public domain was

“the huge influx of tyres made in Asia, which have doubled in the last few years, and increased competition.”

Most of those have been made in Korea. The workers in my constituency never feared competition or the need to be competitive. They believed in the quality of their product, which was of award standard. However, when a cheap tyre comes in during an economic downturn, it has a devastating effect on business.

The third reason was that the tyre building machines at Ballymena were not capable of making the new standard of tyres. An investment of at least £50 million was needed to reappoint the factory. The company had to decide whether to make that investment or cut off the Northern Ireland arm and move everything to the mainland. That goes to the heart of the point that my hon. Friend the Member for East Antrim made. Energy costs are so astoundingly high in Northern Ireland that they forced the hand of the company when making that decision. I will come on to energy costs in a moment.

The Member for Vauxhall (Kate Hoey) said that if this had happened in any other part of the United Kingdom, there would be huge interest. I welcome the fact that there are 16 Members in the Chamber for this debate. I salute every one of them for being interested enough to turn up. Usually when we come to the Adjournment debate, apart from my hon. Friend the Member for Strangford (Jim Shannon), no other MP makes a contribution. I know that, at times, the Minister feels as if she is being stalked by the hon. Gentleman. I pay tribute to the fact that there is wide interest in this debate, and I am delighted that the hon. Member for Ealing North (Stephen Pound), who has visited my constituency, is also here.

Danny Kinahan (South Antrim) (UUP): I congratulate the hon. Gentleman on securing this debate. Did we get any early indication that this cut was going to happen? Had the company spoken about the workings behind this move? Did the Minister in Northern Ireland know that it was happening, and was he able to offer any support? What was going on between the Minister and the company that allowed this to happen without any of us knowing? The hon. Gentleman has already indicated that there are many good reasons for why it was happening, but we did not seem to know when or exactly why at the time.

Ian Paisley: I want to be gentle in the way I respond to that. It would be easy to stand here and blame people. I could blame the local Minister, Invest Northern Ireland and everyone else but ourselves, but that is the coward's way out, and we must make that clear. That is

not the response that employees in Ballymena, North Antrim, South Antrim and East Antrim need. My constituents will not be bought off with the cheap excuse that this is someone else's fault. They are intelligent people who understand the word “market”.

In the last year, my constituents have witnessed a Goodyear tyre factory close on mainland Britain, and they know the pressure that the industry was under. At one point they were reduced almost to a three-day week. This was not a shock; what was shocking was the fact that eventually the decision was made on the day it was made, but there was a lot leading up to that decision. What people want now is a comprehensive strategic response to get things moving again, and it is important that we hear that from the Minister.

The hon. Member for South Antrim (Danny Kinahan) made a number of points that it is important to address. The key issue behind why this factory has been under so much pressure is electricity prices in Northern Ireland—the underlying issue is energy costs. To give one stark statistic, it is 15% more costly to manufacture in Northern Ireland because our electricity costs are 15% higher. That point has been made to me over and over again, and it has driven the issue home.

The hon. Gentleman asks why this closure was such a shock and whether discussions were going on. I have an email that was sent to me in 2013 from the then Ballymena plant manager, Wilton Crawford. I raised this issue with him, and he said that the

“No.1 cost threat to our long-term sustainability”

for manufacturing in Ballymena was electricity prices. That issue must be urgently addressed.

Sammy Wilson: Energy prices and energy policy are national issues that must be addressed by the Government centrally. Does my hon. Friend accept that the Northern Ireland Executive were looking for what they could do locally? Indeed, today's deal, which will result in corporation tax being reduced to 12.5% by April 2018, is one way in which the Executive are seeking to help industry in Northern Ireland. However, there must be a national response to our current mad energy policy that forces firms to use expensive renewables.

Ian Paisley: In 2013, with that point in mind, I wrote to the First Minister and Deputy First Minister about this issue. I said that I feared not only for the future of this company in my constituency but for other large energy users if we cannot get a national policy to resolve the problem. This issue has been identified time and again—including in 2013, half way through the last Parliament.

The cost differentials are staggering. In 2013, I wrote to the then Minister in the Department of Enterprise, Trade and Investment, my colleague Arlene Foster, and I said that the changes that Michelin was being asked for would increase its electricity costs by 44%—that is a 44% increase due to the new charges mentioned by my hon. Friend the Member for East Antrim.

The Minister was brilliant in her response. By that point, Michelin was already paying £1.2 million a year to its electricity provider. The climate change levy would have seen an increase of £350,000 on top of that, but the Northern Ireland Government were able to hold off those charges between 2001 and 2007. I went back to

[*Ian Paisley*]

them in 2007 and said that the increase still needed to be held off. The additional charges on the use of electricity—the distribution use of system and transmission use of system charges, or DUOS and TUOS—would have hiked the cost to the factory by 46%. The Minister went back again in 2007 and made sure that those charges were held off. That saved the company an additional payment of £212,000 for the next four years.

Unfortunately, in 2013 the bullet had to be bitten. The Minister wrote to me to say:

“Article 5 of Directive 2003/96/EC (‘Restructuring the Community framework on the taxation of energy products and electricity’) dictates that the lower rate of CCL for supplies of natural gas in Northern Ireland must end at 31 October 2013.”

As a result, the company saw its electricity prices go from £1.2 million to more than £2 million a year.

No company can sustain that level of increase. That was not the fault of the Northern Ireland Government or the lobbying by local politicians who were working with the companies. It was not the fault of Invest Northern Ireland, which was campaigning hard behind the scenes for a change in policy. It is a national issue that must be addressed.

Jim Shannon: I understand that it was announced this week that Shorts Bombardier will build a new energy-efficient plant in Northern Ireland that will reduce its costs dramatically. It is one of the biggest employers in Northern Ireland, with 5,500 employees, and the Department for Enterprise, Trade and Industry helped to make that happen. The example of Shorts Bombardier—at least in the building of the plant—could be followed across Northern Ireland.

Ian Paisley: Shorts Bombardier is a case apart because of its scale and the amount of money it has to invest. Michelin, a plc, invested in two huge wind turbines to reduce its energy costs, but although they saved the company between £100,000 and £150,000, that was nowhere near sufficient to cut its electricity costs.

Ms Margaret Ritchie (South Down) (SDLP): I congratulate the hon. Member for North Antrim (Ian Paisley) on obtaining this debate on an important subject for his constituency. Can he confirm the nature of the meetings and lobbying that took place between Ministers in the Northern Ireland Executive and the then Secretary of State for Business, Innovation and Skills and his Ministers on this subject?

Ian Paisley: The hon. Lady has read my mind. On 25 November 2013, the Secretary of State for Northern Ireland, the right hon. Member for Chipping Barnet (Mrs Villiers) visited the plant at my invitation. She met the plant owners and recognised the huge issue of electricity costs. The suggestion made at that meeting was that because Michelin has plants in Scotland and England, as well as Northern Ireland, a united front was needed from the Scottish Secretary, the Northern Ireland Secretary and the Business Secretary to ensure that some special pricing code was put in place to assist the company. I put that point in writing to the company, saying that

“we should make a very direct approach at Cabinet level with the help of the Secretary of State and our own Minister of Enterprise, Trade and Investment along with other Michelin Plants in the United Kingdom for a special case for a high energy user like Michelin to have some sort of special status when it comes to the cost of energy use.”

I am glad to say there was a response from central Government: the Energy Intensive Industries initiative, which the Prime Minister introduced a short while ago. In an answer to a question put by my right hon. Friend the Member for Belfast North (Mr Dodds) in Prime Minister’s Question Time just last week, the Prime Minister indicated that EII is something companies such as Michelin should look at. I seized on EII some time ago. I wish the Prime Minister had not used that argument, because Michelin, by its structure, is actually excluded from benefiting from EII. EII is framed so narrowly that one of the single largest energy users is actually excluded from using it.

Michelin has explained to me in some detail that it would have to go away and re-establish itself as a company, and go through a lot of red tape, to have a chance of qualifying for EII. That would be quite difficult. I think the Minister would accept that the legal due diligence alone for a plc would be costly and put it out of remit.

Danny Kinahan: Should we not also be concentrating on the supply of electricity to Northern Ireland? The Moyle interconnector is not working well at the moment. The underground cabling we were hoping to get for the new interconnector is not coming in due to differences of political opinion. Does the hon. Gentleman not realise that, on a bigger scale, we need to try to find ways to get these problems sorted out, and that we need the help of Westminster to do so?

Ian Paisley: I agree wholeheartedly and that is why I wanted this debate. I am delighted the Minister is here, because this is not just a matter for Northern Ireland but a matter for us all. The issue also faces our colleagues in England. It is why Tata Steel and SSI are closing and why there is such anger from Members, who are seeing the livelihoods of many people go.

Remember, the tough decisions have to be taken by us. This is what the tough decision is going to look like: ultimately, we will have to vote on whether we want jobs or cheap electricity prices for consumers. If we want to have jobs and cheaper electricity for the employer, consumer prices have to go up. That is a tough decision. Some of us are prepared to take it. Some of us have argued that if we want to keep jobs in Northern Ireland prices will have to go up for ordinary consumers. It is not a popular thing to say, but we have to face the reality.

Sammy Wilson: *rose*—

Ian Paisley: I will give way very briefly, because I know the Minister will, at some point, want to speak to me.

Sammy Wilson: Does my hon. Friend not accept that there is another way, which is to rely less on costly energy from windmills and solar power, as it is about three times dearer than energy produced by coal?

Ian Paisley: I wish I had another half an hour to agree in detail with my hon. Friend. I absolutely accept that there is a madness behind the policy that forces electricity generators to pay more for electricity generated by windmills and then sell it on to consumers. That is absolutely wrong.

I want to salute the efforts of Invest Northern Ireland and its chief executive, as that organisation always gets it in the neck. On this occasion, it has got it in the neck from the usual suspects and critics in Northern Ireland who claim it is not doing enough. I know that behind the scenes the company, and the chief executive in particular, have worked their socks off to try to get investment in County Antrim. It is incredibly helpful. It is, effectively, trying to roll a massive boulder up a hill, fighting for jobs in a crowded space and against the many unfair competitive advantages of others.

If devolution is to be sustainable, it must be given the tools to fight and to see its energy costs reduced for its employers. That can happen only if a decision is taken here to help us. We in Northern Ireland require a national response to these national issues. This is on a par with the 15,000 job losses at Tata and SSI in the north of England. For the devolved Government to begin to compete and to replace this number of manufacturing jobs, we need support from the Prime Minister, UKTI and the Business Secretary. We need them to pull with us, batting for Ulster and batting for jobs for us around the world, so that whenever UKTI or the embassies are open for trade missions in the east, the far east or the United States, they are not just thinking of mainland Britain but Ulster too, and asking how a particular proposal could fit in with the Northern Ireland region. We want to see more of that and hear more about it, because Northern Ireland is crying out for that assistance.

I call on the Government to step up to the plate and tell us what they can do. We have a stable regime and a highly educated young workforce with advanced skills, and we are a cheaper region to invest in.

7 pm

Motion lapsed (Standing Order No. 9(3)).

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

Ian Paisley: In 2018—it should have been sooner—our corporation tax rate will reduce to 12.5%. We need to offer hope to employees facing redundancy. The company is starting its official consultation with employees next week, on 23 November, and I have already mentioned that the Prince's Trust has been incredibly helpful in offering support to the younger employees in particular.

The unions, too, have been very helpful. There have also been helpful comments in our local media, including from Wrightbus, a large employer just down the road, whose managing director, Mark Nodder, has said he is optimistic about the manufacturing sector, despite the job losses. He should know, because he employs people in County Antrim. He also referred to the University of Ulster's economic policy centre, which predicted last week in a report that manufacturing employment in Northern Ireland was likely to grow over the next decade. It has suggested a figure of between 8,000 and 14,000 jobs. These things offer hope in a picture that

otherwise would be entirely gloomy. I hope the Minister can encourage us tonight and respond to some of these key points.

7.1 pm

The Minister for Small Business, Industry and Enterprise (Anna Soubry): I begin by paying tribute to those who work at the Michelin factory in Ballymena and their families during this extremely difficult time. The loss of 860 jobs in a small community is a serious and significant blow, and one that is certainly not lost on me or the Secretary of State. I congratulate the hon. Member for North Antrim (Ian Paisley) on securing the debate. Frankly, I was surprised he did not get the urgent question. That is not a criticism of the Speaker—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I know it was not intentional, but we cannot go into that or mention the urgent question.

Anna Soubry: I was trying to say that the hon. Gentleman and others made an excellent point about how, had these job losses happened on the mainland, there might have been a bit more noise in this place—although not from him, I hasten to add, because, as ever, he does a fine job fighting for his constituents. I also pay tribute to all the interventions from the hon. Members for North Down (Lady Hermon), for Strangford (Jim Shannon)—as ever—for South Antrim (Danny Kinahan), for South Down (Ms Ritchie) and for East Antrim (Sammy Wilson). I will come on to the specific point about energy prices later.

The loss of 860 jobs was indeed a serious blow. By pure chance, the hon. Member for North Antrim and I were sharing a taxi on the night of this dreadful news, and we did at least begin the conversation. I know he has also spoken to my right hon. Friend the Secretary of State for Northern Ireland and the Under-Secretary of State for Northern Ireland, my hon. Friend the Member for Wyre and Preston North (Mr Wallace), about the situation. They share the great concern about this blow to a small community and its onward effect through the supply chain. It comes, of course, at the same time as the Gallaher factory in Ballymena is set to close—in 2017—with the loss of many jobs.

I normally try not to read from a prepared speech, because I do not think it is right, but I will in part tonight, because there are lots of facts and figures that it would be helpful to mention. I want to deal specifically with the question of energy prices. It is sad and unfortunate that we are where we are, having this debate about energy prices at this point, with Michelin having decided to go. I am aware of the statements it made, and the hon. Gentleman has already identified the reasons it gave. The cost of energy has been a difficulty for some time. As it happens, the manufacturing of tyres does not fall into the category of electricity or energy intensive industries. We could have a discussion about why. It is unfortunate that it does not do so, because we know that some form of compensation is available. Most importantly, we still seek to persuade the European Union to sign off the full compensation package, so that we can make sure that industries that use huge amounts of electricity—not just the steel industry, but a large part of our manufacturing sector uses extraordinary amounts of energy—receive compensation.

[Anna Soubry]

My view—and these concerns are certainly shared by the Secretary of State for Business, Innovation and Skills—is as follows. What industry wants is a level playing field—that applies to the steel industry, to ceramics, to cement or whatever. When, frankly, we are in tough times, competing not only in what we call the global race but within the EU, all people ask when margins are so tight is that we all operate on a level playing field. It has been a feature and it is a fact that a number of our businesses bear an onerous burden of what we can call carbon taxes in their various forms.

What I can say to the hon. Member for North Antrim is that this is not lost on the Government, me or the Secretary of State. We make the case for British industry—and when I say British industry, I mean all industry across our United Kingdom, obviously including Ulster—that there should be a fairness, a level playing field. If I had my way, I would go so far as saying that energy intensive industries should not have to bear any burdens excessively, although I appreciate that would not include Michelin. If we are to make the changes that we all want—I very much hope we are—the burden would therefore have to fall right the way across, including on consumers and perhaps other businesses. I agree with the hon. Member for North Antrim that people would pay that price.

There has been support for employees. The immediate focus in this situation is, of course, on the workers themselves. I join in paying tribute to the Unite union. It is astonishing—no, it is not astonishing for any of us who know trade unions; I am a former trade union official—that yet again we see trade unions and their leaders really stepping up to the mark, acting in a responsible and sensible manner and with great realism. Sometimes people think that workforces and their leaders are somehow stupid, but they are not. As the hon. Gentleman identified, they knew what was going on and they feared the worst. Unfortunately, their fears were confirmed.

I understand that Northern Ireland Executive Ministers at the Department of Enterprise, Trade and Investment, together with Invest Northern Ireland, the Department for Employment and Learning and the wider Northern Ireland Executive have said that they will do all that is possible to limit the impact of the announcement. The Department for Employment and Learning will be engaging with the company management to offer redundancy clinics to employees. Northern Ireland's Redundancy Advice Service works in partnership with a range of bodies, including the further education colleges and HMRC to provide advice on alternative job opportunities, access to training courses and a range of other issues.

I would like to take this opportunity to welcome the £5 million development fund package launched by the company to support the retraining and redevelopment of the staff to find new work. Those are the actions of a

company that understands its responsibilities towards its employees. We can be confident that it will do the right thing by all of that.

If I may say so, the hon. Member for North Antrim makes a very important point about the huge skills and abilities of the Northern Ireland workforce. It matters not that I have been over to Northern Ireland only once, because one picks up a lot, and in any event the fine reputation has been earned by all the workforce. They are extremely able, highly skilled, well-educated and, most importantly, extremely well motivated. Those are important features.

The hon. Gentleman and his colleagues made a crucial point about UKTI. I take away with me from this debate an absolute promise to him that I will speak to Lord Maude, and through him to UKTI, to make sure that UKTI does everything it can to promote Northern Ireland in all the work we do in promoting Great Britain. The hon. Gentleman made a very good point that there is always a danger that in some way Northern Ireland might be forgotten. It may seem impossible to believe that, given the abilities and strengths of all the Members who represent it, but the hon. Gentleman made a very good point none the less.

Let me emphasise that there are opportunities in Northern Ireland. As many Members will know, the picture is not all bleak. A medical firm, Randox, has said that it will create 500 jobs in County Antrim over four years; in July, Texas-based OneSource said that it would create 289 jobs in Londonderry; and, as recently as September, Intelling Ltd announced plans to establish a contact centre in Belfast, creating 250 new jobs. So there is some good news, although, as I said at the beginning, the effect on a community of the loss of so many jobs is not lost on me.

There is more of my speech, but I am not going to read it all, because I believe—and I hope they will agree—that I have addressed the points made by the hon. Gentleman and his colleagues. As I have said, the scale of this is not lost on me. I will think further about the important points that have been raised, and I should be more than happy to meet the hon. Gentleman and his colleagues to discuss what more can be done. The main point is, however, that given the effect of high energy prices, the need to ensure that we have a good supply of cheap energy has never been more critical. We know what the consequences may be if we do not address that need, which is not lost on anyone in Government.

As I have said before, in my experience—such as it is, at present—all that people ask for is a level playing field. That strikes me as a very fair ask, and it is something that this Government are determined to achieve.

Question put and agreed to.

7.11 pm

House adjourned.

Westminster Hall

Tuesday 17 November 2015

[SIR ROGER GALE *in the Chair*]

Reserve Forces

9.30 am

Mr Philip Hollobone (Kettering) (Con): I beg to move,

That this House has considered the future of the reserve forces.

May I say what a pleasure it is to see you in the Chair, Sir Roger? May I also thank the Backbench Business Committee for granting time for the debate? I have called it because the defence of the realm is the most important duty of Her Majesty's Government, and the reserve forces are an ever more important part of that. The recruitment and retention of reserves is an important issue for the House, and this is a good opportunity to hold the Minister to account for the way in which the Ministry of Defence is tackling it. Progress has been made, but I am sure the Minister will admit that more can and must be made. What better way to hold any Minister of the Crown to account than on the Floor of the House?

My understanding is that Her Majesty's Government intend the armed forces to comprise the following numbers of servicemen and women by 2020: 29,000 in the Royal Navy, 31,500 in the RAF and 82,000 in the Army. They are to be supported by 30,000 Army reservists and 5,000 Royal Navy and RAF reservists. As of 1 October, the trained strength of the tri-service volunteer reserve stood at 25,970—an 11% increase on the year before. However, the target of Her Majesty's Government is for the tri-service reserve to total 35,060 by 1 April 2019. Maths was never my strong point, but I reckon we have 9,000 reservists to go to get to that target—a 35% increase on where we are now. Broken down by force, the target would be 30,100 reservists in the Army, 3,100 in the Royal Navy and 1,860 in the RAF. That would seem to be a tough challenge for Her Majesty's Government to meet, and I look forward to the Minister giving us the confidence that they are on track to do so.

The reserves are an important part of our defence. I know a little about the subject because in a previous life I served, in a humble capacity, as a member of the Territorial Army for eight and a half years. During the cold war, Trooper Hollobone was prepared to stand in a trench to hold back the Russian hordes advancing over the north German plain. I am pleased that that never came to pass, because I am not sure that I and my few pals would have been able to do very much in the face of the Russian onslaught, although we would have done our best.

Mark Field (Cities of London and Westminster) (Con): I should point out that my long-standing friendship with Trooper Hollobone goes back to my university days. However, my only military experience with him on the front line consisted of the very nice lunches we had at the Honourable Artillery Company—which, I should point out, he paid for.

Mr Hollobone: I was delighted to be able to entertain my long-standing friend for lunch at the Honourable Artillery Company—the oldest serving regiment in the British Army.

In my brief military career, I had three cap badges. Whatever colour beret I wore, I was always proud to serve. However, there are those present who are far more qualified than I am to talk about military matters, because of their Regular Army experience or their experience in the Government, and I look forward to hearing their contributions.

It is important to remember that the Territorial Army, as it was called—the reserve, as it is now—is not a Dad's Army. Now, there is nothing wrong with a Dad's Army, and we have all enjoyed the television series. Of course, many reservists are in their 50s, and they provide valuable service to the Crown. However, there are also lots of very young men and women in our reserves, and we should remember that the make-up of our reserve forces is very different from that portrayed in the television programme.

Mrs Madeleine Moon (Bridgend) (Lab): Is not one of the areas where reservists can particularly excel, no matter what their age, the specialist services dealing with cyber-defence? Given that the Chancellor announced yesterday that £2 billion will be going to extend our cyber-capability, should we not be looking to recruit into the reserves from our IT and technology companies?

Mr Hollobone: I welcome that helpful contribution. The hon. Lady is known throughout the House for her experience in military affairs. She is in charge of the all-party group on reserve forces and cadets, and she is a distinguished serving member of the armed forces parliamentary scheme. In other words, she is a lady who knows what she is talking about, and she gives the Chamber very wise counsel. There are many very good things about Her Majesty's armed forces, but one of the bad things is that they can be too rigid in applying themselves to future challenges. The threat of cyber-warfare is a big unknown, and we have to be flexible and adaptable, and to think outside the box in meeting that challenge. The hon. Lady is absolutely right: we need to get people on board who understand cyber and IT. If we have to change our recruitment and retention processes to make sure that such people are contributing to Britain's defence, we should do that, and we should do it quickly. The announcement of the extra expenditure suggests that the door of Her Majesty's Government is open to such thinking. I very much hope the Minister will pass the hon. Lady's wise words on to the Treasury, No. 10 and all the others who make these big, important decisions.

Mark Field: I would like to echo the words of the hon. Member for Bridgend (Mrs Moon). It is very positive that the Government have recognised the great danger of cyber-attacks not only in the military sphere, but in the commercial sphere. Given that the Bank of England has been so robust about the importance of resilience and the potential gaps in that respect in the commercial sphere, does my hon. Friend agree that Ministers should look again at having a reinsurance package in the cyber area, rather like what Pool Re provides in the terrorist area?

Mr Hollobone: My right hon. Friend makes an extremely good point. He represents the City of London, and we need to tap into the pool of talent that exists in our capital city in insurance and IT. We need to do whatever it takes to get the computer experts from the big international banks in the City of London, if necessary, to work in the interests of Britain's defence. I know my right hon. Friend will be leading the charge to make sure that the Government are aware not only of the threat of cyber-warfare, but of the opportunities offered by the pool of talent in our great city to meet that challenge.

Some 330 reservists are currently mobilised around the world. They can be found in Afghanistan and Cyprus and in global counter-terrorism and counter-piracy operations. Reservists formed the core of the infantry training team recently sent to Ukraine. We also have reservists deployed in Jordan, Iraq, Kuwait and Qatar, as part of the counter-ISIS effort.

I am pleased that many reservists also serve as part of formed bodies and teams, not just as individuals. A platoon from 6 SCOTS, which is based in Glasgow, is in Afghanistan. The 2nd Battalion the Royal Irish Regiment, based in Lisburn, has two platoons deployed to Cyprus. I understand that a reserve unit will be the Cyprus lead from April 2018, that formed reserve bodies will also be deploying in some 23 overseas exercises this year and that the 4th Battalion Parachute Regiment will mobilise and deploy as a formed sub-unit to the Falklands in June next year.

When I was involved, in a humble way, during the cold war, my understanding was that we could not be deployed under Queen's regulations. There would have to be an extreme national emergency for that to happen. I understand that Queen's regulations have been changed since the mid-1980s, and there is now more flexibility about how reservists can be deployed, and I think that is a good thing. Of course, reservists engaged in hot contact with the enemy are serving with distinction. A serving reservist in the Artists Rifles was recently awarded the Conspicuous Gallantry Cross for his endeavours on the front line. Reservists are serving with distinction and doing the country proud. Everyone present for the debate would, I think, agree that Her Majesty's armed forces represent Britain at its best. They are the best individuals, serving with the best of motives in the very best way.

As well as the front-line soldiers who have been awarded gallantry decorations, I want to mention youngsters in cadet forces. I was proud to see at Remembrance Day services in the borough of Kettering how smart and proud the Army, RAF and Royal Navy cadets were on parade. A lot of effort had gone into displaying the pride of their units and representing their areas. If we can instil such a sense of loyalty to the Crown, self-respect, discipline and motivation into youngsters in the cadet forces, that must be a good thing.

I have drawn for inspiration in my brief remarks on an interesting document entitled "The United Kingdom Reserve Forces External Scrutiny Team Annual Report". The team is looking at the way in which Her Majesty's Government are developing the concept of Future Reserves 2020. I am sure that the Minister will have gone through all its recommendations and that it is required reading for anyone with an interest in how our reserve forces are to develop. It is worth emphasising some of the key recommendations, one of which is:

"The success of FR20 depends first...upon increasing the size of the Reserve. Each Service has challenging manning targets to meet, with heavy emphasis on recruiting and initial training. This year the Services appear to have turned the corner on growing numbers, after poor achievement over the first two years."

However:

"Notwithstanding some excellent workarounds on in-flow, we are not convinced that they are sustainable into the medium term, suggesting that systemic problems with the recruitment process still need to be rooted out. Medical screening sits prominently as an area of concern."

The report goes on:

"The sustained health of the Reserves is highly dependent upon the quality and quantity of officers available at unit level, in order to plan and lead the challenging training on which the Reserves thrive. Progress in attracting and recruiting young volunteer Reserve officers needs attention."

The Minister will be acutely aware of those recommendations and will have been working hard to address those concerns. The good news is that the current recruitment marketing campaign has resulted in higher levels of advertising recall than UK recognition norms, and that resonance is increasing among 18 to 35-year-olds. However, understanding of the Army Reserve especially remains low and messaging needs to be adjusted to reinforce some key things: adventure, excitement and personal development. Potential recruits are worried about the possible extent of the commitment, and there is also fear of injury.

Martin John Docherty (West Dunbartonshire) (SNP): This is an important debate. Since the last strategic defence and security review, there have been personnel reductions of 5,000 in the Royal Navy, 5,000 in the RAF and 7,000 in the Army, followed by an additional 12,000 reduction to the Army. What is proposed for the forces 2020 vision is that part of the recruitment process will involve those leaving the services—regulars who are leaving. Given that they have been made redundant, does the hon. Gentleman agree that it will be extremely problematic to fill that gap?

Mr Hollobone: I am grateful to the hon. Gentleman, who has identified a real issue, and hope that the Minister will respond to those figures. We want to ensure that ex-regulars join the reserves. We also need to retain the reservists who are recruited. Retention is a key issue. All too often we focus on how well recruitment is going, and do not spend enough time on retaining reservists.

I am pleased that the Government have an employer recognition scheme. It was launched by the Prime Minister in July 2014 and is intended to recognise employers through a scheme with bronze, silver and gold tiers. I understand that 10 employers received gold awards last year.

Mr John Baron (Basildon and Billericay) (Con): Does my hon. Friend agree that part of the problem is that the original plan was to hold the regular forces and not let sizeable numbers go until there was clear evidence that the plans for the reserves were working? That original plan changed because of financial considerations, which is the reason for the present large capability gaps. Perhaps it is also the reason for the problem with recruitment.

Mr Hollobone: It would not be a proper debate on Her Majesty's reserve forces without a contribution from my hon. Friend, and I am glad that he has highlighted his concern, which I know many other hon. Members share, about the gap between the growth in size of the reserve forces and the decline in the number of regular personnel. I started my speech by quoting the fact that the Government wanted the Army to be 82,000-strong by 2020. My understanding is that it has fewer personnel than that now, so there appears to be a gap. That is why we must get the reservist part of the plan right. I am not sure that we are there yet, as the external scrutiny report said.

On the matter of retention, the report explains:

"The Reserves' age profile is currently too heavily skewed towards older reservists who are closer to the end, rather than the start, of their service and therefore outflow will be relatively high for the next few years as they leave due to natural factors. Consequently equal attention needs to be paid to retention during earlier stages of the Reserve service spectrum. In the main retention should be significantly enhanced by the provision of challenging individual and collective training, at every phase of service. Such provision cannot rely solely on opportunities structured around the Regular ecosystem; bespoke, Reservist-friendly development and training needs also to be available."

As an example, many reservists who want to improve their reservist career are sent on regulars' courses during the week, but many cannot do that sort of training during the week. We need more flexibility about providing it at the weekend. Also, there is a lot of interest in weekend sport among regulars, but reservists who give up their weekends do not want to play sport; they want to fire weapons. However, a lot of the weapons training is not available at weekends. We need to think more flexibly and adaptably about what reservists want to do. A reservist who feels bored and fed up, and that they are not being challenged enough, will leave. Then all the effort that has been put into recruitment is wasted.

Mrs Moon: A further £2 billion for the special forces was announced yesterday by the Prime Minister. We have had tragic incidents in Brecon, where reservists were seeking to join the special forces. I would not want people to be put off joining the special forces because of those incidents. Does the hon. Gentleman agree we need to be very clear that reservists are welcome in our special forces, though we have to accept that the training is arduous and the commitment is heavy?

Mr Hollobone: Having completed that course myself, I know that it is a very challenging experience. The deaths of the applicants were tragic. The publicity around the horrendous circumstances of that incident will, funnily enough, encourage others to come forward, in a perverse way, because they will have seen how difficult it is to get into the special forces. My understanding is that the exercise in question was not actually run by the special forces, and I would imagine there is quite a lot of concern among the special forces that the tragedy has been branded as their responsibility. My clear understanding is that it was not run by the special forces. Part of the challenge and the attractiveness of the special forces to potential recruits is the very difficult nature of the task presented to them, and we must not dilute that in any way.

One thing I am sure we can all agree on is that pro rata, we have the best armed forces in the world and the best special forces in the world. We have centuries of

experience in developing our military capability; we know what makes people tick and we know how hard we can push people. Sometimes, tragically, it goes wrong, but those are a minority of occasions. The bulk of the training that both regular forces and special forces receive is some of the very best in the world, and we should be very proud of that.

Like the hon. Lady, I welcome the announcement of extra spending on special forces, as well as extra spending on cyber-warfare. In providing the capability for both, the reserve has a golden opportunity to contribute. We will not tackle these issues just through regular personnel; we have to attract reservists with specialist skills.

Mark Field: On a budgetary point, while the commitment to additional spending within what we might call the defence budget is obviously welcome, does my hon. Friend share my view that we need to be a little cannier about the way in which we utilise the soft power that comes with the 0.7% in the Department for International Development budget for a whole range of areas, such as community cohesion in foreign lands? We can utilise elements of that budget for precisely this sort of element of the reservist side. Even if we cannot commit ourselves, as many of us would like to, to a 2% or even higher percentage of GDP for defence, at least elements of what would traditionally be the defence budget can come through the important soft power of DFID.

Mr Hollobone: My right hon. Friend makes an extremely good point. I am all for maximising the military component—that is a clumsy phrase—of our defence spending. Using our soft power budget legitimately to enhance our hard power capability is fine. I am all for, for example, sending armed forces personnel on aid programmes in other countries to become familiar with the language, culture and how those countries work, because that will help our hard power defence effort.

I am pleased that the Government are committed to spending 2% of our GDP on defence. I cannot for the life of me understand why the Government will not enshrine that in law, because if we have enshrined the defence spending into law, enshrining the 2% commitment in law should be no issue. I am confident that a majority of this House would support doing just that, if the Minister were so minded.

As I understand it—the Minister can correct me if I am wrong—there is an issue regarding medical reservists, who will make up something like 50% of Defence Medical Services by 2020, with some specialties such as neurology and urology being provided entirely by the reserve forces. There is, understandably, concern about the approach some NHS trusts are taking on medical reservists—the NHS is hard pressed, and we need all the doctors we can get—but there are benefits for crossover expertise between doctors working in the NHS and doctors working with our reservists. Some years ago, I had the privilege of visiting our front-line A&E facility in Afghanistan, which I think is the most advanced A&E facility in the world. It is manned by NHS doctors, who can bring their expertise back to the UK. There are lots of crossover benefits, but there is considerable range of practice within the NHS regarding the ease with which reserve doctors are allowed to leave their NHS posts to fulfil their reserve training commitments.

The Parliamentary Under-Secretary of State for Defence (Mr Julian Brazier): On that specific point, my hon. Friend will be aware that in the past few years the reserves have provided the framework unit for half of all the rotations in Helmand. There is indeed a range of practice, but we are working hard with the NHS, and many of the award-winning employers are in fact NHS trusts.

Mr Hollobone: I am pleased that my hon. Friend is on the case; I can think of no better man for the job. My understanding is that there is a range of different practices in the way in which different trusts handle their medical reservists. It strikes me that there is an opportunity for the Government to streamline the process for the benefit of the reservists, the reserve and the NHS trusts themselves.

Kevin Foster (Torbay) (Con): My hon. Friend is being very generous in allowing interventions. He talked about the reserves having specialist skills. In areas such as the cyber-sphere, there are people who perhaps would not be attracted to joining the full-time military but who have just the sort of capabilities and skills the military needs. The reserves could be a great opportunity to allow a mix between being a civilian in the day and also being in the military. Does he agree?

Mr Hollobone: I am most grateful for that intervention, which is extremely helpful. My hon. Friend is spot on: to meet the cyber threat, we will have to be more flexible and more adaptable in how we attract such skills for the benefit of the defence of the realm. I hope the Minister heard what my hon. Friend said and will feed that back.

I am going to sit down because I have spoken for far too long and there are people far more qualified than me who want to contribute to this debate, but I want to highlight the last paragraph of the external scrutiny report, which says:

“Our assessment is that FR20 remains on or near track for delivery. The main 2014/15 objectives have been met and Reserve manning levels appear to have turned the corner. That said, it is a long corner before the home straight and successive annual inflow targets are typically far more challenging. Although not within the reporting period we feel obliged to point to an emergent potential risk to the programme. We are acutely aware of the current tautness the Defence budget, with significant risk in many programmes. Any further budgetary pressure resulting from the 2015 Comprehensive Spending Review, if realised, is likely to have a direct bearing on the Services’ ability to deliver FR20—whether as a consequence of direct cuts to the programme or indirectly through reductions in activity which exacerbate recruiting and retention risk.”

It is my contention that a key element of the extra money announced for cyber-warfare and special forces needs to be directed towards the reserves, because that is where the skills and capability can be best provided to meet the challenges this country faces in future.

Several hon. Members *rose*—

Sir Roger Gale (in the Chair): Before we proceed, I have two things to say. First, I should have placed on the record that the hon. Member for Bridgend (Mrs Moon) has indicated to me that she has to be elsewhere in the House, as is sadly so often the case when we try to do two things at once. That is a matter of record, as is her presence. Secondly, I was asked earlier if I would have to impose a time limit. At that time, I said no, but the hon. Member for Kettering (Mr Hollobone) has been

very generous in giving way; I imply no criticism whatever, but it does mean that we now face the need for a time limit. If hon. Members confine their remarks to seven minutes, we shall be able to accommodate all those seeking to speak.

9.59 am

Douglas Chapman (Dunfermline and West Fife) (SNP): It is a pleasure to serve under your chairmanship, Sir Roger. I thank the hon. Member for Kettering (Mr Hollobone) for bringing this important debate to the House.

I will start with how we recruit to, and encourage people to remain in, the reserves. Deployment and the value that we place on people who join the reserves are of crucial importance. The ability to allow people to put into practice what they have been trained for, whether at home or abroad, is a really important aspect of maintaining a professional reserve force.

My first question to the Minister is: how strong is the link between the regular forces and the reserves? I know there has been a lot of work recently to strengthen that link, but surely the reserve force can never be treated exactly the same as the regulars. Some roles may be interchangeable, and there may be an element of flexibility, but reserve training, which takes place primarily on evenings or at weekends, can never really reach the same standard as what we would expect for a full-time soldier, airwoman or seaman.

Does the Minister agree that we need more specialism for the reserves—the hon. Member for Kettering touched on this point—so that they can bring their professional expertise to bear? For example, in the recent tragic events in Paris, security, policing and intelligence skills were to the fore; it would supplement the work that goes on 24/7 in those areas, and support the greater good, if reserves used the talents that they already have from their professional lives. Likewise, the hon. Member for Bridgend (Mrs Moon) made a good point about cybercrime. The hon. Member for Kettering raised the issue of the NHS, and some of the gaps in specialist medical skills and nursing. I ask the Minister, is there anything further that the Government can do to extent the number of reserves we can take from our NHS?

A common complaint that I often hear concerns reserve officers. The average age for a reservist is 37; for an officer it is 44. It has been related to me that people serving in the reserves feel that is too high. Reserve officers are still on civvy street, obviously; the careers of many may be peaking at that age, and their families are probably at their most complex and busiest. Do they have the time and energy to take on a demanding reservist role as well as their normal day-to-day career? My question for the Minister, then, is: how do we encourage younger people, from all backgrounds and all sections of society, into the reserves and give them increased opportunities to access officer training much earlier?

On recruitment, the 35,000 figure is a tall order in anyone’s book. The Secretary of State suggested that the target was “stretching away”; that was in *The Daily Telegraph*, which is a fairly pro-Government newspaper, if I can put it that way, and not at all critical. The Major Projects Authority described the target as “unachievable”, and the project was downgraded from amber/red to red.

We are currently 10,000 shy of the target, so at what stage will that become red and flashing? Reservist capability and numbers are crucial to forward planning for the military as a whole.

The hon. Member for Kettering also mentioned retention. Over recent years the Government have spent millions on recruiting reserves, but there is no point in recruiting all these people and training them to a very high standard only to see them haemorrhage out the other end. Many reservist units see that as a major problem, and many who lead those units see retention as far more important than recruitment, in many respects. As Members have suggested, many regulars have been made redundant in recent years; we might have thought that more effort would be made to ensure that people who leave the services get the chance to take up a reserve position if they want to—they would jump at it. Transfer from the regulars to the reserves is pathetically low. The Minister should have another look at that.

In Scotland, the activities of the Ministry of Defence can be summed up in one word: cuts. In 2012, there were 12,200 full-time regular service people in Scotland; we were promised that that number would be roughly maintained, or would rise to 12,500, in future years. The Minister will be more than well aware that that figure is now around 9,300. In Scotland, there is a big gap to fill in mainstream activity. Not a single Royal Navy surface ship is based in Scotland. Our coastline is equivalent to that of India, and we have assets such as fisheries, oil, gas and renewables to protect. Where is the Royal Navy in Scotland? Under this Government, in Scotland the Royal Navy surface fleet could be said to be absent without leave. There are 28 Air Force bases in the UK, but following the closure of Leuchars, Scotland is down to one. That barely rated a mention in any of the MOD literature put out before the referendum last year.

Recruitment rates for the reserves are appallingly low in Scotland, with barely 50% of the target figure met. That lack of take-up among reservists is because of a lack of confidence in the MOD to defend our shores and airspace in an increasingly dangerous and unpredictable world. The target will not be met in Scotland against a background of cuts and a reducing MOD footprint.

10.7 am

Jim Shannon (Strangford) (DUP): It is a pleasure to serve under your chairmanship, Sir Roger. I apologise to the shadow Minister and the Minister; two of us have another meeting at half-past 10, which we are duty-bound to go to, so I will have to leave. I mean no disrespect to either hon. Gentleman; it is simply that business presses in other places.

I congratulate the hon. Member for Kettering (Mr Hollobone) on bringing this important issue to the House and setting the scene well and in great detail. I declare an interest as a member of the Defence Committee—as are others here—and as a former part-time soldier, with three years in the Ulster Defence Regiment and 11 and a half years as a Territorial Army soldier in the Royal Artillery. I never achieved officer status; I drove a 4-tonne lorry—someone had to drive the lorries—and I achieved the very high rank of lance bombardier. I was an ordinary soldier, and so bring some knowledge to the debate.

We have a proud history as a military nation, and are always at the forefront of defending justice, democracy and the vulnerable. That has never been more important, in the light of the attacks on Paris last weekend. We are living in tough economic times, but must ensure that we do not retreat from the world stage. We cannot become isolationist. We are Great Britain—the United Kingdom of Great Britain and Northern Ireland—and are bigger and better than that. Our role is on the global stage, as a strong extrovert international voice. We have been a force for good in the past, and can be in the future. We cannot put that at risk by making huge decisions about our armed forces and our reserve forces without taking into account the changing global environment.

The tragic events of Friday are a stark reminder of the global nature of the threats that we, as a civilisation, face today, so we must think more carefully than ever about the implications of cuts to any aspect of our armed services. I know times are tough and we are being asked to tighten our belts, but the goalposts have moved. The global security environment has changed. The world has changed, and is changing again, and we need to be aware of that. Our armed forces and reserve forces are there if we need them, and we do not want to have a depleted armed forces when they are most needed.

I understand that we have to have 82,000 full-time service personnel; on the present figures, we have about 79,500, so we have not even met the figures for full-time personnel. If we are having problems filling the uniforms in our full-time Navy, Air Force and Army, the issues for reserve forces are even more acute. Perhaps the Minister can tell us that the figures have changed and that, in the last few months, we have recruited about 2,500. That would be marvellous news, but let us make sure that when we talk about reserve forces, we do not unknowingly disregard our full-time forces.

I welcome the recruitment drive to increase the reserve forces to 35,000 in strength by 2018, but I reiterate that it is imperative that our armed forces' effectiveness as a whole is not adversely affected as a result. The Minister and the hon. Member for Kettering, in his introduction, have set the scene relating to our reserve force capacity. It is obvious that we are not yet achieving our aim, but we cannot keep depleting our full-time forces if the reserve forces do not fill the gap—and, to be fair to our reserve forces, they should do so in a way that allows them to compete, and to add to what is already there. With proper training and the appropriate services and amenities, I am sure that we can have the future reserves that we are talking about, whom we can depend on when needed, but we have to make sure that that happens. We cannot have a situation where we replace lost service personnel with reservists who need to be fully trained, because the ultimate consequences of that would be simply too much to bear.

Many of the people who sign up to reserve forces, and are first in line for call-up, work in small businesses; that is probably more the case in Northern Ireland than on the mainland. Perhaps the Minister can tell us how to make sure that there is an employer-employee relationship that ensures that the reservist can give their commitment, and the small business employing 10 or a dozen people can operate. That small business might even employ fewer people than that. If it employs five people and

[Jim Shannon]

one is taken out, it has a 20% reduction in its workforce. We need to address those issues for the employer as well.

Mr Brazier: I am avoiding making interventions because time is so short and so many people want to speak, but I shall, given that the hon. Gentleman has to leave. We have not only expanded the provision for employers in general when people are mobilised, but have introduced a supplementary £500 per month per individual mobilised for small and medium-sized enterprises. However, I welcome his point.

Jim Shannon: It is obvious that the Government are responding to the situation, but I am conscious of the mechanics of how that works in a small business. I appreciate the Minister's response, however.

In Northern Ireland, we are already almost at our capacity for reserve forces. Our numbers are very clear. I have said in the past, and I say it again for the record, that if there is room to take more reservists, and I believe there is, it is important to make up at least some of those numbers in Northern Ireland. We can expand recruitment capacity in the Province to help meet the required number of reserves, as the Province has a long history of serving. Indeed, it provides more service personnel proportionally than any other British region.

The British Medical Association is concerned about undermanning in the Defence Medical Services and the effect that will have on morale, motivation and retention. The 253 (North Irish) Medical Regiment has an important role to play in the future of any Army action, wherever that may be in the world. The reservists' role in that is so important. The DMS says that although many who are willing to serve Queen and country get the very best, which is no less than they deserve, there are concerns about how the numbers will be made up, so there needs to be a strong recruitment drive. Constituents of mine who are doctors, and other personnel and staff from hospitals, are involved in that. Some specialities, such as neurology or urology, will be provided entirely by the reserve forces, as I understand it, and perhaps the Minister will comment on that. According to the BMA, there is a shortfall of approximately 68% in the Defence Medical Services. We need to deal with some of those issues.

Time is going by, so I will finish. We need to focus on where the shortfalls are in the Defence Medical Services, and to ensure that employers have a role and can let their personnel be part of that. I conclude by saying that we should offer our strongest condolences to those affected by the Paris attacks. I urge Members to learn from those events, and to be mindful, when deciding the future of our armed forces, that evil forces such as Daesh or ISIS are exactly why we must maintain a strong, influential and quality armed services. Our reserves are very much part of that.

10.15 am

Mr John Baron (Basildon and Billericay) (Con): I thank my hon. Friend the Member for Kettering (Mr Hollobone) for securing the debate. When he was serving in his trench in Germany in the 1980s, I was even further east during the cold war, in Berlin, surrounded

by the enemy. We were always told that quality would see us through, but some of us also knew that quantity has a quality all of its own, and that we stood very little chance. Our job was just to slow the progress of the advancing forces in time for when they met my hon. Friend, who would obviously put a stop to them.

I start by making the obvious point: the plan to replace 20,000 regulars with 30,000 reservists was born out of financial pressures, not strategic logic—let us be absolutely clear about that. As was described to me and others by the then Secretary of State for Defence, the financial logic was very simple. In peacetime, reservists cost a fraction of regular forces; they are easier to maintain on the Ministry of Defence budget, but when the balloon goes up and they need to be deployed, the cost of deployment, which is far higher for reservists than it is for regulars, gets transferred to the Treasury. It was an accounting exercise designed to save money. There were no strategic grand designs with this plan. That is not to say that there are not advantages from having a more flexible reservist force available to hand, or that one does not have a deep regard for the Territorial, now reservist, forces—I served with them myself in Berlin, Germany, Cyprus and Northern Ireland back in the 1980s—but the bottom line is that the plan was born out of financial pressure, not strategic design.

The plan was criticised by some of us at the time. The criticism manifested itself most starkly when we tabled amendments to the Defence Reform Bill, later the 2014 Act, in the last Parliament. I managed to secure the support of the official Opposition and the Scottish National party for an amendment, but unfortunately I could not carry quite enough Members from my side, although I am very thankful to those who did support me in that amendment, including my hon. Friend the Member for Kettering.

For us, the problem was that replacing 20,000 regulars with 30,000 reservists would create capability gaps and false economies in the longer term. The original plan was to hold those 20,000 regulars in situ until we had clear evidence that the reservist plan would work—in other words, until we had geared up on the reservists' recruitment. There were clear indications that we could plug that gap—that, by the way, was confirmed by the previous Defence Secretary, who stood up during the debate on the amendment to the Defence Reform Bill and said that that was the case and that was the original plan. However, in addition to the cack-handed plan of replacing 20,000 regulars with 30,000 reserves, simply on the grounds of financial pressure, we then compounded the problem by saying, "We'll let the regulars walk out the door, and no doubt we won't have any problem with reserve recruitment." What madness that turned out to be. We let the regulars out the door and the Army is now, I think—no doubt the Minister will correct me if I am wrong—below 82,000 on our regular strength, and meanwhile we are struggling to recruit the reservists, as my hon. Friend has clearly outlined.

The problem is not just numbers. My hon. Friend rightly pointed out that we are perhaps 9,000 or 10,000 reservists short, but, as has been alluded to in this debate, it is not just the numbers that are the problem; it is the age profile of the existing reservists. Answers to written questions more than a year ago highlighted that the average age of an infantryman in the reserve forces was in the mid-30s, and that going up the ranks, whether senior NCOs or officers, it was heading into the 40s.

We all loved “Dad’s Army”—great series—and there is a place for a home reserve, but Dad’s Army was not on the Normandy beaches. In addition to the numbers being recruited into the reserve, we need to look at the age profile of the existing reservists. The figures I quoted are for infantrymen, not the other arms of the reserve. Infantrymen have to be of a certain age to be at their peak capability on deployment.

Mr Brazier: My hon. and gallant Friend is generous in giving way. Dad’s Army was not on the Normandy beaches as it was a home defence force, but the Territorial Army most certainly was there. A division helped to hold the line at Dunkirk and, indeed, a national guard division on its own took Omaha beach.

Mr Baron: I do not deny all that, and the Minister will not be able to deny that the Government have made it clear that they intend to deploy reservists much more frequently in overseas operations. He gives us only half the truth. If the plan is to deploy reservists much more regularly, not only will that be more costly than deploying regular forces, but we will have to address the demographic issue within existing reservists and the TA.

In the time remaining, let me return to false economies. No one can deny that capability gaps have occurred as a result of the change in plan, but the Minister must address the false economies resulting from that. Letting regulars go prematurely and the problems with reservist recruitment highlighted by my hon. Friend the Member for Kettering has resulted in extra spending. It is not just the IT fiasco, which cost £10 million, but the extra spending on incentives for both employers and employees—£500—pension equalisation and advertising.

I have asked parliamentary questions about whether the Government can quantify those extra expenses, which were not foreseen when the original plans were put in place. We have not had answers. We keep being told that there is £1.8 billion, which should cover those expenses, but that £1.8 billion is over 10 years. We need detailed answers from the Government on what those unforeseen extra costs have been. When will we have those answers? Either the Government do not know the answers, which would be worrying, or they do know and will not disclose them. That would be equally worrying and may suggest to some that they are trying to hide something.

I look forward to answers from the Minister when he responds and if he does not have time to provide them today, perhaps he will write to me and others who have raised the issue and say what the extra costs are. Our two central concerns are capability gaps in the short term and false economies in the longer term. At the moment, the reservist plans seem to have both problems.

10.23 am

Steven Paterson (Stirling) (SNP): First, I thank the hon. Member for Kettering (Mr Hollobone) for securing this debate. I am delighted to speak in it as the Member for Stirling, which has a long and proud tradition of association with the armed forces.

During the 1990s, when I was at university in Aberdeen, I was a member of the Royal Naval Reserve. The unit was part of the university and was designed to expand and increase understanding of the armed forces generally

and the Navy in particular. I am pleased that I had that experience, which has carried me forward to today. It is probably fair to say that the word “humble” is relative in the light of some hon. Members’ contributions, but I mention it to show that I have a little experience of the Royal Naval Reserve which has held me in good stead.

I will make a rather obvious statement: our armed forces reserve plays a crucial part in its contribution to the armed forces as a whole. The White Paper published by the Ministry of Defence in 2013 proposed significant changes, many of which have been discussed, but this is a good opportunity to consider one or two. Many of the proposals made sense in terms of modernising how the reserves operate—for example, updating and expanding the range of tasks the reserve can be called on to do, and reconfiguring the way reservists operate and complement regular forces. The strategic defence and security review will include a lot on that and I hope that the Minister will say a little about it today. I hope that more flexibility and broadened opportunities will help to increase the number of people in the reserve forces; many hon. Members have called for that this morning and I agree with them.

I have been told anecdotally of reservists hiding their military service from their employers, and that some use their annual leave for exercises. If there is any truth in that, we have work more closely with employers and reservists to solve that problem, because that should not be happening. People are entitled to make a contribution and to enjoy their work with breaks and holidays. Reservists develop a range of skills through their military service and bring a huge benefit to employers, but we must recognise that their commitment may have a serious impact on businesses. I welcome the Minister’s comments about contributions to employers. Perhaps we should investigate that avenue further as a way of expanding the numbers and reaching the targets.

Hon. Members mentioned enabling additional payments and the necessity of the reserve being more flexible and adaptable, which in many respects they are compared with the regular forces. That is an advantage. The reserve is more affordable, which may be partly why we are moving in this direction. It is good if it allows our forces to become more flexible.

Stirling is home to an assault pioneer platoon, part of Delta company of 7 SCOTS, whose job includes a range of things, including the construction of tools for infantry soldiers to cross natural and man-made obstacles, breaching enemy fortifications, supervising the construction of field defensive works, such as bunkers, support weapon firing positions and so on. Those are important skills and they make an important contribution. I am pleased to have the platoon in my constituency. I take this opportunity to recognise each and every reservist in the Stirling area and thank them for their dedicated service and hard work. As we have discussed, those reservists, due to the Future Force 2020 plan that the Government have set out, are becoming vital to our armed forces.

Looking to the future, the Government have set out an ambitious target of 35,000 trained reservists, 30,000 of whom are in the Army, by 2018. However, the National Audit Office has warned that that target is unlikely to be met before 2025. The point has been made previously and I know that the Minister will address it.

[Steven Paterson]

The external security team annual report suggests that, although there has been a significant increase in recruiting reservists, there is likely to be a high outflow due to the age profile being heavily skewed towards older reservists. That is a real problem and one that we must tackle. Working closer with employers to generate flexibility may be a way of creating the opportunities we seek to solve the problem.

The problems of recruitment in my constituency have been mentioned. Stirling has a long association with the Argyll and Sutherland Highlanders, who were, sadly, subsumed into the Royal Regiment of Scotland before being downgraded to a ceremonial battalion. That, combined with the closure of the Army recruitment office in Stirling, has caused problems for recruitment. Perhaps we should think again about how we approach that to ensure that people have the chance to benefit from the real opportunities and advantages in reserve service.

10.29 am

Kirsten Oswald (East Renfrewshire) (SNP): It is a pleasure to serve under your chairmanship, Sir Roger. I congratulate the hon. Member for Kettering (Mr Hollobone) on securing the debate; it is vital that we have these discussions. I found today's speeches, particularly from those who have served in the forces, very interesting. It is clear that there is a commitment in this Chamber to our reserve forces, and many vital points have been made about that, but we must ensure that our forces and our reserves are fit for purpose, that we are willing to stand up for them, and that these are not just words.

People who serve in our reserve forces deserve our commitment and support. It is vital that we understand the impact that their service has on their day-to-day lives. As we have heard, the conclusion of an independent commission was that previously our reserve forces were neglected, under-exploited and in decline. We welcome that being acknowledged and the commitment to a new relationship with reservists, families, employers and society, but it was interesting to hear the concern raised by the hon. Member for Basildon and Billericay (Mr Baron) that the current plan for our regular and reserve force numbers was an accounting exercise, not a strategic decision. I echo his request for answers on the costs that that bad planning has led to.

We heard from the hon. Member for Kettering about the deployment of reservists who are currently on patrol, and the importance of deploying troops while recognising the threats that we face. The hon. Member for Strangford (Jim Shannon) said that the world has changed and the goalposts have moved—and clearly they have. He noted that in that context, we have problems filling our full-time forces, and the issues that face our reserves are even more acute.

Our need to fill the reserve posts is clearly a key issue for our national security—I have noted that Trooper Hollobone agrees with me. As I said, it is vital to consider the impact on the lives of the people who serve in our reserve forces, because that has a direct impact on people deciding to enter the forces. We also need to consider the impact on their families and the longer-term impact on them, which we have not discussed much today.

We need to think about the interrelationship between our veterans and our regular forces, as my hon. Friend the Member for Dunfermline and West Fife (Douglas Chapman) stated. There is no doubt about the great work that both groups do, and they do it with huge determination and courage. That is appreciated hugely by all of us, I am sure, but as my hon. Friend said, in Scotland we see cuts and we have serious concerns regarding numbers. In September 2015, the number of military personnel in Scotland stood at a historic low. It is down 9.5% from the previous year. That is serious cause for concern. Undoubtedly, Scotland has served proudly. We were told very clearly last year, during the independence referendum campaign, that our defence capabilities would be delivered by a force that included 35,000 reservists. That will now be a stretch, and the figure will not be reached until 2020, if indeed at all. As the hon. Member for Kettering said, we have 9,000 to go and it is a tough challenge.

In June this year, the Major Projects Authority in Whitehall rated the Future Reserves 2020 project as red. As my hon. Friend the Member for West Dunbartonshire (Martin John Docherty) said, that means that it is unlikely to be achievable. The Defence Secretary himself has admitted that it is a challenge, and I certainly agree. As my hon. Friend the Member for Dunfermline and West Fife highlighted, it would be particularly good to hear more from the Minister on that to get some clarity. We are clear that we need to prioritise having the air and naval capability to monitor and secure our country. We need to ensure that our oil and gas, fisheries and coastal waters are safeguarded. That needs resource in the shape of equipment, but also personnel, yet the UK Government persist in planning to spend £167 billion on nuclear weapons of mass destruction, which deter no one. Those vital funds could be spent better on our forces, including our reserves, and on ensuring that we are appropriately resourced to meet both regular and reserve requirements. The hon. Member for Kettering quoted the report as saying that budgetary issues cause a real risk to delivery. I agree and I question those spending priorities.

We heard from a number of hon. Members about the age profile, particularly of officers. This issue is crucial. We must take action to diversify the officer age profile and better to link service leavers with reserve opportunities. I echo the sentiment that the reserves forces are not a Dad's Army. We must recognise the huge and diverse contribution that they make, and the increasing contribution that they could make if we recruit wisely. The hon. Member for Bridgend (Mrs Moon) made very important points about the vital and diverse skills that our reserves bring to the table. Having worked for many years in recruitment and retention, I urge the Minister to be cognisant of the issues in that respect, because as we go forward they will become more pressing and could cause difficulties in terms of our overall military footprint.

My hon. Friend the Member for Stirling (Steven Paterson) made very important points about the reserve forces and the relationship between them and employers. I welcome the fact that funds are available for employers, and I urge the Minister to consider how we go further down the road of making it possible for people to live the double life that reserves must live.

It is very important that we consider the welfare of our reserve forces. It is a very difficult line that we expect them to tread, and we must ensure that proper support mechanisms are available for them. Clearly, reservists who require medical treatment must be able to expect that process to work in all the different NHS board areas, and all the different countries of the United Kingdom. In Scotland, our NHS meets the health needs of our reserve forces. It is vital that that can be relied on. Our Scottish Government and NHS have worked together very well to ensure that proper support is provided to our veterans.

I am very pleased that in Scotland we have raised the profile of the needs of our service personnel and veterans. We have NHS armed forces champions in every NHS board area in Scotland. That has allowed a real joined-up approach to effective joint working. Similarly, in our local authorities, our armed forces champions are making a real difference; they include two reservists. In my area, Jane Duncan, the East Renfrewshire Council veterans champion, is, with her team, making a significant difference to people's lives in practical ways. Our reservists, service personnel and veterans deserve that kind of back-up from all of us.

To conclude, it is vital that we recognise our defence responsibilities, the interrelationship between reserve forces and regular forces, and our responsibilities to veterans—to people while they serve and after their service. We rely on them to do the hardest and most dangerous job there is, and we must support them in doing it.

10.37 am

Mr Kevan Jones (North Durham) (Lab): It is a pleasure to serve under your chairmanship, Sir Roger. I congratulate the hon. Member for Kettering (Mr Hollobone) on securing the debate. I start by paying tribute to the contribution of both our regular forces and our reserve forces. As a former Defence Minister, I have seen at first hand the contribution of both, and in Iraq and Afghanistan, the contribution that reservists made, not just in medical services but on the frontline, was sometimes overlooked. We ought to pay tribute to them.

The hon. Gentleman raised the important issue of ensuring that we monitor the Army 2020 process. He welcomed the Chancellor's announcement yesterday of an extra £2 billion for special forces, but I ask him to look closely at the details, because as usual what the Treasury announces is not what it seems. If it includes the £1.5 billion that was already announced in the Budget, and if the extra equipment for the SAS is coming out of the 1% that has already been announced, it does not appear that there is any new money at all, so I ask that the hon. Gentleman looks more carefully at that.

Importantly, the hon. Member for Strangford (Jim Shannon) highlighted, as he always does, the contribution made not only to the regular forces but to the reserve forces by people from his part of the world—Northern Ireland. We also had contributions from the hon. Members for Dunfermline and West Fife (Douglas Chapman), and for Stirling (Steven Paterson); the latter highlighted the important role of the reserves and the contribution that his constituency makes to recruitment to the reserve forces.

I was sad to see the Scottish National party then revert to its usual victim mentality; it argued that Scotland was not getting a fair share of its resources. As for the idea that the Royal Navy is not present in Scotland, I was the Minister who oversaw the relocation of the submarine force to Scotland, and I think that it has a large footprint in, and makes a large contribution to, Scotland.

The hon. Member for East Renfrewshire (Kirsten Oswald) argued that the non-replacement of the nuclear deterrent would free up resources. That is a myth, and she needs to explain to her constituents and voters in Scotland the economic black hole that would occur in the defence budget and the economic contribution to Scotland if that decision was taken. *[Interruption.]* The hon. Member for Stirling is chuntering from a sedentary position, but unfortunately the Scottish National party does not want to address the real issue of the contribution that defence already makes, not only to Scotland but to the entire UK.

The hon. Member for Basildon and Billericay (Mr Baron) has been consistent in his criticism of Army 2020. He put his finger on the problem with Army 2020, which is that it was not conceived from strategic need and thought; budgetary considerations and the Treasury were in the driving seat. In 2010, the strategic defence review argued for a reduction in the Army from 102,000 to 95,000. To meet budgetary restrictions, it was announced in July 2011 that the Army would be reduced to 82,000, with an increase in the number of reservists from 19,000 to 30,000. As the hon. Member for Basildon and Billericay has highlighted, the then Defence Secretary, the right hon. Member for Runnymede and Weybridge (Mr Hammond), said that the reduction in the regular Army would take place only if reservists filled that gap, but that has not been the case.

It is clear from the National Audit Office report of 2014 that the future size of the Army was determined not by strategic needs but by financial savings. The comments by General Sir Peter Wall, the former Chief of the General Staff, were quite revealing:

“I remember the genesis very clearly. It was a financially driven plan. We had to design a new structure that included the run-down of the 102,000 Regular Army to 82,000, which is pretty well advanced now, to follow a funding line that was driven by the austerity with which everybody is very familiar...It triggered the complete redesign of the Army”.

As he has told the Defence Committee on several occasions, the head of the Army was informed by the permanent secretary at the MOD what the future size of the Army would be. The former Defence Secretary made the point that the cost envelope was the driving force behind the proposal, not any strategic needs, and I believe that is the problem.

I do not in any way criticise the Minister for his determination or his enthusiasm for reservists, but we come back to the fundamental question of where the 82,000 figure came from. Unfortunately, it is being reinforced in the present defence and security review, and the fact that the Royal Navy and the Royal Air Force will have to take the bulk of the cuts seems to have been overlooked. There is an opportunity now to review not only Army 2020 but the entire strategic defence review process. Unfortunately, the Conservative party, having nailed the figure of 82,000 to the mast with its other electoral colours during the general election,

[Mr Kevan Jones]

will find it difficult to withdraw from that, but that fundamental review needs to take place.

Despite the valiant efforts of the Minister and those who are working hard in the MOD, there are still serious problems, as highlighted by the NAO. One of the most damning points highlighted in the report is the fact that recruitment targets are not underpinned by robust planning. Likewise, the IT fiasco has wasted some £70 million. I accept that some of those problems have been resolved, but it does not fill people with a great deal of confidence that the process will result in the targets outlined in today's debate being met.

Another telling point comes from the MOD's continuous attitude survey, which shows that among personnel who have been made redundant or left the forces, there is little appetite for joining the reserves; the figure was less than 17%. The hon. Members for Kettering, and for Basildon and Billericay, both made the point that the important thing is not numbers, but what we have in our reserve. If this is simply made into a numbers game, it will not necessarily translate into the capabilities that we need in the infantry, or tackle the severe shortages in Defence Medical Services that have been mentioned. I know from my time in the Ministry of Defence that those skills were vital to our deployment in Afghanistan. We need to think about not just numbers but the kinds of individuals that we are recruiting.

An important point was made about the retention of reservists once they have been recruited. The hon. Members for Basildon and Billericay, and for Kettering, made the good point that if people do not feel challenged and do not feel as though they are making a contribution, they will not necessarily stay in and continue to contribute to the reserves. It is a waste of the resources put into the training and recruitment of those individuals if we retain them for only a short time, and that is not cost-effective for the taxpayer.

There is an opportunity in the security and defence review to look at the 82,000 figure and ask whether the reserve recruitment targets—realistically, they are not going to be achieved—should be revisited. The Navy and RAF numbers will come under pressure, because for some unexplained reason the Conservative party in its election manifesto set the figure of 82,000 on a tablet of stone, not to be changed. That needs revisiting. Events over the weekend show that the threats we face change quickly, and that some of the skills that we need—in cyber, intelligence and other capabilities—must be procured in the regular forces, but the reserve forces can also make a contribution.

10.47 am

The Parliamentary Under-Secretary of State for Defence (Mr Julian Brazier): What a pleasure it is to respond to the debate under your chairmanship, Sir Roger. I congratulate my hon. Friend the Member for Kettering (Mr Hollobone) on securing the debate and on his remarkable, predictably thoroughly researched and self-effacing speech. The debate takes place as we remember the first world war, in which the then Territorial Force won 71 Victoria Crosses, and the Battle of Britain, in which two of the three highest-scoring squadrons were from the Royal Auxiliary Air Force.

I will try to pick up as many points as I can in the short time available. My hon. Friend and the hon. Member for Bridgend (Mrs Moon), who had to leave to attend the Defence Committee, know that I am not allowed to respond to the points they made about special forces, beyond saying that my heart goes out, as I know theirs do, to the families of the three young men. I share my hon. Friend's pride in the Conspicuous Gallantry Cross he referred to, which is the latest in a series of decorations won by the unit we both served in.

The expansion of the reserve forces is critical to our ability to deliver defence on a sustainable financial basis and to maintain the Clausewitzian trinity of the armed forces, the Government and the people. It will enable us to ensure that the armed forces are structured and resourced to meet the challenges of the 21st century. After many years of neglect, the Government are restructuring and revitalising our reserve forces and investing in new equipment and support.

The programme is not—my hon. Friend the Member for Basildon and Billericay (Mr Baron) and I have debated this many times—about swapping regular personnel for reserves. In 2010 we did, indeed, make some very painful decisions right across Government. After that, the commission on which I served looked at the issue of the balance and recommended changing the way that we delivered defence to make the best use of our resources, to better harness the talents of the wider UK society and, above all, to help to restore links and understanding between the armed forces and the communities that they serve. The sombre events in Paris remind us of the importance of those close links. We should be in no doubt at all that, whatever the size of our armed forces, we must always have reserves.

Now, the hon. Member for North Durham (Mr Jones) knows that he is not going to tempt me into anticipating the strategic defence and security review, but I can say that I am pleased to be part of a Government that are genuinely committed to 2% for defence spending, although I know I will not satisfy my hon. Friend the Member for Kettering on the legal point. Nevertheless, we are committed to it.

Our programme to grow the reserves is making good progress but, as my hon. Friend said, there is no room for complacency. In the year to 1 October, more than 8,500 people joined the volunteer reserves, an increase of more than 65% on the previous 12 months, taking their total strength to more than 33,000. Most notably, 6,500 people joined the Army Reserve, an increase of 73% on the previous period. All three services are ahead of their trained strength targets, but that certainly does not mean that we can relax. We must continue to make further progress to meet our commitment of creating a force of around 35,000 trained volunteer reserves by April 2019, and to deliver the usable, motivated and capable reserve forces that the country needs. My hon. Friend is right that that means another 9,000 trained personnel in three and a half years' time. Given that we have grown by 1,300 trained personnel in just the past six months, that seems challenging but not unattainable.

My hon. Friend is absolutely right—a number of other Members referred to this—that the biggest challenge is building the officer base. The internal study set up by the Chief of the General Staff and headed by a reserve brigadier has recommended considerable restructuring, including a marketing post manned by a volunteer

reserve officer with huge marketing experience, who is now installed in Sandhurst. The numbers are going up. For example, just outside the constituency of the hon. Member for Stirling (Steven Paterson) is 71 Engineer Regiment, which I visited recently. It now has six young officers under 30—a transformation from even a couple of years ago. The same thing has happened with my local reserve unit.

A number of Members made a point about the need to get the age structure down. In fact, the largest concentration in the age structure of the Army Reserve is in the 25 to 29 category. We are working hard on it, but the averages are pulled up by the fact that we want older people—those in their 40s and even 50s—in areas such as intelligence and for some of the medical skills. A number of Members, including my hon. Friend the Member for Kettering, mentioned transfers from the regulars. Those are running above our target. In fact, it is the one part of reserve recruiting that has been consistently above target, and we are offering substantial financial incentives to those who transfer.

We are offering reservists today more challenging opportunities than before. New call-out powers enshrined in the Defence Reform Act 2014 have allowed us to use reservists in the same way as regulars, and reservists have taken up the challenge. We would only have compulsory call-out in an emergency, but people join the reserves because they want to be used. In the past 12 months, they have been deployed, as my hon. Friend the Member for Kettering said, in formed groups to Afghanistan and Cyprus. They have provided specialist help to deal with the Ebola crisis in west Africa, and maritime reserves have taken part in counter-terrorist and counter-piracy operations alongside their regular counterparts. As my hon. Friend said, next summer a company from 4 Para will provide the framework company for the Falkland Islands.

We are offering reserves more and better training opportunities. In the current training year, the services have planned more than 50 overseas exercises involving reserves, including a series of Army exercises in Kenya with integrated companies of regulars and reserves. A number of Members referred to the crucial importance of the specialist courses in what we call phase 2 and 3 training and to the difficulties of tailoring those to reservists in civilian employment. The fact that Chatham has managed that for an area such as bomb disposal shows that this is possible more widely across the Army.

Several people, including the hon. Member for Bridgend and my hon. Friend the Member for Kettering, referred to the importance of cyber. For quite a long time, the only cyber-unit in the armed forces was a reservist one in the then Territorial Army. Today, reserves play an important role in cyber in all three services.

We have invested in new equipment. We have given reservists access to the regular pension scheme and a paid annual leave entitlement. We are giving them full access to Defence-provided medical care and physiotherapy, which, as my hon. Friend the Member for Kettering will remember, was an issue when he and I served. We have improved civilian accreditation for training. Employers are vital and we are immensely grateful for the commitment some of them make.

Mr Baron: No one in this Chamber doubts the dedication, hard work and enthusiasm that the Minister is putting into the task of increasing the reserve forces,

but he must also accept that key questions remain unresolved, including the age profile of the infantry. We all accept the age profile when it comes to reservists and specialisms such as cyber, but the age profile of the infantry is still far too high—mid-30s and early 40s. May I return the Minister to the central issue of extra costs? There have been extra unforeseen costs with these plans, which, despite frequent requests to the Government, the Minister and the Government are unable or unwilling to disclose. Does he intend—if not here today, then perhaps in the immediate future—to put that right?

Mr Brazier: I have written to my hon. Friend and I will write to him again. The ongoing costs of the recruiting process have shown some significant savings, but it is difficult to separate regulars and reserves because they are in the same contract. If he is referring to the contingency costs of deploying reserves on operations, there is a cost associated, but it is a cost that is paid for only when there are large-scale operations. The point about reservists—as the hon. Member for East Renfrewshire (Kirsten Oswald) said, if I heard her correctly—is that it is very much cheaper most of the time to have part of the forces in reserves.

We have established the defence relationship management service, to which 42 of the 100 FTSE companies are now signed up. I have already mentioned the extra benefits for small and medium-sized enterprises. Crucially, we have set up an annual employer notification process, so that employers know a long way in advance when reservists are being called. That is crucial for retention, which so many Members referred to.

My hon. Friend the Member for Kettering set out the progress we have already made on the employer recognition scheme, which includes many NHS trusts. We are not in a position to dictate this, although I pay tribute to the Scottish Government, who run a more unified system and are able to dictate. Many hospital trusts have won employer awards. The Cabinet Secretary has the 1% challenge; we now have 1,250 civil servants serving in the reserves. These are at the heart of the retention issues. I cannot give the exact figures for medical reserve recruiting at the moment, but I can say that over the past 12 months the Army medical services, which are the bulk, have seen a considerable surge in numbers. I will write to my hon. Friend and to the other Members who raised that issue with some more detailed figures.

We have overcome a number of challenges that were affecting Army Reserve recruitment. We are making more imaginative use of advertising media, and we have hugely reduced the delays in the pipeline under the new system and provided better mentoring and support in units for those enlisting.

I thank all Members who took part in the debate and the many other Members who support their local units. Our reserves are stronger and better equipped than they have been for years. Despite the neglect, over the past 10 years, 70 reservists won decorations for gallantry in Afghanistan and Iraq, and 31 gave their lives. There is a great deal that we can be proud of in our reserve forces. We are making the reserves proposition that we set out in the 2013 White Paper a reality.

10.59 am

Mr Hollobone: All of us who have taken part in the debate want the Government's reforms to our reserves to work. All of us recognise that this is a huge challenge.

[Mr Hollobone]

I am confident that the Minister is the right man in the right place at the right time, and I look forward to him fulfilling the challenging task that he faces.

Motion lapsed (Standing Order No. 10(6)).

M56 (Junctions 12 to 14)

Sir Roger Gale (in the Chair): Before we begin, I notice that hon. Members are present who, geography suggests, might have a constituency interest. I have received no notice of any other speakers having been agreed with the Minister or the Chair, but if hon. Members wish to intervene, they may do so with the consent of the hon. Member in charge of the debate.

11 am

Graham Evans (Weaver Vale) (Con): I beg to move,

That this House has considered Junctions 12 to 14 of the M56 motorway.

It is a pleasure to serve under your chairmanship, Sir Roger. I have secured this debate because I have serious concerns about the stretch of motorway between junctions 12 and 14 of the M56, which is a major motorway in its own right that links three other motorways—the M6, the M60 and the M53—connecting Cheshire, north Wales and Greater Manchester. The M56 eventually becomes the A55, which continues to Holyhead, providing the single most important transport link for moving freight into and out of north Wales.

Accidents happen all too often on the M56, particularly between junctions 12 and 14, which is the stretch that runs alongside the important communities of Helsby, Frodsham, Sutton Weaver, Preston Brook, Norton and Beechwood in my constituency of Weaver Vale. There is a long, straight stretch of motorway between junctions 12 and 14, running east-west from Runcorn to Chester. There are services at Hapsford, but there is very little technology or electronic signage alerting drivers to potential hazards ahead. The purpose of this debate is to try to get technology on that stretch of motorway.

This is a busy stretch of motorway, with more than 120,000 motorists using the M56 each day and just short of 10,000 vehicles passing through junctions 12 and 14 in both directions during the 5 pm to 6 pm evening rush hour, with even more using the same stretch between 7 am and 8 am during the morning commute. I routinely use the M56 when attending engagements around Weaver Vale, and my constituency office is located off junction 11 at Sci-Tech Daresbury. I therefore have first-hand experience of the challenges that motorists face along the M56.

The section of motorway between junctions 12 and 14 is predominantly east-west, and the setting sun can have knock-on safety implications, particularly at this time of year, or when inclement weather makes it difficult for drivers to see. There have been a number of incidents in the past 12 to 18 months. Sadly, some of those incidents have been extremely serious and have had a devastating effect on the local community. Last month, the police declared a major incident and shut the motorway in both directions from junction 14 to junction 11 after a chemical tanker overturned on the eastbound carriageway near Helsby, just past junction 14.

Justin Madders (Ellesmere Port and Neston) (Lab): I am grateful to the hon. Gentleman for securing this debate on an important issue that affects not only his constituency but mine. Junction 14, of course, is just within the boundary of Ellesmere Port and Neston, and we have Members here from other constituencies in the

wider area that are also affected. He has clearly set out some of the issues. Statistics reveal that the number of incidents on this stretch of motorway has doubled in the past four years. Does he have any thoughts or theories as to why we have seen such an increase in serious incidents on this stretch in recent years?

Graham Evans: I welcome the help and support of the hon. Members for Ellesmere Port and Neston (Justin Madders), for City of Chester (Christian Matheson), and for Halton (Derek Twigg), and I look forward to working with them. There have been issues on this stretch of the M56 for many, many years. Indeed, as the hon. Member for Halton will know, junction 12 is currently under pressure from severe roadworks. As I will say later in my speech, the Mersey Gateway bridge is also adding pressure, so there are factors that may be regarded as temporary, but that does not detract from the purpose of this debate, which is to get smart technology installed on the whole stretch between junctions 12 and 14. I will explore the short-term measures that could alleviate the problems, but I am looking for significant investment in the whole area for a long-term solution.

There were eight casualties in the recent accident, and five were treated by the North West ambulance service, which does a fantastic job, at Hapsford services off junction 14. Three casualties were taken to the Countess of Chester hospital, but they have all since been released. A secondary collision on the eastbound carriageway occurred at 8.31 pm that evening involving a car transporter and a car, which resulted in a 24-year-old man, a 26-year-old man and a one-year-old baby boy suffering serious injuries.

The motorway was closed for several hours following the tanker crash last month as an investigation was conducted to ascertain the nature of the chemical carried by the tanker. In the meantime, a 1,500-metre cordon was established that also shut down the Holyhead to Manchester railway line. Mid-Cheshire was brought to a complete standstill, and commuters were left stranded, unable to travel by car or rail. I understand why there are very strict safety protocols that must be followed in the event of a chemical spillage, but for some reason the investigators were not able to contact the chemical company to ascertain the contents of the tanker. I am looking into how that came about.

Last year, an empty bus collided with a car and two heavy goods vehicles near junction 12. Police and fire and rescue teams attended the scene and tried to cut a man and a woman out of two different vehicles. Sadly, both the man and the woman were declared dead at the scene. These are not isolated incidents. Accident rates have worsened since 2013, as the hon. Member for Ellesmere Port and Neston highlighted, with accidents clustered around the junction 12 exit slip road and the chevron-marked area between Runcorn and Frodsham all the way through Hapsford services at junction 14. There have been more than 160 road traffic collisions on this stretch of motorway since 2011, more than 50 of which have caused either injury or death.

Unhappily, there was a significant tanker fire in August in the vicinity of junction 14, which prompted me to organise and facilitate a multi-agency meeting in October in response to the increasing frequency and seriousness of the incidents. Present at the meeting were

senior representatives from Highways England, Cheshire constabulary, the Mersey Gateway company, Halton Borough Council and Cheshire West and Chester Council, and I made it clear that the meeting was the start of an ongoing process to ensure that we address all the concerns of constituents across the area affected. A number of issues and potential initiatives were explored, such as the introduction of smart motorway technology, enhanced cameras, improved advance notice of incidents and electronic signposting. We also discussed how the various agencies respond to incidents, both in the immediate aftermath and as a situation unfolds, such as the use of carriageway gates to release trapped drivers. Our principal objective was to identify key issues; consider solutions and seek to introduce them in an effective and timely manner to minimise the possibility of accidents recurring; and reduce disruption when accidents occur. At the meeting, a Highways England representative informed me that, two years ago, it considered an alternative traffic management plan for when this section of the M56 is seriously gridlocked, but that plan has not yet come to fruition. I urge the Minister to ensure that the plan is revisited as a priority.

Derek Twigg (Halton) (Lab): As the hon. Gentleman knows, this is a serious issue of concern in Halton. What evaluation has there been of these accidents? At what time of day do they happen? In what weather do they happen? Were mobile phones being used? Has there been a road safety audit of this stretch of motorway? If so, what was the result and what was done about it? There have been cuts to incident support units, which is an added factor in being able to get to such incidents quickly.

Graham Evans: The hon. Gentleman raises serious and important points, some of which I raised with Cheshire constabulary. I was somewhat disappointed with the response. Cheshire constabulary looks at every accident; it says that there is no connection, and that they are individual accidents with no linked contributing factors. I agree with his underlying point, because I think there is a connection: the east-west aspect of the motorway and the timing of these accidents when the sun is setting at rush hour.

A further point raised at the meeting was the use of carriageway gates, which I touched on briefly earlier. Several reservations along the M56 have carriageway gates that can be opened to release trapped drivers. They are located roughly every 2 km, and the keys are kept centrally and delivered to the relevant personnel when needed. Keys are now kept on all Highways England vehicles, which is a definitive step in the right direction, although the challenge in using the carriageway gates remains in getting the appropriate personnel in place to close and monitor a lane on the opposite carriageway so that traffic can be released from the affected carriageway. I was interested to note that the keys were not carried in the vehicles; I found it quite amazing. Apparently they are now. I look forward to working with the relevant agencies and the Minister over the coming months to discuss how we can achieve that more readily on that stretch of motorway.

There is little digital signposting along this stretch of motorway to alert motorists to incidents or danger ahead. I have made it clear that I fully support the

[Graham Evans]

introduction of smart motorway technology to improve safety and traffic flow. The introduction of smart motorway technology is planned for junctions 6 to 8 of the M56 and junctions 5 to 11 of the M53, and I have been campaigning for similar technology along the stretch between junctions 12 and 14 of the M56.

The key to preventing the build-up of tailbacks following an incident is moving vehicles away from the area as quickly and safely as possible. The M56 between junctions 12 to 14 is unfortunate in that it has few trunk roads that can handle overspill traffic when an incident occurs. The main route at present is the A56, which goes through the residential areas of Frodsham and Helsby and has numerous pedestrian crossings, making it unsuitable to cope with the volume of motorway traffic following a severe accident on the M56. I would be interested to know whether it is possible to bias the timing of pedestrian crossings in favour of traffic flow when an incident occurs, to help relieve tailbacks faster.

The Government have already invested heavily in the area. Work has been undertaken to improve safety and traffic flow on the motorway; £2.3 million in improvements have been made to access roads on junction 11. The works include installing signals on the roundabout, widening the carriageway at key locations on the roundabout, constructing an additional lane on the M56 westbound exit slip and constructing an additional lane on the A56 approach to the roundabout, as well as resurfacing and road marking. The scheme was opened fully in September. As part of the Government's road investment strategy for my area, work was announced last December on junction 11A to connect the M56 with the A533 at Runcorn to create a new, improved link with the M56 to the new Mersey Gateway bridge, which is under construction.

Likewise, improvement works are being undertaken on junction 12 to link up the Mersey Gateway bridge, which might or might not contribute to some of the accidents around junction 12. Part of the knock-on effect of the improvement works has been an increase in use of roads through Beechwood, including Halton Station road. Very big HGVs and coaches are using that small, residential one-way street, and my constituents are concerned to know what can be done to alleviate the problem.

The works at junction 12 finished yesterday, on time. I am not criticising the workers and their work; they work hard, and they are doing a good job. When complete, the Mersey Gateway bridge and the improved access to the M56 will undoubtedly ease congestion in the area. Likewise, I was delighted when my right hon. Friend the Chancellor confirmed that the Halton curve scheme will be part of a joined-up transport strategy for Weaver Vale, mid-Cheshire and beyond. I have worked closely with the Chancellor, the Department for Transport, Merseytravel, Cheshire West and Chester Council, Halton Council, the North Cheshire Rail Users Group and north Cheshire rail users to ensure that funding for this important transport link is delivered. The Halton curve is a game-changer for the area, providing a direct link for Frodsham, Helsby and Runcorn—areas running alongside the M56. It provides essential potential to ease traffic congestion in those areas by taking commuters off the M56 altogether.

Justin Madders: What the hon. Gentleman says about the Halton curve is important. Obviously, increased rail services will be needed to reduce the pressure. An issue raised with me by constituents is the convergence of different sets of traffic from Wales, Merseyside, Chester and Cheshire Oaks, as well as the heavy industrial traffic entering at junction 14 from Elton, Stanlow and Quinn Glass. Does he think that there is an opportunity for some of that industrial traffic to go by rail as well?

Graham Evans: The hon. Gentleman raises some good points; perhaps that is a subject for another debate in the House. I totally agree. Electrification of north-western rail, and electrification generally, are part of the northern powerhouse, as is a deep-water port in Liverpool connected to a railhead. We have an opportunity to get a lot of the products of the valued heavy industries in our constituencies on the railway. It is a massive infrastructure project, but perhaps we can work together to get freight off the M56.

The hon. Gentleman highlights an important point: in order to import and export from Holyhead along the A55 from north Wales into Manchester and the north-west generally, we must improve not just the M56 but transport infrastructure generally, creating a linked-up service. Commuters are important. Disruptions and road closures on the M56 sometimes include closure of the railways, which has a far larger knock-on effect on constituents across Cheshire and north Wales.

Each incident is an incident too many. Injuries and fatalities cause untold devastation to the families of loved ones affected; they have long been calling for action on this stretch of the road. Something can and should be done about this. We cannot leave things as they are and allow more families to suffer. I firmly believe that the increasing frequency and serious nature of incidents warrant close inspection and action.

Although my main priority in calling this debate was to bring to light and discuss ways to make this section of the road safer, the other aspect is the huge delays and disruptions in surrounding areas caused by incidents on the motorway. If the motorway snarls up, many people hop off and go down the A56, causing huge traffic jams, as I highlighted earlier, through residential areas such as Sutton Weaver, Frodsham and Helsby. It makes everyday life difficult for residents near the motorway.

In the two years between 2012 and 2014, the average incident length on the eastbound carriageway increased by 10 minutes to 32 minutes. However, over the same period, on average, the incident length on the westbound carriageway has doubled from 30 minutes to 60 minutes. The M56, like the new Mersey Gateway bridge and the Halton Curve, are integral to the delivery of the northern powerhouse. I am committed to securing the best possible infrastructure facilities for Weaver Vale and the surrounding area.

I look forward to continuing to work with the Minister and the agencies that I mentioned earlier, and to working cross-party with my parliamentary colleagues throughout Cheshire, north Wales and Greater Liverpool to discuss how progress can best be achieved in a timely manner, and how we can improve safety and reduce disruption along this important stretch of the motorway.

11.17 am

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): It is a pleasure to serve under your chairmanship, Sir Roger. I congratulate my hon. Friend the Member for Weaver Vale (Graham Evans) on securing this debate on road safety, an issue I know he champions consistently. I am grateful for the opportunity to update the House on current and planned action between junctions 12 and 14 of the M56.

I know that my hon. Friend is concerned about the number of incidents on this stretch of the strategic road network. He has made his case eloquently and I want to reassure him and the House that I take safety seriously. I share his concern that some of the incidents have resulted in serious injuries and, sadly, fatalities. Highways England is already investigating the reasons for that worrying trend, examining the data in depth to see whether any trends emerge in terms of causation factors. It is too early to say at this point what final measures the review might identify or the time scales for implementing them, but I will ensure that that is given priority and that Highways England is aware of the concern in the House, which is shared by colleagues on both sides.

Derek Twigg: Has the Highways Agency carried out a road safety audit? If not, why not? If it has, what were the results?

Andrew Jones: I thank the hon. Gentleman for that intervention. He has been assiduous in asking about safety on the M56 and he will recall that I wrote to him about it in September. I assure him that safety is a top priority for the Department and for Highways England. The investigatory work is ongoing and I will make sure that the results of that work are shared openly and given appropriate priority by Highways England. I will also make sure that a report of this debate is sent to Highways England with immediate effect.

I will say a little about the long-term investment in the road network. We are taking a strategic and long-term approach to planning our network and we are providing stability of funding for Highways England, so that it is better able to plan its investment in the network. My hon. Friend the Member for Weaver Vale will recall that the first road investment strategy, which Highways England is now delivering, includes a commitment to invest in stretches of the M56, including the new junction 11a to link the M56 to the A533 at Runcorn, creating an improved link to the new Mersey Gateway bridge from the south.

The first RIS was informed by a comprehensive review of the entire strategic road network through a series of route strategies, prepared at that time by the Highways Agency. The pressures and needs of the M56 were assessed as part of the broader south Pennines route strategy. Such route strategies marked the first time that the needs of the strategic road network had been comprehensively assessed, link by link and junction by junction. I am pleased to advise my hon. Friend and indeed the House that such an assessment of the M56 and other parts of the network is not a one-off.

We are developing the process for preparing a second RIS, which will cover the period after 2020. A key part of the evidence base will be Highways England's next iteration of these route strategies, which it will use to identify the current and future constraints that the

performance of the strategic road network places on economic growth. It will then use this information to identify how future delivery and investment plans might address and remove those constraints. As we take the local route strategies forward, I think we will see greater collaboration with local authorities, local enterprise partnerships and other local stakeholders to determine the nature, need and timing of the future investment that the network requires.

To inform the second RIS, Highways England will begin to develop the next round of route strategies with a view to publishing them at the end of 2016-17. I want to change the process a little bit for our second RIS, to make it far more open and to ensure that colleagues here in the House are able to contribute to it with their suggestions. There is no shortage of ideas about the improvements that are required across our network and I want to make sure that colleagues get a chance to contribute to, inform and shape the strategy.

Justin Madders: I think we will all be grateful for the opportunity to make an input to this process for investing in the network. Will the investment plan also consider the day-to-day operational costs and expenses of running the network? The hon. Member for Weaver Vale (Graham Evans) highlighted the increase in the time taken to deal with incidents, and my hon. Friend the Member for Halton (Derek Twigg) mentioned the reduction in the number of incident support unit officers. Will some consideration be given to reinvesting in incident support units, to alleviate the impact of collisions on the whole network?

Andrew Jones: Road investment strategies are focused upon capital, but I am acutely aware that in certain cases capital brings with it revenue implications, and we consistently hear arguments about that. Today, however, I am talking specifically about capital investment.

I expect to make announcements about RIS2 and the process for it within the next few weeks. I expect that the assessment of the M56, as part of the route strategy work, will include consideration of any further safety-related measures, as well as consideration of whether or not to upgrade this section of the motorway to a smart motorway. I noted the support of my hon. Friend the Member for Weaver Vale for smart motorways. They work by using technology to control traffic and to vary speed limits, with detectors in the carriageway that monitor the flow of traffic. I have seen these smart motorways being introduced up and down the country, and they have been highly successful. I have also noted that colleagues have expressed support for them on many occasions in other debates. These solutions are very much long-term solutions, and if a decision is made to upgrade this section of the M56 to a smart motorway, it may be that the construction work could commence after 2020, but I assure the House once again that as we develop RIS2, safety will be central. It is one of the key requirements in the first RIS and it will continue to be a priority as we develop our plans.

In the meantime, I recognise the importance of minimising the disruption to road users when incidents occur. Highways England is considering, subject to final funding decisions, improving technology around the junction of the M56 and M53, known as Stoak interchange, or junction 15 of the M56. There are plans

[Andrew Jones]

to install portable variable message signs at this junction. When an incident occurs on the M56 that results in severe congestion or even a closure, Highways England's north-west regional control centre would be able to activate these signs, which would highlight the problems ahead and advise motorists to look for alternative routes, for example a signed diversionary route.

On a different issue, I notice that my hon. Friend has an online campaign to support quieter road surfacing on the M56. I fully understand his concern, and he has spoken powerfully on behalf of his constituents. Like all colleagues, I recognise how distressing traffic noise can be. It can be extremely loud, even if it is a clear fact that road surfaces have improved significantly in recent years. As a Minister with responsibility for roads, I am taking a great interest in asphalt technology and bitumen. I am keen to impress on my officials the importance of working with the sector, particularly contractors, on bitumen research and development to deliver better surfaces and quieter roads. Such work is a part of improving our road network, including its durability and safety. I have also received a very interesting presentation on this subject from Shell, which then kindly presented me with "The Shell Bitumen Handbook"—a surprisingly large tome.

I understand that my hon. Friend has been out with Highways England to see some of the resurfacing work on the network, and I commend him for that. Of course, road surfaces can help to reduce noise levels, but it is not just the road surface that highway authorities should consider to mitigate the noise for residents living close to a busy road. There are other measures that can be taken, such as erecting noise barriers, walls or noise embankments.

I will quickly mention the local road network. The Government are providing local authorities with £6 billion between 2015 and 2021 to improve local roads. This certainty of funding will ensure that local authorities can plan ahead and use cost-effective and sustainable materials for their roads to mitigate excessive road

noise. I am pleased that local residents close to the M56 will benefit from the resurfacing of the westbound carriageway with a material that makes less noise than the material used in 2014. I think they will be reassured to know that Highways England will consider resurfacing the eastbound carriageway within the next two to three years.

Finally, my hon. Friend and the House will recognise the benefits for the region that will result from the plan to relieve build-up in and around Runcorn, and the new junction 11A, which forms part of the Government's commitment to the northern powerhouse. Rebalancing the economy by creating a northern powerhouse is part of our long-term economic plan. Our objective is simple: it is to allow the north to pool its strengths and to become greater than the sum of its parts. That plan puts transport right at the heart of the agenda. We are making huge progress. By committing £13 billion to transport across the north in this Parliament, we aim to capitalise on the success of transport investment in London to create the northern powerhouse, which will be a second powerhouse region in the UK.

Rail investment has been mentioned, but I think that is a subject for another day.

I thank my hon. Friend the Member for Weaver Vale for all he does in championing his constituency, and I hope that he is reassured that the Government are listening. A fantastic level of investment is going into our transport infrastructure, now and in the future. Safety is at the heart of that investment and it will remain so. My hon. Friend made some specific points and I will write to him with detailed responses, but I assure him that road safety is at the heart of our plans. In fact, the first piece of work that I commissioned as a Minister was on road safety, which I hope indicates my personal commitment to the subject. I thank all Members for their contributions to this debate.

Question put and agreed to.

11.29 am

Sitting suspended.

Guaranteed Income for Retirees

[Mr CLIVE BETTS *in the Chair*]

2.30 pm

Ian Blackford (Ross, Skye and Lochaber) (SNP): I beg to move,

That this House has considered Government policy on guaranteed income for retirees.

It is a pleasure to serve under your chairmanship, Mr Betts. It is also a pleasure to see the Economic Secretary here to respond to the debate, given the popularity of pensioners to the Government and to the rest of us. I know there is always some conflict between the Department for Work and Pensions and the Treasury regarding who has responsibility for such matters.

I am delighted that we are having this debate. We in the Scottish National party believe that the Government have a duty of care to ensure that our elderly population has security of income in retirement, and healthy and fulfilling lives. The Government should also ensure that they carry on as much as possible of the progress made in the last few years in ending pensioner poverty. I want to focus specifically on the pension freedoms that were introduced in April of this year, and the responsibilities that we in the SNP believe the Government should have for pensioner protection.

We in the SNP support many of the measures introduced over the last few years to encourage and enhance the growth of pension saving, while recognising that there is still some way to go before we reach a level of saving that matches the desire of many of our citizens to have an adequate level of income in retirement. To that extent, we support auto-enrolment and look forward to taking part in the debate over the coming months and years about how it can be strengthened, based on the three pillars of individual, employer and Government incentives to engage in pension saving.

It is in that regard of encouraging pension provision that we should take stock of the pension freedoms introduced in April and, in particular, consider what steps might be appropriate to ensure that the principle of securing an income in retirement is supported and fostered. When pension freedoms were introduced, the Chancellor of the Exchequer said that people

“should be trusted with their own finances”.—[*Official Report*, 19 March 2014; Vol. 577, c. 793.]

Although that is an admirable aspiration, it must come with the recognition that there has to be protection from pensioners aggressively running down pension pots to the extent that pensioner poverty could creep back on to the agenda. We should be mindful of the fact that a pension is a deferred income. It is not a cash machine, but is there to deliver security in retirement.

The untested nature of the pension reforms poses a potential risk to individuals and to the state. It is essential that the Government closely monitor consumer outcomes and identify risks to the state and to individuals over the longer term.

In the context of this debate, the Strategic Society Centre published a paper in July year entitled “Income, Security and Wellbeing”. The report was commissioned to explore the potential impact on people’s retirements of lower private pension incomes that might result from

the freedom of choice changes. The Strategic Society Centre undertook quantitative research, looking at how the level of guaranteed income affects people’s experience of retirement. It found that, regardless of the level of someone’s financial wealth, the level of guaranteed income is significantly associated with various aspects of wellbeing and leisure, including going to the cinema, reading a daily newspaper, taking a holiday and participating in community groups and other activities. The study also found that income is associated with how people feel about their life and whether they report, “The conditions of my life are excellent,” and “I have got the important things in life that I want.”

In the light of the research findings, the Strategic Society Centre set out a number of policy recommendations, including the need for the Government to actively

“promote receipt of a guaranteed income in pension policy to improve the wellbeing of retirees. Educate savers before retirement about the role of guaranteed income for a good retirement. Include information about the importance of guaranteed income to wellbeing in retirement in Pension Wise guidance and information. Ensure receipt of a decent, guaranteed retirement income is the default option for DC”—

defined contribution—

“pension savers. Undertake regular research into the effect of the April 2015 changes on older people’s wellbeing.”

The Strategic Society Centre study has been followed up by a study into pension flexibilities by the Social Market Foundation, which has left me increasingly concerned that the Government have not yet put in place adequate safeguards for older people opting to free up pension assets.

With life expectancy increasing and savers gaining unprecedented access to their pension savings, the Government have an obligation to oversee individuals planning ahead and to support society to plan for the future by making the public aware of the importance of securing a guaranteed income for life. As I have said, pensions are a deferred income and should not be seen as a cash machine. We in the SNP are not against people having an element of choice, but there must be a guaranteed income before funds can be drawn down, to protect individuals in later life.

Before April 2015, 75% of people with defined-contribution pension schemes used them to purchase an annuity. We should also recall that the opportunity existed for pensioners to take up to 25% of their pension pot as a tax-free lump sum. That mixed ability to draw down cash and to secure a regular income is still, to us, far and away the most attractive option for most pensioners. A key advantage of annuities is that they provide a guaranteed income throughout retirement, protecting individuals from longevity insurance and investment risk. However, annuities have become unpopular with some consumers, partly because annuity rates have fallen, but also because of reports by important bodies such as the Financial Conduct Authority, which have highlighted ways in which the market has not always worked well for consumers. Also, many prospective pensioners did not shop around, and whether consumers were getting value for money was therefore a cause for concern. We acknowledge all those things. There was, and is, a case for reform, but in our opinion the challenge was to enhance the market for annuities.

Many people welcomed the principle of increased choice introduced by the Government, but there were also concerns that that would bring with it a significant

[*Ian Blackford*]

burden of responsibility on individuals to understand the complexities of the choices they were making, leaving them to bear the risk that the value of their savings might fall and that they might even exhaust them prematurely, leaving them dependent on the state pension later in retirement.

There is also the potential for scamming. The report of the Select Committee on Work and Pensions, entitled “Pension freedom guidance and advice”, states:

“Readier access to pension pots combined with the difficulties consumers have in making decisions regarding retirement finances mean that the pension freedom reforms have increased the potential for scamming.”

Regulators are also working to raise awareness. The FCA has launched the ScamSmart campaign and has taken enforcement action in a number of cases.

I acknowledge that the Government’s establishment of Pension Wise is an important step, but take-up of the service has been limited. The Work and Pensions Committee recommended that the Government urgently redouble their publicity efforts about pension scams and that the FCA tighten its scam awareness and reporting requirements for regulated firms.

Mr Jim Cunningham (Coventry South) (Lab): I congratulate the hon. Gentleman on securing this timely debate. He mentioned that there have been abuses since the new pensions regulations came into effect, and it is right that the matter should be looked at. He is also right that there should be some guarantees and better policing. In the past people took out annuities for mortgages, and I am sure we all remember the mortgage scandal. Does the hon. Gentleman agree that there is a real danger that the same thing could happen in this case unless there is proper policing and regulation?

Ian Blackford: I thank the hon. Gentleman for his contribution. I agree that all of us in this House have a responsibility to ensure that an adequate level of protection is in place for consumers. We must learn from the large number of mis-selling scandals that have happened over many years. I am concerned that, as things stand, there are not yet adequate safeguards in place to protect consumers from the changes.

The Work and Pensions Committee described the scarcity of information about Pension Wise as being “not conducive to effective scrutiny”

and asked the Government to publish statistics on a quarterly basis, including on the take-up of the different channels of guidance and advice, and on the reasons for not taking them up. The FCA claims that eight out of 10 savers would have got a better deal if they had shopped around when choosing the best product for retirement. That illustrates another reason for clear, understandable, accessible guidance for consumers. The untested nature of the reform demands close monitoring and data collection.

George Kerevan (East Lothian) (SNP): I, too, congratulate my hon. Friend on securing this debate. To add to what he has said, when I questioned the FCA in the Select Committee on the Treasury, they said they were worried that not enough time had been given for new products to emerge for savers drawing down their pension pot.

The Chancellor announced the change rather precipitously, and a longer timescale might have allowed those new products to emerge.

Ian Blackford: I agree with my hon. Friend, although I come back to the fundamental point that what we need is reform of the annuity market. I am not sure that the products that may come to the market over the coming period will do what we need them to do, in allowing the level of consumer protection and choice that we are talking about.

Witnesses to the inquiry by the Work and Pensions Committee, such as the Financial Services Consumer Panel and the Pensions Policy Institute, said that it was essential to enable the policy to develop in the light of experience. The Committee recommended that the Government publish regularly data encompassing

“customer characteristics including pension pot size and other sources of retirement income...take-up of each channel of guidance and advice...reasons given for not taking up guidance and advice...subsequent decisions taken; and...reasons given for those decisions.”

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): I congratulate my hon. Friend on securing this debate, which is extraordinarily timely. Does he agree that there is a particular challenge with the gender divide? Women in particular are exposed to difficulties, largely because their pension pots tend to be smaller. Added to that, the Women Against State Pension Inequality campaign pointed out that after the Pensions Act 2011, some women born in the 1950s were given little notice and utterly inadequate guidance in preparation for the sudden extension of the retirement age. Does my hon. Friend agree that, because of that and the inadequate information on pension freedom, women are exposed to particular risks?

Ian Blackford: Yes, I do, and I was going to come to the issues of gender, because they are important in the context of this debate. My hon. Friend makes some reasonable points. When we talk about the risk of pensioners exhausting their pension pot, we know that that is particularly true for women, given two factors. He alluded to the first, which is that women in general tend to have smaller pension pots. They also tend to have longer life expectancy, and there are particular issues in that regard. The second factor relates to the reforms to the state pension, which I argue have not allowed for a significant length of transition, thus yet again exposing women to a much greater extent than men to the negative side of the changes. I would like to see the House come back to that debate.

The Financial Services Consumer Panel and the Pensions Policy Institute called for a rolling research programme to tackle the longer-term consequences of pension freedom decisions. Some organisations have called for action to require providers to offer default options for people who do not make a decision. The Pensions Policy Institute has argued that that would mean people being offered something with an element of life expectancy insurance that would kick in at some point when they get older.

We must learn from experience elsewhere. The Social Market Foundation has looked at overseas experience to see whether there are lessons for the UK. The SMF report, “Golden Years? What freedom and choice will mean for UK pensioners”, modelled the potential long-term outcomes for UK retirees based on outcomes in Australia

and the USA. It looked at three scenarios: a “cautious Australian” who decumulates their pension wealth by less than 1% a year; a “quick-spending Australian” who decumulates very quickly and exhausts their pot by the age of 75; and a “typical American” who draws down his pension pot by 8% a year. The report’s key findings include the conclusion that:

“UK retirees are at risk of pension post exhaustion.”

Those who follow the “typical American” path or the “quick-spending Australian” path would on average exhaust their pot by retirement year 17 and year 10 respectively.

Retirees are at risk of low replacement rates. Retirees who over-consume in early years of retirement may enjoy a rate of income closer to their working income for some time, but will then face much lower rates later in life. Retirees are at risk of low incomes. The new state pension and pension credit mean that retirees are at a low risk of falling into poverty, but retirees are at substantial risk of falling below the 70% median low-income threshold in later life if they spend their pensions quickly.

Preservation of pension wealth is possible through under-consumption, but has big drawbacks. The “cautious Australian” path results in a very low risk of running out of pension wealth, but means that people would receive very low levels of income as a consequence. That can mean a reduced income and lower replacement rate, as well as subdued demand across the broader economy. Retirees face variation in investment returns and uncertain incomes. Investment returns can result in huge variations in incomes in retirement and in the age at which pension savings run out. There are significant risks to the state as a consequence. Decumulation paths could also mean fiscal risks to the state associated with the costs of increased claims for means-tested benefits.

Mr Jim Cunningham: The hon. Gentleman is being generous in giving way. What he is saying prompted a thought in my mind: if pensions are mishandled by individuals, we get a problem later in life with the need to pay for care, which adds to pensioner poverty. People are struggling to pay for care, but pensions freedom could make that worse if it is not regulated properly.

Ian Blackford: The hon. Gentleman is absolutely spot on. One of the examples given in the SMF report is of an individual with a pension pot of £184,000. Many people would consider that to be a reasonable sized pension pot. However, based on the behaviours I have described, it would not be unexceptional for them to exhaust such a pension pot and have to rely on the state in later life for support, particularly with council tax and care costs. That is why, for two reasons, this is such an important issue for us to discuss: first, because we are exposing the consumers of this country to risk; and, secondly, because we run the risk of placing an additional burden on the state as a consequence.

Specific sub-groups are also exposed to enhanced levels of risk. Those sub-groups include women and early retirees who are likely to face a longer period of retirement; those without other savings or assets to fall back on, particularly non-homeowners; and those with defined-contribution pension savings only, who will not have other private income to top up their budgets. The report recommends that the Government develop an early warning system to monitor closely what retirees

do with their pension savings and identify risks to groups of individuals and to the state. That would involve the creation of a retirement risk dashboard to help the Government to monitor retirement decisions and to provide a view on long-term outcomes for consumers and the state. By establishing personal pension alerts, it would also allow for policy makers to intervene where appropriate with the sub-groups the Government have identified as being at particularly high risk.

The level of uncertainty about the impact on savers is concerning. The Office for Budget Responsibility said that there was a high level of uncertainty about the Exchequer impact of the reforms and that the impact depended on take-up and other behavioural responses, which were uncertain. The OBR said:

“Some people will temporarily increase pension saving in order to benefit from tax-free lump sum withdrawals. It is possible that funds will be redirected from annuities and into other assets, such as other financial products or housing. It is also possible that such funds could be used to finance consumer spending”.

Would we consider that to be desirable?

The available data for the first quarter of 2015 show sales of drawdown products increasing and those of annuities reducing. The number of income drawdown contracts sold by Association of British Insurers members during quarter one of 2015 increased by 64% over the past year, from 6,700 to 11,500. The number of annuities sold continued to fall, with 20,600 annuities sold in quarter one, compared with 28,700 in the previous quarter and 74,100 in quarter one of 2014. The volume of interest is indicated by the 80% increase in provider call volumes during the first six months compared with the same period in 2014. A consequence of the changes is the massive £2.5 billion paid out as cash to customers in the first six months. To put that into context, £2.5 billion has been invested in other pension products over the same period. In other words, 50% of the value of pension pots accessed has been cashed in over the past six months.

We do not know what the long-term developments will be, but that must surely raise concern that such a high percentage of cash has been withdrawn. If we put that in the wider context of defined-contribution pension pots, there is today approximately £175 billion held in those pots by more than 2.2 million consumers. Do we as a society want to see pensioners draw down their pension pots at such an aggressive pace? Frankly, I believe we should not. There will be a price paid both in terms of pension pots running out and, ultimately, as has been said by various hon. Members, the state will have to pick up the pieces and support those whose income has gone.

To reflect again on some of the numbers, 60% of all cash lump sums have been paid out to people younger than 60 and 80% to those younger than 65. In 95% of cases where cash lump sums have been accessed, the entire fund has been withdrawn, and fewer than one in 10 of those accessing their pension pots are using the Pension Wise service. The Government need to take on board the evidence of what has been happening and explore other options. Reinstating a requirement to annuitise would help to address some of the concerns.

The UK Government must learn the lessons from abroad. Concerns over the rates of exhaustion of pension savings and the subsequent impact on retirement income led the Australian Government to commission an independent review of their retirement system.

[*Ian Blackford*]

The Murray inquiry published a range of recommendations for the Australian financial system in December 2014, including a recommendation for schemes to put in place a default comprehensive income product for retirement to address longevity risk. In October, the Australian Government announced their intention to implement the inquiry's retirement income default recommendation, and a consultation is expected later this year.

We also need to look at affordability—for example, by introducing measures to keep costs down; introducing products such as a NEST-style decumulation option to act as a beacon of good value; enabling the state to play a bigger role in providing a low-risk, good value alternative or capping charges in drawdown products; allowing Pension Wise to provide a personalised service or recommend specific products or options to consumers; or strengthening the disclosure and governance requirements relating to complex retirement income products.

I want to engage positively with the Government on how we in Parliament can together discharge our obligations to those who will be accessing their pension pots not just in the years, but the decades to come. Although it is understandable that we want to create opportunities for those with spending pots to make their own decisions about their plans for accessing cash, it must be done from the premise that we give clear guidance that securing a regular income in retirement should be the default position.

2.53 pm

Neil Gray (Airdrie and Shotts) (SNP): It is a pleasure to serve under your chairmanship, Mr Betts, although, following this morning's footballing activities, perhaps it is more appropriate to say "captainship". I congratulate my hon. Friend the Member for Ross, Skye and Lochaber (Ian Blackford) on securing this important debate, although I think it was remiss of him not to declare an interest earlier in his speech, given how much closer to retirement age he is compared to others in this debate.

All joking aside, the debate is important as we all have an interest in ensuring pensions are accessible, affordable and abiding, not just on a personal basis for all retirees, but for society in general. In recent times, pensioner poverty has declined considerably compared with other age groups as there has been a focus on pensioner income and supporting households in matters such as energy efficiency and central heating systems—indeed, the Scottish Government have supported a series of very successful programmes on this front—but income is the primary factor in poverty, regardless of what the Government plan to do on how we measure poverty. It is therefore critical that we guarantee that income levels remain consistent for retirees for the duration of their well earned retirement.

I certainly welcome the Government's roll-out of auto-enrolment for workplace pensions. Ensuring that people save over and above what they should receive from the state pension is clearly very important. In the National Audit Office report on this subject released earlier this month, it appears there has been a very good uptake from workers and employers so far. That is to be welcomed.

I can understand why it is desirable to have pension freedom in the way the Government legislated for. Indeed, I am dealing with a case now where a constituent is looking to access his flexibility earlier than is currently available. It is certainly desirable for the Government to see people spending their pensions earlier. As the Government withdraw billions of pounds from the economy with their wholesale public sector and social security cuts, their growth target is under serious threat. I am sure they would be delighted to see people spending heavily from their savings upon their retirement to keep the economy ticking over, but there are great risks of unintended consequences.

There are many reasons why we are all paid salaries monthly or at regular intervals rather than in an annual lump sum. One of those reasons is our own budgeting convenience: it is far easier to plan in smaller monthly chunks than on an annual basis. So imagine the challenge facing retirees who are looking at taking their pension in one lump sum and not paying for an annuity. How can they plan what they can spend each week, month or year when they do not know how long it will need to support them for? There is no reason to believe that all pensioners will be rash or profligate when they are given access to their savings, but we must ensure that protections are in place so that they have a sustainable income for the duration of their retirement. I absolutely and wholeheartedly agree with my hon. Friend the Member for Ross, Skye and Lochaber.

A recent Social Market Foundation report highlighted several areas of concern for us. We do not believe that the Government have put in place the necessary safeguards to protect those approaching or in retirement. With life expectancy increasing and savers gaining unprecedented access to their pension savings, the Government have an obligation to assist individuals to plan ahead and to support society to plan for the future by making the public aware of the importance of securing a guaranteed income for life. If the Government get this wrong, they are storing up a massive future liability not only for pensioners, but for the state. I am not just worried about pensioners being able to manage their finances—the vast majority will have no problem at all—but I am worried about these big savings pots being incredibly attractive to scammers. We have all heard stories of perfectly plausible sales calls, door-to-door inquiries and fliers resulting in pensioners and vulnerable people being duped out of their savings. Having a pension in an annuity may not always give us the best deal, but it guarantees a lifelong income that the scammers cannot touch.

I welcome this opportunity to speak to such an important debate, and I thank my hon. Friend again for securing it. I hope the Minister will advise what steps her Government are taking to ensure we are not storing up major trouble for the future.

2.58 pm

Alan Brown (Kilmarnock and Loudoun) (SNP): It is a pleasure to serve under your chairmanship, Mr Betts. I, too, congratulate my hon. Friend the Member for Ross, Skye and Lochaber (Ian Blackford) on securing this debate. Although I have grey hair, I want to put it on the record that I am quite a way from pension age.

When I first heard of the Government's pension freedom scheme, I thought it was a political gimmick.

I hope that when the Minister sums up she will be able answer all the important questions raised and prove that it is a well thought out and evidenced policy. Otherwise, it is actually short-term isolated thinking.

If we take a step back, we see that when the original annuity system was introduced in the UK, life expectancy was considerably lower than it is today. Back then the state still felt a responsibility to try to ensure that people had a guaranteed income to look after themselves for the rest of their lives in some form of comfort. Just because the annuity system was not always maximised to the benefit of the saver—as we heard, 80% of people could have got a better deal if they had shopped around—does not mean we should scrap the system altogether. Instead, we should look at ways to improve it.

The recent message from the Government has been that people should save responsibly, and I agree. They have helped to force the issue with auto-enrolment. They have also said that people need to work or wait longer until they get their state pension. We are told that that is justified because life expectancy is much higher. There are contradictory messages: the left hand says, “Save. Be responsible. Understand that you might well have a nice long retirement to look forward to, consider and plan for,” but the right hand is saying, “Well done guys—you’ve worked hard. It’s your money—do what you want with it.” The Government should take cognisance of the fact that those are competing messages.

We have heard about the hidden unintended consequences of the pension freedom policy, one of which relates to the recent increases to the state pension age, which particularly affect women. Members will have been lobbied by Women Against State Pension Inequality. These women feel particularly hard done by: they planned to retire at a certain age, they worked all their lives with that plan in mind, but now they feel the opportunity has been taken away by the Government. Some women are now considering whether to access their pension pot early and effectively burn through it until they reach the increased state pension age. I am concerned for the women who stay on in work and, once they reach state pension age, retire and access their pension pot, who might feel that they have missed out by having to work longer and so be tempted to make best use of the money they have put by in a short time. That will not benefit them in the long run.

This is speculative, but another scenario I have considered is the fact that we currently have a housing shortage, combined with a Government who reinforce the message that home ownership is everything and is something to which families should aspire. If retirees have access to lump sums, they might want to access their pension pots to help their family out by getting them on the housing ladder. In the short term, helping their family looks like a good thing, but it will lock their money up for the future, so might not be right in terms of the long-term financial planning for retirees and their dependents. They are not, though, going to get that financial advice otherwise.

We have heard that the fundamental idea behind pension freedom is that we should trust people, but on balance that is not what the evidence suggests. The Government should look at the evidence from Australia and the United States, which suggests that a large percentage of pension savers spend all their money in a relatively short time. As we heard from my hon. Friend

the Member for Ross, Skye and Lochaber, in Australia there are polar opposites in play: 40% of people use all their savings in just 11 years, while at the other extremity is a group of people who are too cautious and do not access their money to give themselves the high quality of life that they should have after saving responsibly. Reflecting that reality, Australia is now moving towards an annuity scheme. That is the red flag that the Government should be paying attention to. The Australian report was published before the Chancellor introduced the changes, so there is no excuse for not taking that evidence on board sooner.

There is more evidence of how people behave when given pension freedom from the United States, where half of retirees have spent their entire pension pot within 17 years of retirement—in real terms that is a really short amount of time. Overall, I fail to see the wider benefit of people having complete freedom when the evidence shows that pension contributions tend to be exhausted rather quickly. Aside from it giving a short-term feelgood for some people and a low-level cash injection to the economy because of the additional spend, I do not think complete freedom is the way to go.

I understand that populist policies are almost a necessary evil for Governments. As politicians, we all want to do things that make us popular, and Governments want to ensure that they are re-elected, but Governments should never forget that they have responsibilities. A default pension income for retirees would fall into the category of responsible governance; otherwise, there is a risk that future Governments will end up paying out more money in pensioner welfare. In all probability there will be a higher burden on the NHS because of the higher healthcare costs associated with retirees who have exhausted their funds—they are out and about less and they are stuck in homes that they might not be able to afford to heat. Those knock-on healthcare effects will have financial implications for the state in the long run. We know that the Government are hellbent on reducing the size of the state for the future, so that is counterintuitive. Again, the messages are contradictory.

There is very limited evidence in the public domain on how the new arrangements are working, but what evidence there is suggests that currently the majority of cash sums paid out go to people under 60 years old, and 80% goes to those under 65—so in many cases people well below state retirement age—yet only one in 10 people are accessing the Pension Wise service. At the very least, the Minister should consider the following. People should be given targeted financial guidance and advice before they access their pension funds. They should be made to think twice about making large cash withdrawals, especially when in some cases people are penalised by having to pay a higher tax rate, which again, is not beneficial in the long run. There should be mid-retirement health checks, although to be honest that might be too late for some, which is why we need reform sooner rather than later.

The Government must look again at what is happening now and come up with a compromise to ensure some form of guaranteed income for the future. They should consider the Australian Murray report and at least try to arrive at a mix of flexibility, which can be good for some people, and security for all retirees, so that they benefit from working hard and putting money by.

3.6 pm

Mhairi Black (Paisley and Renfrewshire South) (SNP): It is a pleasure to serve under your chairmanship, Mr Betts. I congratulate my hon. Friend the Member for Ross, Skye and Lochaber (Ian Blackford) on securing a debate on such an important issue. It is fair to say that I am a fair bit further away from this issue than most of my colleagues; nevertheless, I appreciate this opportunity to speak.

I am sure that most Members present will agree that the current Government—any Government, for that matter—have a responsibility to ensure that all members of our elderly population have a secure form of income upon retirement to enable them to live comfortable, healthy and fulfilling lives, as well as a responsibility to continue efforts to end pensioner poverty. Any move by the Government to encourage and enhance the prospects of people saving for retirement and to ensure that all our citizens maintain a decent standard of income must be welcomed. It is for that reason that, in the context of pension freedoms, the Scottish National party supports auto-enrolment. We look forward to taking part in the debate on how it can be strengthened, based on the inclusion of the individual and the employer and Government incentives to engage in pension saving.

With that in mind, we must pay close attention to the scrutiny and constructive criticisms that have been made of the pension freedom reforms. First, there clearly needs to be an increase in data collection. The Work and Pensions Committee inquiry into the changes asked whether people are adequately supported in making good and informed decisions, and concluded that appropriate information and monitoring arrangements are not in place to provide the answers. Criticising the Government's failure to publish adequate statistics on the pension freedom policy, the report said:

"The Government's reticence in publishing statistics on the effects of its pension freedom policy, a full six months after the reforms, is unacceptable. The scarcity of information regarding Pension Wise in particular is not conducive to effective scrutiny. It is also not conducive to effective policy: it would be fortunate in the extreme if such radical change operated as hoped without any need for adjustment."

Many bodies in the pensions policy area have made similar observations. If we are to be able to make informed decisions and adequately respond to the changes the reforms are making to people's lives and the decisions they make, we must be watching closely and at least attempting to collate in-depth and satisfactory data. That way, we will be able to form a real-life picture and idea of what is going on and to respond appropriately.

Secondly, more effort needs to be put into educating people so that they are equipped with the information and knowledge to make informed decisions. The potential for negative consumer outcomes arising from disengagement, low awareness of retirement risks and poor financial capability is likely to be compounded by supply-side failures. The FCA thematic review and retirement income market study identified continued failures: 60% of defined-contribution pension customers did not switch providers when they bought an annuity, despite the fact that 80% could get a higher—in many cases, significantly higher—income on the open market. The FCA found that 91% of those purchasing enhanced annuities could have got a better deal by shopping around. It also found that consumers are highly sensitive

to how options are presented to them. Savers reaching retirement face a much more complex landscape than previous generations, and they will need support to make sense of their options and to make sensible choices that match their needs and preferences.

Even before the announcement of the pension reforms, the pensions industry was still working through many issues, despite seven years of heightened scrutiny and regulatory oversight. As many will know, lack of information has been a problem for some time. Given the lack of data on how pensions are being affected now, it is important to look at some of the few statistics that we do have.

Ian Blackford: Does my hon. Friend agree that one issue consumers face in the landscape of choices she eloquently describes is that they often do not consider their own life expectancy—that they might live for another 30 or 40 years or even longer? When people look at their experience of annuities, that is often part of the problem: they might consider they are getting a poor deal from their annuity, but that is because they are not taking into account how long they might live and how long they might have to fund their lifestyle for.

Mhairi Black: I thank my hon. Friend for that intervention—I was actually about to get on to that point.

In terms of the few statistics we do have, the Social Market Foundation has looked at the lessons the UK can learn from overseas experiences. My hon. Friend spoke about the different stereotypes in terms of how people engage with their pensions—the cautious Australian, the quick-spending Australian and the typical American. One of the report's key findings was that UK retirees are at risk of pension pot exhaustion specifically because they underestimate how long they will live. In fact, those who follow the typical American path or the quick-spending Australian path would, on average, exhaust their entire pot by retirement years 17 and 10 respectively.

Retirees are at risk of low replacement rates. Retirees who over-consume in the early years of retirement might well enjoy a decent income for a good few years, but if they live a lot longer than they predicted, they find themselves on much lower rates later on in life and may completely exhaust their pension, putting the responsibility on to the state to fill the gap.

We should also consider the fact that the number of income drawdown contracts sold by ABI members during 2015 increased by 64% over the previous year, from 6,700 to 11,500. The number of annuities sold has continued to fall, with 20,600 sold during that quarter, compared with 28,700 the previous quarter and 74,100 in the same quarter in 2014. There was an 80% increase in provider call volumes during the first six months, compared with the same period in 2014. As has been mentioned, £2.5 billion was paid out as cash to customers in that period. Some 60% of all cash lump sums have been paid out to people younger than 60—those who have a considerable time left to live, given that life expectancy is now 80-plus. In 80% of cases, those who have taken out cash lump sums were under 65. In 95% of cases where cash lump sums have been accessed, the entire fund was withdrawn. As for evidence that people have engaged with Pension Wise, whether face to face, over the phone or by email, the reality is that fewer

than one in 10 of those accessing their pension pots have used the service. It is clear that more can be done to educate people adequately.

My last point relates to the Government's position. Concerns about rates of exhaustion of pension savings and the subsequent impact on retirement income led the Australian Government, which we look to for at least some idea of where pensions are going, to commission an independent review of their retirement system. The resulting Murray inquiry published a range of recommendations for the Australian financial system, including that schemes set in place a default comprehensive income product for retirement. On 20 October, the Australian Government announced their intention to implement the inquiry's retirement income default recommendation, and a consultation is expected later this year.

It seems only reasonable and responsible, therefore, for the Government to tell people, "Look, the choices are there for you. It is not for us to tell you how to spend your money, but we recommend that you use your pension for the exact purpose it was created for and that you consider how long you will live for and how much money you will have, so that you engage with your pension appropriately."

I welcome the debate, and I hope the Government take heed of some of the concerns that have been raised by myself, my colleagues and the relevant independent bodies.

3.16 pm

Nick Thomas-Symonds (Torfaen) (Lab): It is a pleasure to serve under your chairmanship, Mr Betts. It is also a pleasure to appear before the Economic Secretary to the Treasury for the first time.

I congratulate the hon. Member for Ross, Skye and Lochaber (Ian Blackford) on securing this timely debate. I agree with much of what he said. This is the time to take stock of the pension freedom reforms. The idea of monitoring and identifying risks is important, and I will return to that in a moment. The concepts of supporting society and planning for the future are also vital.

My hon. Friend the Member for Coventry South (Mr Cunningham) and the hon. Member for East Lothian (George Kerevan) made good points about choice and protection. My hon. Friend also made a crucial intervention about pensioner poverty, and it is important that we monitor that issue.

The hon. Members for Kirkcaldy and Cowdenbeath (Roger Mullin), and for Kilmarnock and Loudoun (Alan Brown), raised the issues faced by women born in the 1950s due to the increase brought in by the Pensions Act 2011 in the state pension age. In that respect, I have a question for the Minister about transitional provision. On 20 June 2011, the Secretary of State for Work and Pensions said:

"Let me simply repeat what I said earlier—it is a bit like a recording, but I shall do it none the less: we have no plans to change equalisation in 2018, or the age of 66 for both men and women in 2020, but we will consider transitional arrangements."—*[Official Report, 20 June 2011; Vol. 530, c. 52.]*

What has happened on transitional arrangements since 2011? What meetings have been held on them? What proposals do the Government have to put such arrangements in place to assist women who lost out by

virtue of the date on which they were born in the 1950s? I sincerely hope the Minister can deal with that issue today.

I congratulate the hon. Member for Airdrie and Shotts (Neil Gray) on his contribution. He made a good point about the problems that will arise in the future if the Government do not deal with these issues now. I also congratulate the hon. Member for Paisley and Renfrewshire South (Mhairi Black)—we can safely say that every Member of the House is closer to retirement than she is. She made a good point at the start of her speech, and the scrutiny and constructive criticism she mentioned throughout her contribution are precisely what needs to be brought to bear on these reforms in the months and years ahead.

The debate has been extremely useful in highlighting a number of issues that the Government need to deal with. The issue of scams came up, and it is crucial. In that respect, I quote the recent Work and Pensions Committee report:

"The pension freedom reforms have increased the prospects of people being conned out of their life savings."

That should be a warning to the Government. The report also treats the promotion of awareness as a crucial weapon against those scams, and the Government should seriously consider paying more attention to that.

The hon. Member for Paisley and Renfrewshire South brought up the issue of Pension Wise. To deal first with take-up, the first set of statistics we have had seem to suggest that only about 18,000 people—fewer than one in 10—have accessed the guidance. Clearly, more needs to be done to flag up the availability of Pension Wise. Other criticisms in the Work and Pensions Committee report also need to be dealt with. The website has been described as not fit for purpose; the Government should attend to that damning criticism. The guidance has also been criticised for being too general on the one hand, in that it pays insufficient attention to people's individual circumstances, and too narrow on the other, in that it deals with pensions but not the other things that people need to cope with in retirement. Pension provision is a crucial part of that, but people will have varying interests, such as property that they own, or their care needs. Those other things need to be taken into account in the guidance provided by Pension Wise.

Another issue is the advice gap. Someone whose pension pot is enormous will have access to expensive financial advice on it, and that would be proportionate. However, there is an enormous gap in the middle between people who have access to the free guidance, and those who obtain specialist advice at the top. Many people with pension pots will be in the middle, where such advice is not available. This is a two-way street: we want to increase demand from people who want advice, but on the supply side, we need a regulatory framework in which advisers feel comfortable and confident in giving advice, and about the liabilities to which they open themselves. In that regard I look forward to the results of the financial advice market review, but there is action that can be taken now, certainly as far as improvements to Pension Wise are concerned.

The hon. Member for Ross, Skye and Lochaber mentioned the Social Market Foundation's recent "Golden Years?" report. That, too, should warn the Government about what can happen in these situations when policy

[Nick Thomas-Symonds]

is not managed appropriately in the short and medium term. He mentioned, of course, the cautious Australian, the quick-spending Australian and the typical American, but the statistics from Australia make sobering reading. It seems that about 25% of people exhaust their pension pots by age 70, and the figure is about 40% by age 75. Those numbers are highly significant, particularly in an age of increasing life expectancy. Our cautious Australian would decumulate by less than about 1% a year, which would be a more optimistic statistic; but we might compare that with the decumulation rate of about 8% a year for the typical American. That would be a far more worrying statistic to deal with.

There is a broader point to make. Advice and guidance are obviously important at the age of 55, but we must move away from the view that this is exclusively about making sure that people have the appropriate information at the start of their retirement. The reality is that people's needs between the ages of, say, 55 and 65 are different from their needs between 65 and 75, or 75 and 85. Life expectancy is of course rising, and their needs would be different between 85 and 95 as well. I suppose that that point goes to the heart of what the debate is about: a guaranteed income—that is the phrase used in the title of the debate—throughout retirement. We must look beyond what happens at age 55, although that is highly important, at structured ways through retirement, in which people have access to the advice and guidance they need to make informed decisions. It is vital that the Government do that.

Overall, we can see today's debate as a marker for the need for action. No one wants people to exhaust their pension pots at age 75. We want action now, to ensure that people will be protected from scams, and that they can get the advice and guidance they need.

3.25 pm

The Economic Secretary to the Treasury (Harriett Baldwin): It is a pleasure to serve under your chairmanship, Mr Betts. I am not quite sure what the sporting achievements mentioned earlier are, but I look forward to hearing about them.

Mr Clive Betts (in the Chair): I think the word "achievements" might be stretching it a little bit, but we will pass over that for the time being. [Laughter.]

Harriett Baldwin: I congratulate the hon. Member for Ross, Skye and Lochaber (Ian Blackford) on securing the debate and making a thoughtful, constructive contribution to our national debate on securing a guaranteed income for retirees. Perhaps I should not confess this, but if Wikipedia is correct, I am the one who should declare an interest as being closest to retirement age of all those speaking in the debate—but perhaps Wikipedia may not be accurate. That has happened before.

Roger Mullin: I should thank the Minister very much for her comment.

Harriett Baldwin: The hon. Gentleman wears it well.

The debate is timely, because we are just over six months into the pension freedoms, and are beginning to get data on what pensioners or retirees have been doing

with those freedoms, and about use of the free and impartial guidance from Pension Wise, which was set up by the Government. As we speak, life expectancy is growing by about five hours a day in this country, which makes it all the more important that we have this debate and agree on the aspiration to ensure that hard-working people are in a position to fund a comfortable and, we hope, increasingly lengthy retirement.

Against the background that I have set out, the Government introduced radical reforms giving people freedom and choice in how they access their own hard-earned retirement savings, replacing an effective obligation on pensioners to purchase an annuity—a product that often they did not shop around for and that may not have been right for their circumstances.

Julian Knight (Solihull) (Con): The hon. Member for Ross, Skye and Lochaber (Ian Blackford), whom I congratulate on securing this important debate, mentioned at one point reinstating the requirement to annuitise. The old open market system failed many vulnerable consumers, as my hon. Friend the Minister mentioned, and many with impaired life expectancy were shunted by providers into poorly paying and inappropriate annuity contracts. Will she comment on that?

Harriett Baldwin: My hon. Friend is right; the world where we obliged people to buy an annuity income with their retirement savings was not perfect. Often they did not shop around—the data from the Financial Conduct Authority suggest that about eight out of 10 consumers could have got a better deal by shopping around—so I cannot agree with what I believe was SNP policy. That seems to be to end the current situation where there is more flexibility, and once again to require people to buy an annuity. However, I recognise that Members across the House have concerns about customers and how they are supported as they make perhaps their most important long-term financial decision, other than purchasing a home.

Ian Blackford: I just want to clarify something. I absolutely share the concern that the annuity market was not working properly. Where there is a difference of opinion is that we believe that the market should be reformed. We need greater choice in the annuity market: for example, we need to think about how we explain index-linked products in the annuity market, and circumstances such as lower life expectancy must be reflected. We must consider those things in the light of experience of what has happened with pension freedom.

Harriett Baldwin: I thank the hon. Gentleman for that clarification. I agree that we need to evaluate the measures, which is why this is such a timely debate. It is extremely important that, as people take advantage of the new pension freedoms, they have the right information and the tools they need to make an informed and confident decision about their financial future. I recognise that there is a range of different circumstances and that one size does not fit all.

It might be helpful if I summarise some of the changes made over the past five years to the pension landscape to strengthen the finances of people in retirement. They include ensuring that there is no enforced retirement age at 65, and strengthening the first pillar of retirement

income, the basic state pension, which now rises with a triple-lock—increasing by the greater of 2.5%, earnings or inflation every year. That has been very important cumulatively over the past five years—the income replacement of the state pension is now at its highest level since 1992—and we have pledged to continue that throughout this Parliament.

Nick Thomas-Symonds: I refer back to the *Hansard* quotation from 20 June 2011 that I cited about the transitional provisions for women born in the 1950s who have lost out under the new state pension provisions. Can the Minister update the House about what has happened with that policy and how the transitional provisions will be introduced?

Harriett Baldwin: I assure the hon. Gentleman that I am just setting out the background. I will address the points that colleagues raised later in my speech.

The changes we are making to simplify the state pension are also important, because they are going to set a new level for the state pension that is higher than the means-tested threshold that we have had in this country historically. That is very important, because we do not want those who draw down their retirement savings to be thrown on to means-tested benefits. I believe I am right in saying that that is a crucial difference from the situation in Australia. We have also safeguarded support for older people in other ways, such as providing free bus passes, eye tests, television licences and so on.

The changes we made in April are an integral part of the whole landscape. I will describe for the benefit of all hon. Members what we think success for the reforms looks like: a vibrant and competitive retirement income market with a range of different products that give people the flexibility and security that is right for them, and well informed, engaged consumers who can access the guidance and advice they need. As more people are automatically enrolled in employer schemes, more people engage with the process. More than 5 million more people are now saving for a retirement income than were in 2010, and by the full roll-out in a couple of years' time, we will have almost 9 million additional new savers through automatic enrolment, saving £15 billion a year more in aggregate.

Ian Blackford: I am grateful to the Minister for giving way; she is being very gracious with her time. As I said, we fully support auto-enrolment. It is fantastic that there has been an increase in saving and that both employers and employees are contributing, but will she reflect on the situation that could develop? People will have a greater ability to access the pension pot that they are saving into and take out cash at 55, but I am concerned that employers may be disincentivised from contributing to the pension scheme if they see that those who benefit from it can walk away with a cash pot at 55.

Harriett Baldwin: Methinks the hon. Gentleman is worrying too much. At this point, I think we will just welcome the fact that £15 billion a year more is going into pension saving in this country. The hon. Member for Paisley and Renfrewshire South (Mhairi Black) can say to her generation that the earlier they start, the better, given the cumulative impact of the wonders of compound interest. Nevertheless, I take on board the point the hon. Gentleman made.

The hon. Gentleman said that providers may not have time to get ready and may not have the right kinds of products. In fact, providers have stepped up to the challenge: the systems requirements were admittedly very challenging, but more than 90% of people are now being offered flexibility within their existing scheme and something like a quarter of the largest firms are planning to launch new products in the next six months, so there has been real innovation and engagement with what customers want. We have moved away from the inflexibility of the old annuity market.

The hon. Gentleman highlighted the recent data from the ABI stating that £4.7 billion was paid out in the first six months. The first six months will not necessarily be representative of the settled state of the market, because obviously there has been a lot of pent-up demand, but it is fair to say that in that six-month period £2.5 billion has been invested in income drawdown products and £2.2 billion in annuities. That does not suggest that people are shying away from the annuity market, which we hope continues to be successful and an important part of people's retirement planning. I am delighted that so many people have already taken advantage of the freedoms and that many providers have stepped up to deliver for their members.

Many hon. Members asked about Pension Wise, the Government's free and impartial guidance service. It, too, is playing an important role. There have been more than 30,000 guidance appointments and 1.7 million hits on its website so far. Hon. Members alleged that only one in 10 people are making use of Pension Wise, but we dispute that in the sense that people will be getting financial advice, sometimes from a regulated adviser, or they may get information, guidance or advice through their provider. There is a range of different ways in which people can inform themselves; Pension Wise is one of them. It is free, impartial and backed by the Government.

Pension Wise prompts users to consider their life expectancy and any health issues and lifestyle factors they have, and it links to the Office for National Statistics life expectancy calculator, which I am sure everyone in the room has visited. All in all, that is excellent news, but we are always on the lookout for ways to make the service more useful. Last month's report from the Work and Pensions Committee, of which the hon. Member for Paisley and Renfrewshire South is a member, was welcome. It noted the progress we have already made in ensuring that the reforms deliver for consumers, but made it clear that the job is not yet done.

In line with the Committee's recommendations, we are considering a number of developments to make Pension Wise even more useful. For example, we are looking at how appointments can be tailored to individuals. In the summer Budget, we opened it up to people from the age of 50 onwards, and we are developing more online tools for the website and calculators that people can use to see how the new pension freedoms relate to their particular circumstances. We are trying to make the website more interactive, and the team has done a fantastic job in delivering that to such a tight timeframe. We are looking to amend the content of Pension Wise appointments to ensure they are more tailored to people in the 50 to 55 age bracket, who are not yet able to take advantage of the pension freedoms but want to start thinking about the options available to them.

[*Harriett Baldwin*]

The hon. Member for Torfaen (Nick Thomas-Symonds) rightly mentioned the financial advice market review. I am delighted to hear that he supports the initiative. The Treasury and the Financial Conduct Authority are reviewing what he called the advice gap—the fact that between guidance and paid-for financial advice, there is a gap for ordinary people who do not want to pay for a financial adviser or are not able to afford one at their stage in life. The aim of the review is to come up with a package of reforms, along the lines of those that the hon. Gentleman outlined, to ensure the financial advice market works for everybody. I hope he will write to the review with his recommendations.

Advice, in and of itself, is not enough. It is important that we supplement our guidance provision and review it on an ongoing basis. We must ensure that we make the most of Pension Wise, which focuses on pension freedoms, the Money Advice Service, which focuses on some of the other aspects of financial markets, and the Pensions Advisory Service, which is run out of the Department for Work and Pensions. We must make those services more effective for consumers. Alongside the financial advice market review, we are also looking at the guidance and hope to have some findings ahead of next year's Budget, so that people get the help they need to take such important long-term decisions.

Several hon. Members mentioned scams, and the Work and Pensions Committee report also flagged that risk, which we recognise is not new. Pension scammers were previously trying to get people to take money out of their pensions before the age of 55, causing a lot of harm in the marketplace, but I agree that it is an important matter. Given that consumers have been given unprecedented freedom and choice in how they access their retirement savings, we appreciate that fraudsters will use that as an opportunity to try and exploit people. An effective strategy to target scams must bring together all the relevant parts of Government and work with providers to focus on both the prevention and the disruption of scams. That is what we are doing and will continue to do. We have set up Project Bloom, a multi-agency taskforce led by the National Crime Agency, which is joining up the various Departments involved, the regulators, anti-fraud groups and police forces to tackle scams. It is worth reiterating here how important it is that we remind consumers that they should never engage with anyone who telephones them out of the blue offering help with their pension. I encourage all hon. Members to get that message out widely in their communities. I emphasise that Pension Wise will never call without a consumer having previously asked them to.

The pensions regulators have their own pension scam campaigns to raise awareness of the issue. The FCA runs ScamSmart and the Pensions Regulator runs Scorpion. Warnings are sent out with paperwork from pension providers and both of them give advice to businesses and consumers on how to protect against scams. Pension Wise also alerts customers to the risk of scams during guidance sessions and on its website, and firms have a duty to flag the risk of investment scams, when appropriate, to their members as part of the FCA's retirement risk warning rules. The hon. Member for Paisley and Renfrewshire South, who asked me about this during a Work and Pensions Committee hearing, wanted to know

about some of the numbers. So far this year, since the pension freedoms were launched, incidents reported to Action Fraud are lower than the year before, but I completely agree with her that we must remain on top of this. To be frank, we have to be tough, because one scam succeeding is one too many.

Moving on to women who have been affected by the change in pension age, I am probably one of the few women affected who actually welcomes the fact that I will be able to do this wonderful job for longer, but I realise that not everyone feels that way. To respond to the questions from the hon. Member for Torfaen about the number of meetings that have been held, the number of updates and the transition protection and his *Hansard* reference, which shows what an effective researcher he is—he is a published biographer—I will defer to my colleague Baroness Altman, who will write to him with the details.

The hon. Member for Paisley and Renfrewshire South also asked about the Pension Wise data and when it will be published. In ministerial speak, I believe that the word is “shortly” so it should be up on the website soon. We will write to the Chair of the Work and Pensions Committee as soon as that happens so that he is the first to know.

I have responded to most hon. Members' points, but I will remain on my feet in case anyone feels that they have not had a chance to ask their question or to get one answered.

Roger Mullin: I thank the Minister for giving way at this late stage. Does she agree that, as I mentioned earlier, women face particular risks and therefore require particular additional support and guidance to ensure that they make the most of their futures?

Harriett Baldwin: I am sure that, like me, the hon. Gentleman is a passionate feminist and thinks it important that men and women have the same pension age. I appreciate, however, that the process of transition from the much earlier age at which women were retiring will, depending on people's circumstances, have posed a range of challenges, of which the Government are well aware. As a constituency MP, I am also well aware of such issues. I will write to the hon. Member for Torfaen and the hon. Member for Kirkcaldy and Cowdenbeath (Roger Mullin) with more specific points from my noble colleague.

Shall I conclude with my impassioned concluding remarks, Mr Betts, or is everyone happy to stop there?

Mr Clive Betts (in the Chair): It is up to you, Minister. You have time if you wish to impassion us.

Harriett Baldwin: I will say something in conclusion as we have time.

I thank all hon. Members who have participated in the debate. How people access an income in retirement is an incredibly important question. It is also an issue of huge international importance. I have summarised a range of changes that have been made over the past five years. The more recent pension freedoms are major changes and it is important that we get them right, which is why the Government and the regulator will continue actively to monitor the post-reform retirement landscape closely.

Mr Clive Betts (in the Chair): I was only too pleased earlier that, as I was in the Chair, I was not able to join in the competition about who was nearest to retirement age. We will move on to Mr Ian Blackford winding up briefly.

3.46 pm

Ian Blackford: I thank all hon. Members who have participated this afternoon. We have had a good debate on the issues as we see them. I thank all who have contributed and expressed legitimate concerns about the consequences of the pension freedoms.

We all share the view that we need to architect a pension structure conducive to people having the best outcomes possible in their elderly years. I encourage the Government to look at the evidence of the first six months. I accept that some of the pension drawdown of the first six months was pent-up demand. None the less, as the Minister has conceded, £2.5 billion is a considerable sum to be drawn out of pension pots—50% of all the cash that was exorcised from them over that period. We have to look at that closely.

I remain concerned that pensioners will be put in a position of some financial hardship if they expose themselves fully to running down their pension pots. We accept that over the past few decades considerable moves have taken place to eradicate pensioner poverty, which we are all delighted about, and that there is little likelihood of pensioners falling below the threshold of 60% of median income, which we used to use to define relative poverty, but none the less, on the evidence from the Social Market Foundation, we can see that pensioners would fall below the 80% and perhaps even 70% income thresholds. That should concern us. It is right to continue to debate such matters and we should see if we can work together to provide more certainty and security for pensioners.

Question put and agreed to.

Resolved,

That this House has considered Government policy on guaranteed income for retirees.

3.47 pm

Sitting suspended.

Court Charges (Access to Justice)

[MR JAMES GRAY *in the Chair*]

4 pm

Tulip Siddiq (Hampstead and Kilburn) (Lab): I beg to move,

That this House has considered court charges and access to justice.

I want to consider the effect that the criminal courts charge has had on access to justice. In the past five years, whether in criminal or civil law, access to justice—the ability to secure legal representation or to maintain one's innocence—has come under repeated attack. While the Conservative party is apparently so adamant about imposing British values through the Ministry of Justice's output, I can think of no other British Government who have attacked the principles of Magna Carta in such a manner.

The debate focuses on the criminal courts charge. While I am relatively new to the House, other Members—*[Interruption.]*

4.1 pm

Sitting suspended for a Division in the House.

4.15 pm

On resuming—

Mr James Gray (in the Chair): As a result of the Division, the debate will run until a quarter to 5. The Member in charge might perhaps wish to leave a quarter of an hour or thereabouts for the Minister to respond.

Tulip Siddiq: To pick up where I left off, the Government are attacking the principles of Magna Carta. I am relatively new to the House, but other Members will have been concerned about previous legal reforms by this Government. The focus of the debate is criminal court charges, which have attracted widespread criticism from all parts of the legal world, from magistrates to the Lord Chief Justice.

Wayne David (Caerphilly) (Lab): My hon. Friend has mentioned magistrates; does she share my concern about the fact that at least 50 magistrates have resigned since the implementation of the charges?

Tulip Siddiq: My hon. Friend has anticipated a point I will come on to. As he said, 50 magistrates have resigned, and in one case highlighted by the Howard League, a magistrate felt inclined to pay the court fee from his own pocket because of his sense of injustice.

Nick Thomas-Symonds (Torfaen) (Lab): It is a pleasure to serve under your chairmanship, Mr Gray, and I congratulate my hon. Friend on securing this debate at a very timely moment. Does she agree that a major risk of the charges is that they will have a disproportionate effect on the poorest defendants, which is unfair?

Tulip Siddiq: Absolutely. I secured the debate because I am worried about access to justice for people from poor socioeconomic backgrounds. I will touch on that later.

[*Tulip Siddiq*]

The court charges were introduced by the Legal Aid, Sentencing and Punishment of Offenders Act 2012. They have had a dramatic impact on the number of cases going to court. I am particularly worried about tribunal numbers, which have plummeted, and the number of discrimination and unfair dismissal cases, which seems to be going down. I am concerned that the charges are in effect an attack on the most vulnerable in our society. I say the most vulnerable, because statistics show that sex discrimination cases brought by women have gone down by 80%. Similarly, if we compare the first few months of 2014 with the same period in 2013, the number of race discrimination cases has gone down by 60%.

Access to the court system is not, as the Government have put it, part of the welfare state. I prefer to agree with the Law Society, which said that the court system should be seen as

“part of the...rights and duties that give...resilience”

to the society that we live in. I do not doubt that our centuries-old court system needs some reform, but we need to think carefully before proposing those reforms. The Government would do well to remember their responsibility to enable every citizen to be treated equally before the law, whether they are a defendant, a victim or another party.

It is important to consider the effect that the criminal courts charge is having on poor defendants, as my hon. Friend the Member for Torfaen (Nick Thomas-Symonds) mentioned. Despite the lack of quantitative data at my disposal, a lot of anecdotal evidence has been brought to light, especially by organisations such as the Howard League, revealing that this charge is not only intolerable in its consequences but will in no way recover the money that the Government talk about.

Keir Starmer (Holborn and St Pancras) (Lab): In the light of the failure to consult before the criminal charge scheme was introduced; the clear concerns of judges, magistrates and the whole legal profession; and the likelihood that this will add to the problem, rather than solve it, does my hon. Friend agree that this scheme should be reviewed this autumn, as the Howard League argues, rather than in three years?

Tulip Siddiq: I absolutely agree with my hon. and learned Friend, who has a lot of experience in this field. That is something I raised with the Justice Secretary when I asked him in the Chamber a few weeks ago why this absurd policy had been signed off in the first place, and he said that it was under review. We should not wait three years, while the reform has dramatic effects on the most vulnerable in our society. We should move the review forward; if the scheme is under review, that should be done immediately, and we should not procrastinate.

Let me highlight what I find most concerning about this charge and what has struck me. This charge will put pressure on people to plead guilty because they are worried about financial costs. If someone pleads guilty early on, they are less likely to incur costs than if they say and then maintain that they are innocent, and are found guilty later down the line. That will inevitably put pressure on people to plead guilty. I want to read out

some of the figures, to hammer this home. The charge rises from £150 for a guilty plea for a summary offence in a magistrates court to £520 for a conviction after a not-guilty plea. The charge at Crown court is £900 for a guilty plea and £1,200 for a conviction after a not-guilty plea. Think about the constituents who live on the estates of Hampstead and Kilburn, the constituency I am so proud to represent in this House. They would not be able to afford those fines.

Christina Rees (Neath) (Lab): Does my hon. Friend agree that one aspect of this issue is the fact that courts are given no discretion to take account of an individual's ability to pay?

Tulip Siddiq: I will touch on that later, but there is a lot of anecdotal evidence, as I have said. The Howard League and other organisations have highlighted that people on benefits or people who rely on social security are being expected to pay fines that we know they will not be able to pay. It is unrealistic to expect those people to pay these charges, and administratively, it probably costs taxpayers more.

Wayne David: The figures I have seen underline the point my hon. Friend just made. My understanding is that some £5 million in court charges has been issued, but less than £300,000 has been collected. Does that huge gap not show how ridiculous this policy is?

Tulip Siddiq: Absolutely. If we look at the money we have managed to claw back, it shows why this policy should be scrapped. It should not take three years to review it, because we have the evidence, as my hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer) said.

I rarely agree with Conservative Members of the House, but I agree with the Chair of the Select Committee on Justice, the hon. Member for Bromley and Chislehurst (Robert Neill), who said on Radio 4 that the charge

“does seem to be distorting the way in which people behave in court...defendants might plead guilty to save the cost of the charge when otherwise they would not have done”.

That is from a member of the Conservative party. I could not agree more with him.

In 21st-century Britain, we should be appalled by the miscarriage of justice, especially when defendants are foregoing their freedom due to financial constraints. To pick up on a point made by my hon. Friend the Member for Torfaen, in some magistrates courts about 80% of defendants are dependent on state support to meet basic living costs, which makes this issue even more pressing. The charge means that poorer defendants are likely to make a different decision from the one they would have ordinarily made. That means we risk their voice being at best constrained, and at worst shut out from our justice system.

Keir Starmer: Does my hon. Friend agree that this cuts across the principle we have had in our criminal justice system for many years of being willing to reduce a sentence for an early guilty plea, because we are setting our face against increasing the consequences for not pleading guilty?

Tulip Siddiq: Again, I draw on my hon. and learned Friend's experience in the legal world. I absolutely agree with him, and I hope the Government will listen to his

interventions today, because I do not think anyone could be better equipped to help the Government at this point than him.

What is even more frustrating is that we are unable to place a specific figure on the increase in the proportion of guilty pleas at first hearing at the magistrates court. Until recently, quarterly criminal court statistics routinely included that figure. While the Government may be reticent about taking on board demands for revision, they must strive to make those figures available so that the extent of the recent phenomenon can be made public. I urge the Minister to be transparent about the impact this reform is having.

My hon. Friend the Member for Caerphilly (Wayne David) mentioned that 50 magistrates have resigned since the implementation of this policy. Let us listen to the experts and judge them by their actions. The Magistrates Association claimed in written evidence to the Justice Committee that

“the lack of judicial discretion means that the charge...is not in accordance with the principles of justice.”

My second concern is that the charge is producing fines that are disproportionate to the minor offences for which defendants are often charged. For generations, magistrates imposed financial penalties in accordance with how severe the crime was and the defendant's ability to pay, which my hon. Friend the Member for Neath (Christina Rees) mentioned. The mandatory charge can account for 50% or more of the total, placing enormous anxiety and stress on individuals who sometimes have been driven, in despair, to commit crimes. I am not saying we should not punish criminals, but the importance of judicial discretion cannot be underestimated.

I would like to give one example from Highbury Corner magistrates court, where a lot of Hampstead and Kilburn's constituents are tried. The defendant in question had no savings, no income and a drug addiction. He was put in the docks of Highbury for stealing a couple of steaks and 70p lollipops. He was told he should plead guilty, because the charge would be £150, whereas if he was found guilty further down the line, it would rise to £1,000. Of course, he pled guilty. The reporters at the case wrote that he sat there with “sunken cheekbones”, his shirt falling off his back, and he knew that he would in no way be able to pay the court fees imposed on him. The charge was £150, with a £65 victim surcharge and further costs of £85, which came to £295 for a man who the judge said needed 12 months of rehabilitation and community service. There is no way he will be able to pay that back. Is this a system that works for people? Should we not be looking at these vulnerable people who cannot afford to pay the fees we are imposing on them? Is this the future we want for our criminal justice system? It is surely time the Government realised that this policy is not fit for purpose and needs to be reviewed.

I want to ask the Minister a few questions. First, we have been told that the Government are listening, which is a good sign, but can we ensure the review is brought forward? May I have an answer to my original question to the Justice Secretary: how did this absurd policy get signed off in the first place? Secondly, in the medium term, will the Government disaggregate the statistics that are due in December, so that we can see exactly how little is being paid back and how much the policy is costing taxpayers in administrative costs?

A lot of Members in this House and in this Chamber today came into politics because they believed in the values of equality, fairness and social justice. If we carry on in this way, we will create a legal system in which people with money will have access to justice and those without will be shut out. That is not the kind of society we want to live in; we want to live in a society that has equal access to justice, and we need to be very careful, because we are in danger of hitting the most vulnerable people in our society with the legal reforms that are being proposed. I ask the Minister to respond to my questions, and I urge him, once again, to listen to all the Opposition Members who have made points.

4.30 pm

The Parliamentary Under-Secretary of State for Justice (Mr Shailesh Vara): May I say what a pleasure it is to serve under your chairmanship this afternoon, Mr Gray? I congratulate the hon. Member for Hampstead and Kilburn (Tulip Siddiq) on securing the debate and on so eloquently and passionately putting forward her views. I also commend all the other colleagues who have joined the debate, which shows the importance that colleagues attach to this very important subject.

The Government believe that convicted adult offenders should take responsibility and contribute towards the costs that they impose in the criminal courts. The criminal courts charge has made it possible to recover some of those costs from offenders, which in turn is reducing the burden on law-abiding taxpayers.

Broadly, the levels of the charge cannot be more than the relevant costs reasonably attributable to a particular type of case, in line with the limits of the primary legislation. This means that when the costs of running the courts change, such as when efficiencies are made and running costs decrease, we will need to be able to change the levels of the charge to reflect that. As we have specified the levels of the charge in secondary legislation, we can review the charge levels and will change them when necessary.

The criminal courts charge framework means that it is imperative that offenders are given a fair and realistic opportunity to pay the charge. It is important to remember that, in setting payment terms, the court has the discretion to consider the offender's means—a point that the hon. Lady considerably expanded on. The court may make sure that payment terms are set at an affordable rate. Offenders can also contact a fines officer at any point to request variations in payment rates if their circumstances change and they are no longer able to pay at the rate initially set. At those points, the court and fines officer will have an opportunity to take existing debts into account, making sure that repayment is reasonable and affordable, given the offender's individual circumstances.

Mr James Gray (in the Chair): I call Lisa Nandy.

Melanie Onn (Great Grimsby) (Lab): It is Melanie Onn.

Mr James Gray (in the Chair): I beg your pardon; I blame my hon. friend.

Melanie Onn: Thank you, Mr Gray; the Minister referred to me as Liz Saville Roberts yesterday, so I am not doing very well.

[Melanie Onn]

On the point about people who are unable to pay the costs, for some, a financial penalty is utterly meaningless. Those without the means to pay are without the means to pay, and reducing the cost will not make a difference if they are already severely indebted. If they are not in a position to earn any additional funds, does it not add to the burden of an administrative system to seek to reclaim costs from somebody who clearly is never going to be able to pay them?

Mr Vara: I am grateful to the hon. Lady for intervening; she gives me the opportunity to explain an important issue. The criminal courts charge is payable only after, first, the compensation has been paid; secondly, the victim surcharge has been paid; thirdly, the prosecution costs have been paid; and, fourthly, fines have been paid. A judge imposes those, and only when all four have been paid does the criminal courts charge come along; and, although set at a specific rate, it is nevertheless assessed by the court's officers on the basis of ability to pay. That means that the other debts, income and all other such financial factors are taken into account; and then, based on what the officer feels is an acceptable way for the charge to be paid, the money is paid, after the other four impositions have been dealt with. I might add that if an individual has made all reasonable efforts to make the payment and they have not reoffended, then after two years whatever is left is scrapped.

Keir Starmer: Does the Minister agree that it is highly unusual for a number of magistrates to resign over an issue such as this? When they do so, what is the level of concern in the Department, ranked between one and 10?

Mr Vara: We have some 20,000 magistrates. At any given point, there are always some who are resigning. It is regrettable that some have felt it necessary to resign on that basis, but I will say that magistrates do hugely beneficial work. It is an important role in society and they give up valuable time of their own to do a good service. Of course, it would be wrong for me to comment on individual circumstances, but it is regrettable that some have felt it necessary to resign on that basis.

Carolyn Harris (Swansea East) (Lab): Does the Minister not agree that the fact that only a fraction of the imposed costs has been recovered indicates that those charged with repayment are unable to repay, and that this therefore makes the whole court charge untenable?

Mr Vara: It is not yet known how much has been recovered, because those statistics will be forthcoming in the December quarterly statistics. Just to explain, they were not in the September quarterly publication because, although initial data from the first three months of operation—the change having taken place in April—were included in the regular September quarterly statistics, it was not possible to provide separate figures on the charge in time for that publication which met the data quality standards required for published management information. Detailed figures will, however, be published on 17 December.

I note the comments made about the effects on the offender's plea decision and the issue of access to justice. The Government are committed to ensuring a fair and

effective criminal justice system that is accessible to all, and we are assured in the knowledge that the coalition Government carefully considered the compatibility of the criminal courts charge provisions with the European convention on human rights, on article 6 “access to the court” grounds. Article 6 of the European convention on human rights has an implicit right of access to the courts, and the charge does not interfere with that right in any way. In particular, it should be remembered that the charge is imposed at the end of proceedings. Defendants facing trial are not required to pay the criminal courts charge and the charge is not a condition of an offender being able to access the courts. A person will be subject to the charge only if convicted following a court hearing that will have taken into consideration all the available evidence. Therefore, those who are innocent and should be found not guilty by the courts will not be required to pay the charge.

We should also remember that our justice system already creates a number of incentives for those who enter early guilty pleas to ensure that the wheels of justice run more smoothly. For example, if defendants who are guilty enter a guilty plea as early as possible, the courts recognise the benefit to victims, witnesses and the criminal justice system as a whole by means of a reduction in sentence. I recognise, however, the need to ensure that any incentives are proportionate and I note the concerns expressed about the matter.

Keir Starmer: I spent many years working on proposals for early guilty pleas and I support them, but the underlying principle was always that the sentence or consequences were reduced for an early guilty plea, not increased for not pleading guilty. Does the charge not offend that principle, and was the Sentencing Council consulted before the charge was brought forth?

Mr Vara: I am not sure I follow what the hon. and learned Gentleman is saying. It seems pretty straightforward that at the moment we have a system whereby if somebody pleads guilty, it assists the criminal justice system, the witnesses, the victim and so on, and proper due regard is taken of that. In this instance, if a person pleads guilty, due regard is taken, but they should not plead guilty if they are not guilty. They should allow the court process to take its course.

Keir Starmer: Will the Minister give way?

Mr Vara: I will happily give way, but I hope the hon. and learned Gentleman is mindful that this is a limited-time debate and I will have less time to respond.

Keir Starmer: I will be brief, and I accept that the debate is time limited. The point I am making—it is a point of principle—is that the courts have always fixed the penalty and then reduced it for an early guilty plea. The penalty has never gone up because someone did not plead guilty in the first place. That is the fundamental principle that is being offended.

Mr Vara: The charge is not part of the sentencing process, and that has been made abundantly clear to magistrates and the judiciary. It is a contribution to court costs and is not intended to be taken into account for sentencing purposes. There has been confusion, and I want to put on the record the fact that it is not intended to be a means of sentencing.

Given the financial imperative to bring down public spending, the Government must ensure that the courts are adequately funded in the long term in a way that allows the budgetary challenges ahead to be met. There is a high level of consensus across the justice system that the current system is unsustainable.

Christina Rees: Can the Minister say whether the revenue collected from the court charges goes towards the legal aid fund?

Mr Vara: The legal aid fund is one of the most generous in the world, after the reductions, at some £1.6 billion. It was previously over £2 billion. We have made reductions and we still rank among the top countries in legal aid provision. It is important to remember that point, which also addresses some of the comments of the hon. Member for Hampstead and Kilburn about access to justice. Let me remind her that, notwithstanding the reductions made by the Government in the past five years, we remain one of the most generous countries in the world for legal aid payments.

There is a high level of consensus across the justice system that the current system is unsustainable. This means that the court system must undergo fundamental reform. Our justice system must work better to deliver swifter, fairer and more efficient access to justice for everyone.

Tulip Siddiq: Will the Minister give way?

Mr Vara: I will give way, but I will not be able to conclude my comments. Only one and a half minutes remain.

Tulip Siddiq: I would like to know whether the review will be brought forward or whether it will take three years.

Mr Vara: As my right hon. Friend the Lord Chancellor has said, the matter is under review.

Our justice system must work better to deliver swifter, fairer and more efficient access to justice for everyone. It must uphold the rule of law, the most precious asset of any civilised society. Changes to fees have occurred on the civil side, and bearing the burden of running the criminal courts cannot continue to be purely the responsibility of the taxpayer. Offenders must take responsibility for their actions, and the criminal courts charge is an important part of this. In reforming the courts and bearing down on the costs of running them, the Government are determined to make the justice system more efficient and to transform it into a modern public service.

I want to make it clear to the hon. Lady and to all other hon. Members present that I am aware of the concerns and various issues that have been raised, and I will certainly take on board all that has been said by her and other hon. Members. However, it is important to stress—I hope the hon. Lady will appreciate this—that in reviewing the charge, we must consider all the evidence to allow us to form an appropriate view and to help us to make sure that the criminal courts are run efficiently and fairly. I congratulate the hon. Lady again on securing this important debate.

Question put and agreed to.

Resolved,

That this House has considered court charges and access to justice.

Groceries Code Adjudicator

4.44 pm

Julian Sturdy (York Outer) (Con): I beg to move,

That this House has considered the role and powers of the Groceries Code Adjudicator.

It is a pleasure to serve under your chairmanship, Mr Gray, while discussing a topic that has not yet been debated in depth this Parliament. Before doing so, I must draw hon. Members' attention to my declaration of interest. Having been a Yorkshire farmer before becoming an MP, I have farming interests, but I do not have any commercial relationship that would be affected by the role of the Groceries Code Adjudicator.

I would like to place on the record my thanks to all the industry bodies and trade associations that have been in contact with my office to feed their views into this important debate. In kicking off this debate, I would like to voice the concerns that many in the food and farming industries share regarding certain aspects of the Groceries Code Adjudicator. The organisation has been broadly welcomed by many in the sector, but there has been some disquiet about issues concerning the adjudicator's resources, powers, performance and overall remit, which I will discuss in turn.

As many hon. Members know, the adjudicator was established back in June 2013 to ensure that the largest supermarkets treat their direct suppliers lawfully and fairly. The adjudicator's primary role is to ensure compliance with the groceries supply code of practice. It is worth mentioning that before the code was introduced in 2010, many farmers reported widespread unfair practices such as last-minute price cuts, being asked to guarantee the supermarket a minimum profit margin, and growers being expected to pay as a condition of being a supplier. Those unfair practices would all now be illegal under the code, but the impact of the code has been to force many food producers out of business. As a nation we have become increasingly reliant on imported food—a theme I will touch on later.

Mr Mark Williams (Ceredigion) (LD): I congratulate the hon. Gentleman on securing this important debate. I do not have the pedigree of a farming background, but I represent many farmers. An increasing feature of the market has been the development of voluntary codes, such as those in the dairy and beef sectors. When he goes on to talk about remit, will he be mindful of the need to encourage the adjudicator to have the power to look at voluntary agreements and where they are and are not working?

Julian Sturdy: The hon. Gentleman makes a good point. He is absolutely right that some of the voluntary codes are working well and are successful, while others need much more work. I would welcome the codes falling under the remit of the Groceries Code Adjudicator. As I will set out, there needs to be a much wider remit for the adjudicator, especially given that the Minister will review the remit in March 2016.

To go back to the history, the Groceries Code Adjudicator oversees a sector that is worth £177 billion and employs 3.8 million people—14% of the entire UK workforce or one in every seven jobs in the country. It is also our largest manufacturing sector, worth almost a fifth of our entire manufacturing output, which is more than our car and aerospace manufacturing sectors combined.

[Julian Sturdy]

Supermarkets are huge wealth creators in this country, and I am sure that many hon. Members present will have first-hand experience of the community work that supermarkets do in their constituencies, so this is not about being anti-supermarket, as they play a huge role in our economy and society. However, in the light of the sheer scale of the grocery industry, it is about fairness. Given the scale of the industry, it might come as a surprise that the adjudicator is employed for only three days each week and is assisted by a team of just five people. I have always been a champion of lean and efficient public bodies, but the current resources do not appear appropriate for the challenges at hand.

Chris Davies (Brecon and Radnorshire) (Con): May I echo the words of my friend the hon. Member for Ceredigion (Mr Williams)? I am delighted that my hon. Friend the Member for York Outer (Julian Sturdy) has brought this debate to Westminster Hall and highlighted this very important issue. While he is on the history, can we go back a little further? He will remember, as I am sure all hon. Members do, the great anticipation that there was for a Groceries Code Adjudicator. Various Governments had promised to create that role, but it never came about. When we brought it forward, there was great anticipation among the farmers and producers in my constituency of Brecon and Radnorshire that this organisation would have real teeth to deal with the situation with the supermarkets. As my hon. Friend rightly says, supermarkets are a very important part of—

Mr James Gray (in the Chair): Order. Interventions must be brief.

Chris Davies: Yes, Mr Gray. The supermarkets are very important, but so is this adjudicator and so indeed are suppliers. When we look at the history, we see that we need to strengthen—

Mr James Gray (in the Chair): Order. Interventions must be brief.

Julian Sturdy: I thank my hon. Friend for his intervention. He is absolutely right about looking back at the history. I remember, before the 2010 general election, attending many hustings and talking about a Groceries Code Adjudicator and how it was so important that we brought that forward. I remember, as I am sure a number of hon. Members here will, speaking in the debate on Second Reading of the Groceries Code Adjudicator Bill, and warning then while we had to bring that forward, we had to ensure that it had real teeth to act. I feel that it has been a good step forward, but there is much more work to do, and I want to touch on that.

Ms Margaret Ritchie (South Down) (SDLP): I congratulate the hon. Gentleman on initiating the debate. A number of us, including the Chair of the Select Committee on Environment, Food and Rural Affairs, the hon. Member for Tiverton and Honiton (Neil Parish), have already discussed some of these issues, but does the hon. Member for York Outer (Julian Sturdy) agree with me that the Groceries Code Adjudicator's remit should be expanded in legislation to include fair and

reasonable prices for producers? Many people—not solely in the dairy sector, which has a voluntary code—have been asking for that.

Julian Sturdy: The hon. Lady is absolutely correct. I will go on to pay tribute to the EFRA Committee and the work that it has done on this subject. I know that it has forthcoming inquiries on the topic as well. I entirely agree with her. I want to touch on the dairy sector later in my speech, but this issue goes right across the fresh produce sector, and we have to get fairness there.

I was making the point about the sheer scale of the industry and whether the Groceries Code Adjudicator has enough resources to do its job. Why does the adjudicator have a team of only five, and why is the adjudicator employed for only three days a week? Is that because there is not a real problem of the supermarkets using their massive size and resources to abuse their dominant market position? Or is the problem simply not being taken seriously enough, with the result that those are the resources available to the adjudicator?

The powers of the GCA have also been called into question. My hon. Friend the Member for Brecon and Radnorshire (Chris Davies) has touched on this. I remember making a contribution on Second Reading of the Groceries Code Adjudicator Bill, when it was not envisaged that the adjudicator would be able to fine companies from day one. I warned then that, without adequate teeth, the GCA would be like a referee without a whistle. I think that another Member in that debate said that it would be like a referee without a red card in his top pocket. The fear with all new regulatory bodies is that they are set up too cautiously and they become ineffective talking shops, unable to gain influence or authority in the sector. It was therefore a welcome development when, before the Bill's Committee stage, the Government accepted the argument about giving the adjudicator the ability to fine retailers. Secondary legislation was introduced to give effect to the power to impose penalties on the large supermarkets of up to 1% of their annual UK turnover. That was another positive step forward—a step in the right direction—as the adjudicator requires teeth in order to send a strong message to the supermarkets that treating suppliers fairly is not optional.

It is deeply unfortunate, however, that the adjudicator's ability to impose robust fines will come in after the GCA's investigation into allegations that Tesco overstated its profits by £250 million. Should a breach of the code be found to have occurred, the only possible sanctions will be to name and shame the retailer, which is redundant at best, as the matter has already been widely reported in the media. In the light of the GCA's limited resources and the late arrival of its powers, it is fair to ask what the adjudicator has achieved in the two years since it was established.

Rebecca Pow (Taunton Deane) (Con): I, too, congratulate my hon. Friend on securing the debate. We have discussed this issue at length during the EFRA Committee's farm prices inquiry, and it is very pertinent. I wonder whether the adjudicator is working three days a week because she does not have enough powers to fill the other days. She is legally prevented from looking for evidence, and her remit extends only to direct suppliers, which leaves out the majority of farmer suppliers, which in turn does not encourage them to bring evidence forward.

Julian Sturdy: I thank my hon. Friend for that intervention. She has hit the nail on the head: the Groceries Code Adjudicator does not have the powers to fill the whole week. But let us be serious about this. Ultimately, we must have a Groceries Code Adjudicator that has the powers to act on behalf of primary producers right across the sector. I am sure that if we deliver those powers, the Groceries Code Adjudicator will be able to fill her time right the way through the week.

To date, the adjudicator has not completed a single investigation, has not made any final decisions in arbitration cases and, as we have discussed, has not imposed any enforcement measures, financial or otherwise. The GCA is, however, to be commended for the transparent way in which it measures its own performance through the use of surveys. The key findings were that eight out of 10 suppliers said that they had experienced a potential breach of the code in the past 12 months. Unfortunately, only 38% of direct suppliers said that they would consider raising the issue with the adjudicator. Something has gone seriously wrong when the majority of suppliers have suffered problems with the code and most would not even consider raising the matter with the body in charge of protecting their welfare.

This year, the surveys show some positive developments, with a drop in the number of suppliers reporting potential breaches and a rise in the number of suppliers who would consider raising the issue with the GCA. However, serious weaknesses remain. Despite an increase in confidence in the GCA, the majority of direct suppliers still would not have confidence in the adjudicator helping them when they are in need. The reasons for the lack of confidence are, sadly, all too clear: 68% of suppliers fear retribution by the retailer should they be identified, and 45% are not confident that the GCA will maintain their confidentiality, despite being bound to do so.

The surveys ultimately raise more questions than answers. How can we make sure that the majority of suppliers have confidence in the GCA to handle their complaint appropriately? What can we do about the apparent climate of fear that surrounds the reporting of potential breaches of the groceries code? I will be inviting the GCA to discuss those matters with my colleagues at a special meeting of the all-party group for rural business next year, which I hope that the Minister might attend. I hope that she will at least address those concerns today. I know that she is very experienced in this matter and I look forward to her response.

Perhaps most important is the question of extending the current remit of the GCA. That has been widely supported by many in the food industry, especially in the light of the plight of our dairy farmers. Although I appreciate that the Minister will review the role and powers of the adjudicator in March next year, the truth is that many of our dairy farmers cannot wait that long. It is to be welcomed that the EU support payments to help hard-pressed dairy farmers manage their cash-flow problems started arriving in farmers' bank accounts yesterday, two weeks ahead of schedule. I am also pleased that the Government have secured from the European Commission more than £26 million—the third largest support package among member states—to help dairy farmers affected by the current global volatility in milk prices. As the Tenant Farmers Association has argued for some time, however, the GCA could play a hugely positive role in helping dairy farmers by ensuring fairness throughout the entire supply chain.

In January this year, I was greatly encouraged by the Prime Minister's response to a question asked by my hon. Friend the Member for Montgomeryshire (Glyn Davies), who is here today. He enquired whether the powers of the GCA should be extended and strengthened to support the dairy industry. The Prime Minister agreed with him, saying, of the GCA:

"I also think it is time to look at whether there are ways in which its remit can be extended to make sure it looks at more of this vital industry."—[*Official Report*, 21 January 2015; Vol. 591, c. 217.]

Sadly, nine months later its remit remains the same, and the plight of dairy farmers continues.

There are three crucial ways in which the remit of the adjudicator could be extended to help dairy farmers and those most in need in the fresh produce sector. First, as the British Poultry Council, the National Farmers Union and the Country Land and Business Association have made clear, the adjudicator must have the power to initiate its own investigations. Currently, it can act only on complaints. It has been suggested that in much the same way as Ofsted has the powers to investigate the performance of schools on its own initiative and at very short notice, the GCA should be able to investigate potential breaches of the code among the larger supermarkets at any time. At the moment, it appears that the adjudicator needs to be handed all the evidence and have a conclusive case against a retailer before an investigation can commence. Perhaps it would be better if the GCA could say, "I have heard enough from this area of the industry, and there is clearly a problem. I will open an investigation to make sure that the supermarkets are not abusing their dominant market position."

Secondly, trade associations such as the Federation of Small Businesses and the Royal Association of British Dairy Farmers argue that the adjudicator needs to be able to examine the whole supply chain from the farm to the checkout. Currently, only direct supply contracts can be investigated. Although the vast majority of farm produce passes through a processor before ending up on the supermarket shelves, as the law stands the GCA cannot consider the impact of retailer activity on farmers, even though that is at the centre of the dairy industry debate.

Thirdly, although we do not want to give the adjudicator the power to fix prices, the GCA should have the power to investigate and report on the balance of pricing throughout the supply chain. That would ensure that all suppliers in the chain—the primary producers as well as the direct suppliers—are getting a fair deal. The information would also provide much-needed transparency, which would assist farmers and food producers in negotiating fair and sustainable contracts with the processors and, ultimately, the supermarkets that they serve.

I have briefly touched on the fact that there is widespread concern about the huge volatility in milk prices and the impact that that has had on the British dairy industry. As very few dairy farmers sell direct to supermarkets, there have been calls, most notably from the Environment, Food and Rural Affairs Committee, for the scope of the GCA's powers to be extended. I am sure that my hon. Friend the Member for Tiverton and Honiton (Neil Parish) will be able to update us on the Committee's excellent work on the dairy industry and farm-gate prices.

[*Julian Sturdy*]

It is not only dairy farmers who come under the remit of the GCA. As the NFU “Catalyst for Change” report makes clear, fruit and vegetable growers up and down the country describe the current environment as a battlefield. There are concerns that because of the price wars among the largest supermarkets, driven by the increasing competition from discount retailers, supermarkets are up to their old tricks. Feeling the pinch from their new discount competitors, the temptation to attempt to claw back profitability from further down the supply chain is, sadly, all too real. That will have dangerous consequences, but the GCA cannot intervene because the vast majority of farmers sell their produce through processors. The impact of that poor practice, as in the past, has been to force producers out of business, increasing our reliance on imported food. The value of British fruit and vegetable production has fallen by 14% since 2010, and imports from abroad have never been higher.

Mr Mark Williams: I have been listening carefully to the hon. Gentleman’s excellent speech. Does he agree that we are talking not only about an economic argument, but about confidence in the industry? The theme in my constituency has been the confidence of young people whom we desperately need—the age demographic of farming is going up—to join the industry. If they do not see fair play at its most basic, they will be less inclined to join the industry.

Julian Sturdy: The hon. Gentleman makes a very good point. We are absolutely talking about confidence in the industry—confidence for primary producers to invest in the sector and move their businesses forward, and confidence for the younger generation to get involved in the industry. He is absolutely right that the age of people running the industry is getting higher and higher, and we desperately need younger people to get into the industry.

Food security, which I have touched on, is so important to our country. Imports of overseas fruit and vegetables have increased by more than 650,000 tonnes in the past four years, and further decline in British food production will have serious consequences for food security and the farming sector. The GCA could have an important role in preventing supermarkets from exacerbating the problem.

Although the introduction of the GCA is to be welcomed, two years on it is clear that there is potential for the adjudicator to do so much more. The Government review will take place in only four months’ time. Can the Minister assure me and other Members here that details of the review will be published as early as possible? As I am sure she will agree, it is essential that the entire food sector has the opportunity to feed into the review, and the trade associations need time to present a strong submission. Can she assure me that submissions will be accepted from indirect suppliers, not just from direct suppliers who are currently under the GCA’s remit? Can she assure me, as the Prime Minister indicated to the House at the start of the year, that she will look at extending the adjudicator’s remit to help those right across the supply chain, including dairy farmers and fruit and vegetable producers?

A properly resourced GCA that has the right powers and acts proactively in the market has the potential to be a powerful source of fairness in a cut-throat industry.

Anything less would be a missed opportunity, and British food producers and, ultimately, the end consumer would be all the poorer for it.

Mr James Gray (in the Chair): Mr Shannon has inquired whether there is a time limit in this debate. There is no such time limit. None the less, I am keen to bring in the Chair of the Select Committee on Environment, Food and Rural Affairs in good time before the first of the three wind-ups. He might like to time his comments to allow that to occur.

5.9 pm

Jim Shannon (Strangford) (DUP): Thank you, Mr Gray; that is very helpful.

It is good to speak in this debate, and I thank the hon. Member for York Outer (*Julian Sturdy*) for giving us a chance to contribute. It is an issue for us in Northern Ireland, which is why—although my hon. Friend the Member for Upper Bann (*David Simpson*) is absent just now—we have three Members from Northern Ireland present. My hon. Friend the Member for Upper Bann and the hon. Member for South Down (*Ms Ritchie*) are members of the Environment, Food and Rural Affairs Committee so they have input into this issue as something that concerns them. I declare an interest as I chair the all-party parliamentary group for eggs, pigs and poultry. The APPG may dwell more on the issues of the laws that come from Europe, but one of the issues that came up at our launch just two weeks ago was that of fair prices. Although Members have referred to the dairy industry, many other sectors of agriculture and farming have problems with that as well.

It is nice to see the shadow Minister and the Minister in their places. We have been here together in debates on at least two different subjects—health and defence. We are now debating agriculture and the Groceries Code Adjudicator; the Minister has a wide interest.

Competition is a healthy part of society, contributing to economic growth, ensuring competitive prices and driving innovation, but sometimes the system that ensures competition is broken. Sometimes competition is not working as it should. That is a clear issue for us. With just four retailers taking 85% of the market, it is clear that competition in the groceries sector is not working. Farmers say that they are not getting their prices, they are working long hours and they are the ones getting squeezed. All the evidence indicates that that is the case. In order to break the domination and get competition working again, action is needed. Today is a welcome opportunity to discuss that potential action, and to ensure that we take action that works and does not have negative unintended consequences.

Recently across the country and across my largely rural constituency of Strangford, we have seen the impact of the abuse of purchasing power by major supermarkets. The major supermarkets are very important as they push out the product matter, but it is also important that they have local people to supply them. Many of those supermarkets claim, “We buy so much of our products locally.” It is okay to buy it locally, but they have to give the producer a fair price. Farmers are on the brink, with some even contemplating suicide—these are hard times—over the position they had been forced into by abusive monopolies. Unfair trading practices are referred to in the background notes. That is one of the issues.

Ms Ritchie: My constituency neighbour will know, as I do, that agricultural produce is critical to our local economy. In that vein, does he agree with me, and with the conclusion of the Ulster Farmers Union, that the Groceries Code Adjudicator should have more power to tackle unfair trading practices, particularly in the dairy sector but also in the red meat and vegetable sectors? That would have an impact on his constituency.

Jim Shannon: As always, I am pleased to have accepted an intervention. I note the hon. Lady's wise words, which outline very clearly the issues for my constituency and her constituency, in referring to the unfair trading practices.

We have to value the benefits of supermarkets, as I said earlier. The Competition Commission views the country's supermarkets as delivering

"a good deal for consumers".

However, the commission did warn about the impact on suppliers if current practices were to continue—that continuing to produce a quality product at a cheaper than cheap price is unsustainable. It said that

"the transfer of excessive risk and unexpected costs by grocery retailers to their suppliers through various supply chain practices if unchecked will have an adverse effect on investment and innovation in the supply chain, and ultimately on consumers."

In the background information sent to us by the National Farmers Union, there are three examples. Just last week on the TV—I think it was early on Tuesday morning last week—there was a clear illustration of this. A farmer, who I think was from Norfolk, was producing parsnips for Morrisons and had been doing so for years, but he was not getting his price and the company was continuously squeezing him. The problem for him was that it had got to a stage where it was unsustainable. Last week a TV programme carried the story. Morrisons had not replied over a six-week period. Ultimately, he was saying, "I cannot continue after years of the product being purchased at low profit." This had an impact on him, as he had young sons. He needed to ensure that everything for him was beneficial and cost-effective, but it was not. Whether it is Morrisons, the Co-op or Tesco, those issues need to be addressed. Action must be taken. Relevant powers need to be given to the new ombudsman or eventually to a body that takes responsibility for this issue.

The Competition Commission's proposed ombudsman would enforce compliance with the groceries supply code of practice. Perhaps the Minister could tell us about what extra powers the ombudsman will have to bring supermarkets into line and ensure that they do what they should do. We have to strike the right balance between addressing the abuses of purchasing power by monopolies and allowing legitimate businesses to operate with as little Government interference as possible. That is appropriate, given the serious detrimental impact to suppliers. As I have already outlined, the grocery retailers will be prohibited from making retrospective adjustments to terms and conditions of supply, which are issues that have a direct impact on them.

In conclusion, it is my understanding that the Groceries Code Adjudicator would not have to have, or seek to have, any role beyond what is necessary to monitor and enforce the code of practice. However, with the right approach, and with the teeth that Government can give it, we can, as the hon. Member for South Down and

others have said, make the change, make farmers more profitable and help them, as they produce a quality product that in many cases leads the world. They need that profit and that money to continue to be producers.

5.16 pm

Neil Parish (Tiverton and Honiton) (Con): It is great to serve under your chairmanship, Mr Gray. I thank my hon. Friend the Member for York Outer (Julian Sturdy) for securing the debate—in fact, he could be considered a young farmer in this day and age. It is great to see him here fighting the corner for agriculture as well as for his constituency. It is good to follow the hon. Member for Strangford (Jim Shannon). Northern Ireland has particular problems because it needs to export much of its food. All products—dairy, beef, lamb and poultry—are under pressure, so this debate is very timely. I will not go into the history of the adjudicator as my hon. Friend the Member for York Outer did that very well.

I am unashamedly going to make a speech that is pro-farming and pro-food production. We produce some of the best food in the world with some of the highest welfare standards, but that very often adds cost to the food we produce. We have massive retailers, which are very good for consumers. They can have a good war with each other and drive prices down, but as they drive the prices down, the suspicion is—it is not always the case—that the farmer and the processor pay for those low prices in the shop. If Tesco has a price war, the price comes down; I just wonder, for Wiseman or whoever supplies Tesco, whether the farmers are getting a good price from the Tesco direct milk contract. Are the processors then being squeezed? Are the other parts of that milk contract—cheese, butter and yoghurt—then being affected? All those things are appropriate and we need to look into them.

We want to produce more and more food in this country. We are becoming less self-sufficient every year, but we should be more self-sufficient every year. I have every faith in the Minister to ensure that we are more self-sufficient with food. The only way that will happen is if the farmer and the producer are paid a full price. The Groceries Code Adjudicator needs to be able to go into a retailer, whoever it might be—a bit like a spot check—and check that it is not using unfair practices to keep the commodity price or the price that is paid to the producer down. It could be milk, beef, lamb or perishable products. With perishable vegetables, the farmer or the grower is even more vulnerable because there is no way of storing much of that produce. Very often the large retailers know that and they will drive the price down until it is uneconomic to produce.

The Groceries Code Adjudicator has powers. She appears before the Select Committee next month, so we will be able to put these questions to her directly. Five members of the Select Committee are here this afternoon, which shows the importance we attach to this subject. Is the Groceries Code Adjudicator using her powers sufficiently? Is she resourced enough? I echo my hon. Friend the Member for York Outer in saying that I do not usually come to Westminster Hall to demand more bureaucracy and more money, but if we are to take on these massive retailers, which have billions of pounds-worth of trade, we need someone who is resourced enough to be able to go in and stand up to them.

[Neil Parish]

Few processors are feeding milk, beef, lamb and poultry into Tesco, Sainsbury's and Morrisons, or whoever it might be, so if there is a complaint, the retailer knows very well where it has come from. Suppliers are therefore not likely to make a complaint. Whistleblowers and people with a real complaint must be able to come forward and must be protected. If the big retailers are using their muscle unfairly, the Groceries Code Adjudicator should have the power to come down on them in an even heavier fashion, because 1% of the turnover of Tesco or Sainsbury's is quite a fine. Such a fine would send a message to the rest of the retailers that they need to behave properly.

Rebecca Pow: Will my hon. Friend give way?

Mr James Gray (in the Chair): Order. I am keen for the wind-ups to start, so the intervention should be very brief.

Rebecca Pow: We have heard much about the 25-year plan for the future of great British food and farming, not just for Taunton Deane, where I come from, but for the whole of Britain. Is it not important that we give the Groceries Code Adjudicator teeth, so that she can be part of that 25-year plan and help to enable everything that we want for our home-grown food?

Neil Parish: I could not agree more. Greater production in this country would mean that we do not have to import so much food. That would be good for our balance of payments, and it would be good not only for farmers but for our processing industry—all of this can help to build the industry. We are therefore looking forward to the Minister proposing greater powers and more resources for the Groceries Code Adjudicator so that she can look into more of these large retailers to ensure that the farmer, the grower and the processor gets a fair deal.

5.22 pm

Stuart Blair Donaldson (West Aberdeenshire and Kincardine) (SNP): It is a pleasure to serve under your chairmanship, Mr Gray. I congratulate the hon. Member for York Outer (Julian Sturdy) on securing this debate on an issue that is important to many of my constituents and to the constituents of Members on both sides of the House.

I am sure all Members would agree that the Groceries Code Adjudicator is well intentioned but its powers do not go far enough. In particular, it is insufficiently responsive to a failing supply chain. Earlier this year, the Scottish Government's Cabinet Secretary for Rural Affairs, Food and Environment, Richard Lochhead, wrote to the Secretary of State for Environment, Food and Rural Affairs stating:

"I have long been pressing the UK Government to widen the Groceries Code Adjudicator's remit and powers so that she can shine a spotlight on contracts between primary producers and processors, as well as processors and retailers."

In conjunction with that, Mr Lochhead has continued to press the milk prices crisis with the adjudicator. There has been huge volatility in dairy prices over the past two years, and no fewer than 19 Scottish dairy farmers have gone out of business this year. Dairy is the most visible area in which the GCA's current remit does

not go far enough. The GCA has no remit to investigate prices; it may investigate only the relationship between the largest supermarkets and their direct suppliers. The fact that the code extends only to retailers with a turnover of more than £1 billion and deals only with direct suppliers is unacceptably restrictive, as the vast majority of farmers supply the market through processors.

As very few dairy farmers sell direct to supermarkets, consideration should be given to extending the scope of the GCA's powers to provide a mechanism to tackle the problem. Dairy farmers who deal with large retailers often receive substantially less than the cost of production for their milk. Dairy producers cannot be expected to subsidise retailers in that way. It is not in the long-term interests of either our food security or our consumers to push dairy farmers out of business. That is why I echo the recommendation of the Environment, Food and Rural Affairs Committee's report on dairy prices that the Government should give urgent consideration to how the GCA's remit could be amended.

Expanding the role of the GCA would give it the powers that it should have, and indeed that many people already think it has. That is reinforced by the words of the adjudicator, Christine Tacon:

"I think very many farmers thought I was going to be there to get involved with price. I have been asked to get involved in the price of beef and milk and fleece. None of these can I get involved with: first, because I cannot get involved on price, and secondly they are very rarely direct suppliers themselves."

That restrictive remit seems to be hampering the work of the GCA. Ms Tacon has also said:

"I continue to spend a great deal of my time explaining the remit of the GCA. This has hampered my ability to pursue important work that is within my remit.... The continued misrepresentation of my role is of great concern to me and I am keen to resolve this issue swiftly."

I suggest that expanding the GCA's remit would help to resolve that issue.

As has been mentioned, the GCA must have the power to initiate her own investigations, rather than only being able to act on complaints as is currently the case; and she should be able to do so at any time. The GCA also needs to be given a role to look at the whole supply chain, rather than only being able to investigate direct supply contracts. That would finally bring the vast majority of farm produce into her remit. Finally, she should be able to investigate and report on the balance of pricing throughout the supply chain. That will bring transparency and help farmers and others in their negotiations with the retailers. Farmers across the UK are vital contributors to the rural economy and to the sustainability of our nation. They deserve a better deal and fairer pricing. I urge the Government to consider the points raised in this debate and broaden the remit of the Groceries Code Adjudicator.

5.26 pm

Bill Esterson (Sefton Central) (Lab): I add my congratulations to the hon. Member for York Outer (Julian Sturdy) on securing this debate. It has been a remarkable debate because we have had unanimity across multiple parties. I am fascinated to hear how the Minister will deal with the overwhelming demand for improvement in the remit of the Groceries Code Adjudicator that has been clearly expressed by all Members who have spoken today. I can only agree with many of their comments.

The Groceries Code Adjudicator was set up by an Act of Parliament in 2013 following complaints by suppliers, smaller retailers and commentators about unfairness in retailing. A code of practice was introduced in 2001 and in 2008 the then Competition Commission recommended the creation of a statutory body to oversee and enforce a strengthened code. The Labour Government launched a consultation in February 2010, and the coalition Government responded by announcing plans for an adjudicator to enforce the groceries supply code of practice.

Many people raised concerns at the time about the watering-down of the role from the recommended ombudsman to an adjudicator, and those comments have been echoed by a number of Members today. It is perhaps no surprise that we have returned to that point because, as the hon. Gentleman said, an adjudicator working three days a week with a team of five will struggle to look after 300,000-plus suppliers in the retail supply chain. The expectations go way beyond the adjudicator's ability to deliver.

Major retailers operate in a very competitive market. To gain market share, the supermarkets loss-lead milk, bread and other products and they have promotions on many individual lines. When retailers cut prices, the question can arise of who pays and what the knock-on effect will be—a point made well by the Chair of the Select Committee, the hon. Member for Tiverton and Honiton (Neil Parish). Retailing runs on tight margins, so the pressure to cut costs in the supply chain is understandable. Ensuring that such pressure does not unfairly affect suppliers is a key responsibility of the adjudicator. There is a voluntary code of conduct in the dairy industry, and the Competition and Markets Authority also has responsibility to help smaller suppliers.

To be fair, since the Groceries Code Adjudicator was set up the number of suppliers saying that they have problems with retailers has fallen. The adjudicator says that she believes that being in post has on its own acted as a deterrent, and that the existence of the office has alone made a difference. However, many suppliers still say that they are unfairly treated by large retailers.

We have heard about anonymous complaints and suppliers' concerns about retribution if they are identified. Again, the Chair of the Select Committee made the strong point that it is all too easy to identify who a complainant might be. The adjudicator has said that a lack of trust is a barrier to suppliers who might have complaints. Suppliers all want the ability to raise concerns free from the fear of reprisals. I am sure that the Minister would agree that minimising the danger of retaliation by retailers is essential if the adjudicator is to be effective. When she responds to this debate, will she comment on the adjudicator's inability to investigate where there is a possibility that a complainant's identity might become known to the retailer, and how she might improve how that aspect of the adjudicator's role is carried out? The way the adjudicator is set up acknowledges that particular problem without solving it.

According to the Department for Business, Innovation and Skills, there are 7,000 direct suppliers, all of which are covered by the adjudicator, and a further 300,000-plus indirect suppliers, which are not. That issue has arisen again and again in this debate, and Members want it to be addressed, as those smaller suppliers are excluded from the remit of the Groceries Code Adjudicator.

The adjudicator has made it clear that she has a small office and spends much of her time explaining what she can and cannot do. She has also made it clear that she cannot possibly cover the 300,000 suppliers in the supply chain, unless of course the scale of operations is dramatically altered, as is being demanded in this debate.

The Government said in their response to the previous Government's consultation that they wanted to act in consumers' long-term interest. I am sure that all of us agree with that now, when the adjudicator has been in post for some years, but the reality is that a system where there is quarterly reporting to the stock market and a very short-term approach, and where management are judged on short-term results, either quarterly or annually, leads to actions that can have drastic effects on suppliers throughout the supply chain. Short-term actions can also have long-term consequences. If producers are unable to stay in business due to unfair business practices by major retailers, main suppliers or both, we may lose good producers. If we lose good producers of quality goods, consumers will ultimately lose out.

The Chair of the Select Committee made the point that we have some of the finest food and standards in the world, and we want to retain those, but if our short-term actions threaten them, consumers will lose out in the end, which is no good to anyone. If the actions of retailers lead through the supply chain to that end, retailers will lose choice as well, thus losing out themselves. It is in nobody's interest for such things not to be sorted out.

I will not go into the issue of dairy pricing in too much depth, other than to say that it is a particularly important issue. Only 3% of dairy suppliers supply direct to supermarkets, so there is a special case to be made. There is also a special case to be made for supporting the dairy industry in the longer term. In fact, the Secretary of State spoke in January of doing all that she could to ensure resilience in the dairy sector. If only the same vote of confidence and support had been given to the steel industry, I am sure that steelworkers would feel much better. *[Interruption.]* The Minister waves me away with that dismissive air she does so badly.

Glyn Davies (Montgomeryshire) (Con): You should have a response to that.

Bill Esterson: I am sure that the Minister will have a response.

In conclusion, what is needed in the sector is a level playing field that benefits consumers, suppliers and retailers in the long term. The Minister should ensure that the adjudicator and others, including Ministers, intervene in the short term to ensure long-term success. The adjudicator review is due in March. I hope, as I am sure do all Members who have spoken, that when the review is concluded, changes will be made that address the concerns raised here and by those in the supply chain on behalf of business and consumers. I look forward to hearing her response.

5.35 pm

The Minister for Small Business, Industry and Enterprise (Anna Soubry): It is, as ever, a pleasure to serve under your chairmanship, Mr Gray. I sat through some of the previous debate and was looking forward to this one on the basis that my job would not be as difficult as that of

[Anna Soubry]

the Minister in that one. I fear that I was mistaken. As you have heard, Mr Gray, everybody has ganged up on me. [HON. MEMBERS: “Aww.”] I am not complaining particularly, because I think I have robust rebuttals to some of what has been said.

Given that, as ever, I have 10 minutes, the usual rules will apply. My hon. Friend—he is my hon. Friend—the Member for Strangford (Jim Shannon) will know my rules, which are that if I do not answer any questions or points raised by hon. Members from whatever party, they will of course receive an answer in a letter. It is always good to say that, because I can simply put off the more difficult ones to another time by putting the answers into a letter.

Being serious, and with great respect to everyone who has spoken—particularly my hon. Friend the Member for York Outer (Julian Sturdy), whom I congratulate on securing this debate—I think that there are some fundamental misunderstandings about the Groceries Code Adjudicator. I will be even more controversial, and a little churlish, by saying that I am sure that the adjudicator is looking forward to appearing before my hon. Friend the Member for Tiverton and Honiton (Neil Parish) and his Committee. Clearly, nobody else here has met Christine Tacon. I have had the great pleasure of meeting her. She is a lady who takes no prisoners, and she is forthright not only in her views but in defence of the great work that she does. She is a formidable player, and in her we have an excellent first adjudicator.

I point out the following facts. The Groceries Code Adjudicator and her team are funded wholly by a levy on the 10 designated retailers, as outlined by my hon. Friend the Member for York Outer. The total levy for 2015-16 has been set at £1.1 million, but the important point is this: the adjudicator decides for herself what her resource requirements will be for each year, based on her assessment of forthcoming work. They are approved by the Department for Business, Innovation and Skills, and then the amount is levied on the retailers. She is very much in charge.

I was looking at the Groceries Code Adjudicator website only today. I noted that in her report published today on her work over the last three months, she says, for example, that she has just appointed a new compliance officer. I urge hon. Members to read her three-monthly report to see the great advances that she is making. There is also scope to bring in additional resource if required, for example to help with investigation work. The adjudicator is satisfied that she has adequate resources and with the process for agreeing those resources with BIS. She has made that clear. It is up to her: if she is not satisfied, or thinks that she does not have enough, she can say so. If we agree, and there is no reason why we would not, she can increase the levy on those supermarkets. She has those powers.

The adjudicator also has powers to initiate her own investigations where she has reasonable grounds to suspect a breach of the code. That can be based on, but is not restricted to, information from direct and indirect suppliers, whistleblowers and the public domain. I argue that despite the complaints made by some, she has the ability to take complaints from other sources. In addition, it is clear from the Groceries Code Adjudicator Act 2013

and the guidance that the investigation threshold is determined by the adjudicator herself, which means she can be proactive in her approach.

Neil Parish: The point I was making was not so much about whether the adjudicator is able to take these complaints but that those who are making the complaints are too identifiable by the big retailers and therefore are not prepared to come forward.

Anna Soubry: I have a rebuttal for that somewhere, because I am told that regarding whistleblowers—the clue is in the title, I suggest—the adjudicator has a statutory duty to protect confidentiality. That addresses the fear factor among suppliers. Also, the National Farmers Union has a scheme that allows suppliers to make anonymous reports of code breaches via an online form on its own website. The NFU is exactly the type of third party that can take up a complaint on behalf of somebody in the manner that my hon. Friend would like. I thank my officials for that information.

Several hon. Members rose—

Anna Soubry: I will get a barrage now, having shot a few foxes.

Chris Davies: I thank the Minister for giving way. May I say, very briefly, that the collective discussion we have had and the collective request we have made are not about making a complaint against the adjudicator? It is just that her powers do not go far enough.

Anna Soubry: I will deal with that one as well, if I may, because I am reliably informed that the problem for the adjudicator is that, as has been identified, she has no power to address matters falling outside the code, for the following reasons. First, the Government cannot change the code. As hon. Members have made clear in their speeches about the history of the formation of the Groceries Code Adjudicator, the code came about from the work of the Competition and Markets Authority, arising from an investigation that it conducted into competition. Forgive me for saying so, but once again the clue is in the name and the history: it was all about unfair competition. I must say to the hon. Member for West Aberdeenshire and Kincardine (Stuart Blair Donaldson) that it was never about pricing. If there are to be changes to the code, they can only be made by the CMA.

Also, with great respect to everybody, the 2013 Act was passed by a previous Parliament; it was what Parliament decided. The Government could give the adjudicator additional statutory duties outside the code, but that would involve amending primary legislation and it would have to be debated in Parliament. There is nothing wrong with that, but just so everybody understands: new legislation would be needed.

Ms Ritchie: As part of such a review, would the Minister consider allowing the adjudicator more freedom within legislation to launch investigations on her own initiative?

Anna Soubry: The adjudicator already does that, as I have said, but it must be within the terms of the code, and those terms do not include pricing. I have huge amounts of sympathy for the dairy industry—in fact, I think it is important that I say that my mother's family

were dairy farmers and my partner is a non-executive director of Morrisons. I just want to put all my background on the table, so to speak, in case anyone listening to or reading this debate queries my own background. As everyone here knows, I am my own woman; nobody influences me—and some would complain about that. Of course, I always listen to hon. Members and the very good arguments that they make, but I am my own woman, whatever my family's interests may be. Although I am very sympathetic to the plight of the dairy farmers, the Groceries Code Adjudicator is not the way to fix the problem.

Steel has been mentioned, but the problem with the steel industry is very much the same as the problem with the milk industry at the moment: there is a flood of cheap steel and a flood of cheap milk, and that is why prices have fallen. And of course, as everybody knows, when we make the case in whatever part of the agriculture sector it might be and we complain about tumbling prices and the problems that they create for our wonderful British farmers and their excellent products, the problem is that it means we go against the interests of many of our constituents and the other people who buy food at low prices. Of course, if prices were to rise for the farmer, the person who would pay the extra money is

the consumer. And full credit to those supermarkets that have said, "We are going to put more money on, because we want to support our dairy farmers."

Sadly the clock is against me, but it is really important that everybody realises that the Groceries Code Adjudicator's remit cannot be extended without primary legislation, which would mean going into a very different area. It was certainly thought at the time the adjudicator was established that this was the right route to go down.

I apologise that I have not been able to deal with all the excellent points that have been made, but I assure you, Mr Gray, that, as has been asked of me, we will publish details of the review. I look forward to Christine Tacon, who is excellent, giving evidence to the Environment, Food and Rural Affairs Committee, which can make a full inquiry into her work.

Question put and agreed to.

Resolved,

That this House has considered the role and powers of the Groceries Code Adjudicator.

5.45 pm

Sitting adjourned.

Written Statements

Tuesday 17 November 2015

COMMUNITIES AND LOCAL GOVERNMENT

Devolution

The Secretary of State for Communities and Local Government (Greg Clark): I am pleased to inform the House that the Government have reached devolution agreements with local authorities in the Liverpool city region and in the west midlands. These agreements are another significant step in the Government's ambition for the northern powerhouse and midlands engine respectively.

Both agreements will give local leaders far-reaching new powers and enable voters in each region to directly elect Mayors in 2017, who will take on new powers over local transport budgets, adult skills funding, and strategic planning.

The deals also include local control over investment funds for the next 30 years, which will help realise the economic potential of each area.

As part of the agreement, the new, directly elected Mayors of the Liverpool city region and west midlands will act as chair of their respective combined authorities and will exercise the following powers and functions devolved from Ministers in central Government:

- Responsibility for devolved and consolidated transport budgets, with multi-year settlements to be agreed at the spending review.

- Responsibility for franchised bus services, which will support the combined authorities' delivery of smart and integrated ticketing across the city regions.

- Powers over strategic planning.

The Mayors will also have the option, on the basis of support from local business, to raise business rates. Further details will be set out following the spending review through a place-based settlement.

The Liverpool city region combined authority and west midlands combined authority will, working with their Mayors, receive the following powers:

- Control of multi-million pound investment allocations over 30 years, to realise the economic potential of their local areas as well as maximise the opportunities from HS2.

- Greater control over local skills provision including control over the 19+ adult skills funding from 2018-19.

- Joint responsibility with Government to co-design employment support for the harder-to-help claimants.

- More effective joint working with UKTI to boost trade and investment.

- Develop and implement a devolved approach to the delivery of national business support programmes from 2017.

Liverpool city region's deal will build on the success of international festival for business 2014 and international festival for business 2016, and Liverpool city region and the Government, and in particular UKTI and the GREAT Britain campaign, will continue engagement to establish international festival for business Liverpool as a vital feature of the international business calendar in 2018 and 2020.

As part of the west midlands devolution deal, the Government will support the combined authority shadow board's HS2 growth strategy, and will approve the business case for a significant extension of the enterprise zone at Curzon Street.

Local enterprise partnerships have played a key role in the negotiation of these agreements. The Government welcome and support co-operation between businesses and local government, and will work with both areas to ensure that devolution supports both the public and private sectors to deliver strong, sustainable local growth.

These agreements mark the next step in an ongoing process to devolve funding, responsibilities and powers from central Government to the Liverpool city region and west midlands. I look forward to both areas continuing to hold discussions with Government in the future, to build upon today's agreements.

Copies of both agreements will be placed in the Library of the House.

[HCWS308]

FOREIGN AND COMMONWEALTH OFFICE

Syria: Conflict, Stability and Security Fund

The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond): It is the normal practice when a Government Department proposes to make a gift of a value exceeding £300,000, for the Department concerned to present to the House of Commons a minute giving particulars of the gift and explaining the circumstances, and to refrain from making the gift until 14 parliamentary sitting days after the issue of the minute, except in cases of special urgency.

There is an urgent strategic and operational need to provide the gift outlined in this statement at the earliest possible opportunity. It has therefore not been possible to conform to the normal notification period for this gift. As a result, the window for parliamentary objections to this gift has been reduced to 10 parliamentary sitting days.

The Government's priority for Syria is to seek an end to the conflict through an inclusive political settlement by bolstering those who have a moderate and unified vision for the country and by putting pressure on the regime and its backers, and on ISIL, while alleviating human suffering through the provision of humanitarian aid. An important line of effort in achieving this strategy is the provision of non-lethal assistance to carefully vetted members of the Syrian moderate armed opposition.

This minute sets out the Foreign and Commonwealth Office's (FCO) plans to deliver two packages of support to the Southern Front of the moderate armed opposition in Syria through our conflict, security and stability fund (CSSF): a medical and a border force project.

The Southern Front is a coalition of moderate armed opposition groups operating in the south of Syria. They have had recent successes on the ground and provide a real, moderate alternative to extremists. The provision of non-lethal aid to moderate groups can directly increase their effectiveness and resilience. Ensuring that moderate armed groups are logistically self-reliant and able to

provide for the welfare of their constituents can directly increase their legitimacy and help to prevent extremist groups from poaching fighters. Accordingly, we plan to provide training and non-lethal equipment to vetted members of the Southern Front, in order to significantly improve their casualty evacuation capabilities, and their capacity to control and defend a defined section of the Syrian-Jordanian border.

As part of these two projects, the FCO plans to gift equipment to the Southern Front to the value of £2.05 million, funded by the CSSF. The proposed list of equipment includes medical supplies for a rear trauma facility and ambulance units, generators, 4x4 vehicles, communications equipment, observation cameras and binoculars, uniforms and other logistical equipment such as tents. There are some controlled items in this package, which have been assessed against the consolidated EU and national arms export licensing criteria. These include radios designed to use encryption, observation cameras with thermal imaging technology, chargers and a low grade of protective vests. The total budget for these two projects has been set at £5 million, which also includes the costs of training.

Equipment will be procured through two carefully selected implementing partners, with whom HMG has worked previously. It will be delivered to vetted members of the Southern Front at a regional training site, after the completion of certain training modules, including training on human rights and the law of armed conflict. HMG closely monitors the situation on the ground in Syria, and has long-established links with members of the Southern Front. All recipients are carefully selected to ensure that they are not involved in extremist activity or human rights abuses. We will monitor these projects closely, halting support if we believe the equipment is being misused.

The Treasury has approved the proposal in principle and, given the urgency involved, has agreed to the proposal to reduce the period for parliamentary scrutiny. If, during the period of 10 parliamentary sitting days beginning on the date on which this minute was laid before the House of Commons, a Member signifies an objection by giving notice of a parliamentary question or a motion relating to the minute, or by otherwise raising the matter in the House, final approval of the gift will be withheld pending an examination of the objection.

[HCWS310]

HOME DEPARTMENT

Justice and Home Affairs Council

The Secretary of State for the Home Department (Mrs Theresa May): On 9 November, I attended the extraordinary meeting of the Justice and Home Affairs (JHA) Council in Brussels. The meeting was convened by the Luxembourg presidency in response to the ongoing European migration crisis. The discussion focused on continuing efforts to manage migration pressures, including those at the external EU border, and efforts to improve the effectiveness of the migration “hotspots” in Italy and Greece. The Council also discussed the implementation of relocation measures, in which the UK is not participating.

The presidency urged member states to deliver on the pledges made at previous JHA Councils to support those frontline member states experiencing the most pressure. The UK is contributing substantial practical assistance in this regard.

The Council conclusions agreed emphasised the need to implement the measures already approved, and the need to include tougher language on addressing non-compliance with asylum processes. I pressed for the conclusions to clearly state that genuine asylum seekers must claim asylum at the first point of entry and that illegal migrants not in need of protection must be swiftly returned. I welcomed tougher language on combating abuse, especially in light of the great expense faced by member states in processing those not in need of protection. And I made clear that member states need to use detention as necessary in order to prevent secondary movement by those refusing to comply with asylum processes at the external border.

I also made clear that the EU is seeing an unprecedented interaction between organised crime and migration—and that there will continue to be serious security implications as long as the EU’s external border controls fail to be properly enforced. I encouraged the Council to think about how information can be shared to ensure the UK can get access to the intelligence we need, and can take the decisions that keep us safe. I stressed the need for reciprocal access to key data between Schengen and non-Schengen countries and for better use of the information we have, not just for managing migration but also to ensure security.

I argued that the EU must also pay more attention to managing secondary movements. This should include recognising the significant impact of applications for family reunification and reducing the scope for abuse of free movement rights. It cannot be right that, following the Metock judgment, third country nationals illegally present in the EU could avoid return through EU law on free movement.

The presidency announced the activation of the integrated political crisis response (IPCR) mechanism, which will produce regular analysis of information provided by member states, facilitating a joint response to the current crisis. I confirmed that the UK would continue to respond quickly to requests under the EU’s civil protection mechanism, as well as working directly with non-governmental organisations and the UN High Commission for Refugees (UNHCR).

I made clear that the Government see resettlement as an essential element in a comprehensive response to the crisis. Taking those in need of protection directly from the region under national schemes should remain the preferred approach. The UK is making good progress towards our aim to resettle 20,000 people by the end of this Parliament and we have teams working with UNHCR to identify the most vulnerable genuine refugees for our national programme.

The Council remained split on whether to take forward the Commission’s proposal for a permanent crisis relocation mechanism. The Council conclusions undertake to examine pending legislative proposals on this matter. The Government do not support relocation as it is the wrong response to the migratory pressures the EU faces. It undermines the important principle that asylum should be claimed in the first safe country and does not address the causes of illegal migration.

[HCWS311]

TRANSPORT

Hazardous and Noxious Substances (Opt-in Position)

The Parliamentary Under-Secretary of State for Transport (Mr Robert Goodwill): The Government have decided to opt-in to the proposed Council decision on the ratification and accession by member states, in the interest of the union, to the protocol of 2010 to the international convention on liability and compensation for damage in connection with the carriage of Hazardous and Noxious Substances (HNS) by sea, with regard to aspects related to judicial co-operation in civil matters.

The 1996 international convention on liability and compensation for damage in connection with the carriage of Hazardous and Noxious Substances by sea ('the 1996 HNS convention') was agreed by the International Maritime Organization (IMO) to fill a gap in international law on the treatment of HNS at sea. A 2002 Council decision agreed that EU member states would take the necessary steps to ratify the 1996 HNS convention within a reasonable time and, if possible, before 30 June 2006. Despite this, due to the concerns that many EU member states, including the UK, had over the 1996 HNS convention, none of them ratified it and it has never been brought into force.

The 2010 HNS protocol consolidates the 1996 HNS convention and amends it to address concerns with the initial agreement. However, the 2010 HNS protocol

created new concerns and made the implementation process complex. As a result, no state has yet ratified the 2010 HNS protocol, and although some would like to do so, in practice none are likely to until the outstanding concerns with the convention are resolved in the International Maritime Organization, and unless the convention comes into force in other countries simultaneously (it will not enter into force until it has been ratified by at least 12 countries with enough contributing cargo).

The Commission has proposed two Council decisions, one relating to matters of judicial co-operation in civil matters and one with the exception of matters related to judicial co-operation in civil matters. These decisions, when combined, lift any barriers within EU legislation that were preventing EU member states from ratifying the 2010 HNS protocol and so EU member states will now be able to ratify if they wish to do so.

The Government took the view in this instance that UK interests would be best served by opting-in to the proposed decision that deals with "aspects related to judicial co-operation in civil matters", as this would retain the UK's ability to fully ratify the HNS protocol, and the removal of any binding deadline from the proposal has the effect of maintaining the UK's current flexibility to be able to ratify and accede to the HNS protocol if and when we are ready to do so.

[HCWS309]

Petition

Tuesday 17 November 2015

OBSERVATIONS

WOMEN AND EQUALITIES

Muslim burial services in Birmingham

The petition of residents of the Birmingham Hodge Hill constituency,

Declares that there are too often delays in allowing burials within 24 hours in Birmingham; further that other cities have much better facilities; further that Birmingham has one of Britain's biggest Muslim communities and therefore should have better services; and further that a local petition on this matter was signed by 1,572 individuals.

The petitioners therefore request that the House of Commons urges the Government to improve burial services in Birmingham, including providing 24/7 access to coroners and health professionals who can certify and register deaths, access to MRI scanners to expedite post mortem procedures where necessary and a review of rising burial costs in Birmingham with a view to reducing charges.

And the Petitioners remain, etc.—[Presented by Liam Byrne, *Official Report*, 16 September 2015; Vol. 599, c. 1156.]

[P001544]

Observations from The Parliamentary Under-Secretary for Women, Equalities and Family Justice (Caroline Dinenage): The Government have the following observations to make:

Coroners are a local service funded by the relevant local authority, with coroner's officers in the main provided by the police.

The Ministry of Justice has responsibility for coroner law and policy, however, and successive Justice Ministers have worked with the Chief Coroner to improve coroner services generally. The Secretary of State for Justice and I have met representatives of the Muslim and Jewish communities and are sympathetic to the concerns they have expressed.

We are committed to making sure bereaved people are at the very heart of the coroner system. Coroners understand and should be sensitive to the fact that some faiths have religious or cultural wishes about burial following a death, and should always seek to take these wishes into account. On 15 October we launched a post implementation review of the coroner reforms implemented in 2013 and we look forward to receiving responses from interested stakeholders and

members of the public, including views on the availability of out-of-hours services. The review is open until 10 December 2015 and is available here: <https://www.consult.justice.gov.uk/digital-communications/post-implementation-review-of-coroner-reforms>.

Under coroner legislation coroners are required to be available at all times to address matters relating to an investigation into a death which must be dealt with immediately and cannot wait until the next day. In practice, this is limited to matters relating to homicides, mass fatalities and organ and tissue donation. Furthermore, the provision of an out of hours service, particularly at weekends, requires the availability not only of coroner's officers but pathologists, mortuary staff and registrars, none of whom are under the coroner's control.

The Chief Coroner issued guidance to coroners in May 2014 on their legal duties to deal with urgent matters out-of-hours.

A post-mortem examination may be conducted to assist the coroner in establishing the cause of death and the coroner may specify the kind of examination to be made. In some cases it may be possible to establish a cause of death by way of a less invasive examination (such as computed tomography (CT) or magnetic resonance imaging (MRI) scanning). Sometimes a less invasive PM provides the answer to the medical cause of death. Where it does not, there will still have to be an invasive post mortem.

The Chief Coroner has issued guidance to coroners encouraging the use of CT or other imaging where available and urging them to bear in mind the wishes of the bereaved family where possible.

Recently I met representatives of those responsible for providing coroner services, namely local authorities and the Police, to discuss the provision of an appropriate level of out-of-hours coroner service across London. Some coroner areas in London and in other cities are already providing an out-of-hours service and we see no reason why this should not be replicated elsewhere.

I would emphasise that our intention is to improve coroner services generally. The availability of an out-of-hours service will benefit the whole community, not just those of a particular faith.

The Birmingham and Solihull Senior Coroner has informed the Ministry of Justice that she has provided an out-of-hours service in her area since she took up post in November 2013. Her offices are open between 10 a.m. and 12 noon at weekends and bank holidays when orders to enable bodies to be taken out of the UK for burial (or cremation) abroad are issued.

Burial services are provided on a local basis, mainly by local authorities but also privately. Government policy is to enable local authorities to make their own funding decisions based on local needs as local areas are best placed to commission services which affect local people.

ORAL ANSWERS

Tuesday 17 November 2015

	<i>Col. No.</i>		<i>Col. No.</i>
HEALTH	499	HEALTH—continued	
Car Parking Costs.....	505	Hepatitis C Infection (Winter Fuel Payments)	514
Clinical Outcomes.....	507	Junior Doctors (New Contract)	509
Diagnostic Testing (Primary Care).....	502	Learning Disabilities and Autism	499
Full Hospital Services.....	500	Non-hospital Care	514
Genetic Problems (Children).....	511	Psychological Therapies.....	512
Genomics England.....	508	Suicide Rates.....	503
Health Problems (Poverty)	512	Topical Questions	515

WRITTEN STATEMENTS

Tuesday 17 November 2015

	<i>Col. No.</i>		<i>Col. No.</i>
COMMUNITIES AND LOCAL GOVERNMENT .	11WS	HOME DEPARTMENT	13WS
Devolution	11WS	Justice and Home Affairs Council.....	13WS
FOREIGN AND COMMONWEALTH OFFICE	12WS	TRANSPORT	15WS
Syria: Conflict, Stability and Security Fund.....	12WS	Hazardous and Noxious Substances (Opt-in Position).....	15WS

PETITION

Tuesday 17 November 2015

	<i>Col. No.</i>
WOMEN AND EQUALITIES	3P
Muslim burial services in Birmingham	3P

No proofs of the Daily Reports can be supplied. Corrections which Members suggest for the Bound Volume should be clearly marked in the Daily Report, but not telephoned, and *the copy containing the Corrections must be received at the Editor's Room, House of Commons,*

**not later than
Tuesday 24 November 2015**

STRICT ADHERENCE TO THIS ARRANGEMENT GREATLY FACILITATES THE
PROMPT PUBLICATION OF THE VOLUMES

Members may obtain excerpts of their Speeches from the Official Report (within one month from the date of publication), on application to the Stationery Office, c/o the Editor of the Official Report, House of Commons, from whom the terms and conditions of reprinting may be ascertained. Application forms are available at the Vote Office.

PRICES AND SUBSCRIPTION RATES

DAILY PARTS

Single copies:

Commons, £5; Lords, £4.

Annual subscriptions:

Commons, £865; Lords, £600.

LORDS VOLUME INDEX obtainable on standing order only. Details available on request.

BOUND VOLUMES OF DEBATES are issued periodically during the session.

Single copies:

Commons, £65 (£105 for a two-volume edition); Lords, £60 (£100 for a two-volume edition).

Standing orders will be accepted.

THE INDEX to each Bound Volume of House of Commons Debates is published separately at £9.00 and can be supplied to standing order.

All prices are inclusive of postage

CONTENTS

Tuesday 17 November 2015

Oral Answers to Questions [Col. 499] [see index inside back page]
Secretary of State for Health

G20 and Paris Attacks [Col. 521]
Statement—(Prime Minister)

House of Lords (Parliamentary Standards Etc) Bill [Col. 552]
Motion for leave to bring in Bill—(Sir Edward Leigh)—agreed to
Bill presented, and read the First time

Cities and Local Government Devolution Bill [Lords] [Col. 555]
Further considered in Committee

Michelin Factory: Ballymena [Col. 644]
Debate on motion for Adjournment

Westminster Hall
Reserve Forces [Col. 85WH]
M56 (Junctions 12 to 14) [Col. 108WH]
Guaranteed Income for Retirees [Col. 117WH]
Court Charges (Access to Justice) [Col. 138WH]
Groceries Code Adjudicator [Col. 146WH]
General Debates

Written Statements [Col. 11WS]

Petition [Col. 3P]
Observations

Written Answers to Questions [The written answers can now be found at <http://www.parliament.uk/writtenanswers>]
